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AT THE WHITE HOUSE

WITH RON NESSEN

AT 11:53 A.M. EST

OCTOBER 31, 1975

FRIDAY

MR. NESSEN: Let me give you a few details of the Jacksonville trip. This is kind of a rough outline. It is not complete, but we will get the detailed schedule to you in plenty of time.

The President will leave the White House -- this is a tentative schedule -- tentatively at 9:10 or 9:15 Sunday morning and leave Andrews at 9:35. He will arrive at the Jacksonville Naval Air Station in Jacksonville at 11:15. He will then go to a boat dock, where he will board a motorlaunch and take a motorlaunch to a place called Epping Forest. It is a 20-minute ride..

Epping Forest is the place where Sadat is staying. It is a private residence that has been borrowed for the day.

Q     What is it? An island? What is it?

Q     Will there be a pool launch?

Q     Do you know what home that is?

MR. NESSEN: It is the home of a gentleman named Ray Mason.

Q     Does he make jars, or what? (Laughter)

MR. NESSEN: He makes oil. (Laughter)

Q     Isn't he staying there the whole weekend? You said borrowed for the day.

MR. NESSEN: I am sorry, borrowed for his visit to Jacksonville.

Q     Is it an island, or what?

MR. NESSEN: It says the St. John's Riverside Estate of Mr. and Mrs. Ray Mason. We will find out what the topography is.

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The first event, after the President arrives, will be a working lunch at that residence, which will last for two hours. Then the President will go by motorcade to a nearby home, which he is borrowing, and I don't have the name of the person who owns that home yet.

Then he will have about an hour and a half to himself, part of which will be taken up with a television taping. He has been requested to take part in an interview with a group of stations in Florida. It is for release Monday night, so you will have plenty of time to handle it, but we will have a transcript available.

Then Sadat comes to his house, and they will have an hour and a half meeting there, beginning at 4 o'clock in the afternoon. After that, the President has another hour and a half of free time before going to a dinner, which is hosted by Governor Askew of Florida at the San Jose Country Club, which is quite near where the President is staying.

Q What time is that?

MR. NESSEN: The President leaves his residence at 7:20 and gets to the place at 7:25 and dinner begins at 7:30. There is a little informal mingling, and the actual sitting down is at eight o'clock.

There will be press pools for all of these events, incidentally, if I didn't mention it.

The dinner concludes at 9:30 and the President departs at 9:50. President Sadat departs first, I should say, at 9:50, and President Ford leaves almost immediately after that for an 18-minute drive to the Jacksonville Naval Air Station.

Air Force One departs the Jacksonville Naval Air Station at 10:15, arrives at Andrews at 11:15 and arrives back on the South Lawn at ten minutes after midnight.

Q Sadat is attending this dinner, and will there be remarks by the two?

MR. NESSEN: There will not be remarks. There will be a toast by Governor Askew, who is the host. According to the schedule, no responses are planned.

Q Ron, will Kissinger be present during these meetings?

MR. NESSEN: I anticipate he will.

Q Will Sadat be present at that dinner?

MR. NESSEN: Yes.

Q At the Askew dinner, too?

MR. NESSEN: Yes.

Q Will he see him at Camp David before he goes?

MR. NESSEN: No.

Q Where will the bulk of the press be? Won't they be in the city?

Q Can you say, if they are not going to meet at Camp David, will there be another meeting after this?

MR. NESSEN: I would anticipate there would be another opportunity for them to meet before President Sadat leaves, and that would be here at the White House.

Q Does that mean there will not be a communique issued in Florida?

MR. NESSEN: I can't say one way or the other, Jim.

Q Here at the White House, when?

MR. NESSEN: Probably next week, about the middle of next week before Sadat leaves.

Q This has to do with the travel of President Sadat. I am wondering if there is any truth in the report President Sadat is seeing Dr. DeBakey in Houston?

MR. NESSEN: I have no idea.

Q What is the name of that river? Is it the St. John's River, where he will make his 20-minute boat ride?

MR. NESSEN: The estate is described as being the St. John's Riverside Estate, so I guess that means it is on the side of the St. John's River, but we are checking.

Q Will Kissinger be there?

MR. NESSEN: Yes.

Q But he won't boat back?

MR. NESSEN: No, which would lead you to believe it is not an island.

Q Ron, how many people at the dinner? Is it a small dinner or big dinner?

MR. NESSEN: I don't have a guest list yet on the dinner.

Q Is it 100 people or 20?

MR. NESSEN: I don't know at this point.

Q Is it \$100 or \$500?

MR. NESSEN: This is a free one.

Q Who is paying for it?

MR. NESSEN: Governor Askew.

Q The State of Florida is paying for it?

MR. NESSEN: Governor Askew is the host.

Q Is it to honor Sadat or the President?

Q Ron, does the President consider this in any way a political trip?

MR. NESSEN: No.

Q Why is he taking the interview?

MR. NESSEN: Because he was asked to and he decided to accept it.

Q Is there any chance at all for a joint appearance with the two Presidents with the press, as they did it in Salzburg?

MR. NESSEN: It is not on the schedule.

Q What time does the working lunch start Sunday?

MR. NESSEN: The working lunch starts at 12:05.

Q Will Sadat see President Ford on Wednesday?

MR. NESSEN: That sounds like a very possible day.

Last night, some people asked me about a story that the New York Daily News ran, which was in response to a remark that the President made in his San Francisco speech yesterday, saying the reconstruction was not a Federal bailout, it was a local undertaking.

Then the New York Daily News ran a story saying, indeed, there was almost no peacetime precedent for Federal aid in 1906, but Congress appropriated aid to help San Francisco make up for the estimated \$500 million in losses sustained in the earthquake and three days of fire afterwards.

As historians are wont to note, a former New York Governor, a Republican very unpopular with his party's conservative wing, and once a Vice President, was in the White House. President Theodore Roosevelt signed the act of Congress.

I don't think the New York Daily News is quite on the nose with that. It is somewhat ambiguously worded. But the fact is there was no Federal aid to rebuild San Francisco. There were three pieces of legislation passed by Congress following the earthquake of 1906.

One was a Deficiency Appropriations Act for \$601,717 to rebuild Federal buildings in San Francisco. There was also, on April 19, 1906, an appropriation of \$1 million to the Secretary of War for subsistence and quartermaster supplies.

There was another appropriation of \$1.5 million on April 24, 1906, to the Secretary of War for subsistence and quartermaster supplies.

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Q What were those supplies used for?

MR. NESSEN: I am just getting to that.

On Page 5660 of the Congressional Record for April 21, 1906, you have a letter from the Secretary of War, Mr. William Howard Taft, to the President of the Senate -- President of the House--Presiding Officer of the House, in which he outlines the fact that the Army had rushed supplies to San Francisco in the form of wall tents, conical tents, hospital tents and storage tents for 100,000 people, 100,000 blankets, 7500 mattresses, 15,000 bed sacks and 9,000 cots, medical supplies, 5 carloads of medical supplies from St. Louis and 900,000 rations.

Then he goes on to explain that these supplies were taken from the normal Army stocks, some of them stored at the Presidio and that also a good number of military supplies were destroyed by the earthquake. Commissary stores of \$150,000 were destroyed and had to be replaced, quartermaster stores of \$2,914,072 were destroyed and medical supplies of \$357, 319 were destroyed by the earthquake and had to be replenished.

Then there was a letter from Teddy Roosevelt to the Senate and House of Representatives dated May 3, 1906, in which he talks about a good deal of aid that has been given by foreign countries and -- wait, that is not the letter.

Q What kind of aid did they give?

MR. NESSEN: The President said that he was turning down this aid from foreign countries because he didn't think it was appropriate because so many Americans were giving generously that he decided not to accept the foreign aid.

Q Ron, when the President raised that parallel yesterday in San Francisco, even the San Francisco audience laughed thinking it was a joke. Does the President think there is a serious parallel between New York City and what happened in San Francisco at the turn of the century?

MR. NESSEN: I don't know what you mean by a serious parallel.

Q Does he think they are comparable situations, that the lessons of what happened in San Francisco can now apply to New York City? Did he mean that as an example of how a city can respond for New York City now? Was he serious in using those as parallel situations?

MR. NESSEN: I think he used it in the sense of two cities facing extreme adversity and how they dealt with it and what the Federal role was in it.

Q It wasn't exactly a local operation from the figures you have given us then?

MR. NESSEN: Let me quote the Teddy Roosevelt letter I intended to quote. It is from President Roosevelt to the Senate and House on April 21, 1906, and he talks about the appalling catastrophe that has befallen San Francisco and neighboring cities and he urged that Congress appropriate the sum of a million dollars as recommended by the Secretary of War, that that appropriation be raised to a million and a half dollars -- "The supplies already delivered or en route for San Francisco approximate in value a million and a half dollars which is more than we have the authority in law as yet to purchase. Large sums are being raised by private subscriptions and very generous offers have been made to assist us by individuals in other countries, which requests, however, I have refused as in my judgment there is no need for assistance outside our own borders," and so forth.

Anyway, the point is the money he asked for was to provide the kind of immediate emergency help like blankets, food, cots and medical supplies and also to replenish the military supplies which were stored there and had been destroyed and were there for, among other reasons, for use by the American forces in the Philippines, and so forth.

Anyhow, my only point is I was asked about this last night and did look into it and find that if the New York Daily News was suggesting there had been some sort of large Federal effort to rebuild San Francisco, there wasn't and what the President said yesterday in terms of the city rebuilding itself is correct.

Q Apart from the fact they are both cities, what are the comparable conditions?

MR. NESSEN: As I said, Tom, he was using it to show two cities in adversity, one of which solved its own problems of rebuilding and the other cities whose officials are saying they can't and need Federal help.

Q Was the President aware of this degree of Federal help, even though it isn't rebuilding, it is supplies and --

MR. NESSEN: This material was pulled together by the speechwriting shop and that is how I got it this morning, and by Agnes Waldron of the Research Office, and was available at the time the speech was written.

Q Was the President aware of it?

MR. NESSEN: Of all these citations from the Congressional Record?

Q No, of the fact that San Francisco did in fact receive some emergency aid at the time of the fire?

MR. NESSEN: The researchers that wrote his speech were and he has confidence in his researchers.

Q Why didn't he pick the Los Angeles earthquake which is slightly more contemporary?

MR. NESSEN: I don't know.

Q If he was aware of it, why did he deliberately distort the situation?

MR. NESSEN: That is what I am trying to say today, I don't think there was a deliberate distortion and there was no distortion as far as I can tell.

Q In his text he said there was no Federal bail out. This is Federal aid.

MR. NESSEN: Just a second, the quote was the reconstruction was not a Federal bail out, it was a local undertaking, which is correct.

Q If you read the entire paragraph, he talks about San Franciscans taking care of themselves.

MR. NESSEN: "Next year marks the 70th anniversary of the San Francisco fires. San Francisco passed the ultimate test of the recuperative power of an American city, local courage and local determination prevailed. The reconstruction was not a Federal bail out, it was a local undertaking."

Q Does the President think putting San Francisco in the first place and then replacing San Francisco in an earthquake zone was a glaring piece of mismanagement?  
(Laughter)



MR. NESSEN: I think we are probably taking up too much time with this but I did want to answer the questions that came up last night about the New York Daily News.

Let me fill you in a little on the Jacksonville Press Center. It is at the Deerwood Country Club and so is the President's residence at the Deerwood Country Club, so you will be close to where the President is staying.

There will be another press area set up at the San Jose Country Club where the dinner is being held but I am told by Pappy Noel that filing facilities there will be somewhat limited.

Q Did you give us a check-in time? I didn't hear it.

MR. NESSEN: No, the specific details are still being put together.

Q Do you have a rough idea?

MR. NESSEN: Let me get the specifics. It will probably be somewhere around 8:00 to 8:15.

Q Is Mr. Packard in or out, Ron?

MR. NESSEN: I am told that Mr. Packard has indicated he wants to resign his position as Chairman of the Finance Committee but has expressed an interest in continuing to be of assistance.

Q But not as a financial -- not in the duties he was performing?

MR. NESSEN: He indicated his desire to resign the position he holds now.

Q Does this indicate his displeasure with the way Bo Callaway is handling the --

MR. NESSEN: John, I am sorry, I won't be able to say anything further on this subject today.

Q What do you mean indicated when he sent a letter of resignation to the President? That isn't an indication, that is a fact, isn't it?

MR. NESSEN: That is an indication.

Q Are you saying the President doesn't want to accept it? What are you saying? He has resigned.

MR. NESSEN: He indicated his desire to resign this position.

Q Do you have copies of the letter, Ron?

MR. NESSEN: Not yet.

Q Has the resignation been accepted?

MR. NESSEN: All I really have to say is Packard indicated his desire to resign this position.

Q When did he get the letter?

MR. NESSEN: I don't have a date on the letter.

Q Was it this week?

MR. NESSEN: I don't have a date.

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Q Are you saying the letter is not a letter of resignation, or that it is?

MR. NESSEN: It is a letter indicating his desire to resign that position.

Q Does it indicate a desire to take another position?

MR. NESSEN: I can't give you anything further on it today.

Q You said not yet. Do you expect to have them out later today?

MR. NESSEN: Not today, but I would expect as time goes by we would have more to tell you.

Q What other reasons can you give for his wanting to resign?

MR. NESSEN: Dave, I just have nothing more to tell you about this.

Q Is the President talking with Mr. Packard today?

MR. NESSEN: He is not on the schedule.

Q Has he talked to him sometime since the letter was received, or before the letter, or about this? Has the only communication been the letter or did they talk about this?

MR. NESSEN: He has not been in to see the President. They may have talked by telephone.

Q You don't know?

MR. NESSEN: No.

Q Did he see him in California?

MR. NESSEN: I understand his wife was at the lunch in San Francisco, and the dinner in Los Angeles, but Mr. Packard was not there. He had other engagements that he was attending.

Q Why can't you give us a copy of the letter?

MR. NESSEN: For one thing, it hasn't been responded to yet.

Q Has he talked to Callaway?

MR. NESSEN: Who?

Q The President.

MR. NESSEN: He talks to him weekly.

Q About this?

MR. NESSEN: They are private conversations, which I don't sit in on, so I don't know what the subjects are.

Q Can you find out the date of the letter?

MR. NESSEN: Yes, I will. That is being checked now, Jim.

Q Is he still weighing it in some way or trying to figure out what else he can -- the reason I ask is the San Francisco Chronicle had a line in its story on the Packard resignation that Packard might go over to the Reagan camp. Is there any indication of that?

MR. NESSEN: No.

Q Can you give us any indication as to when the announcement will be made on the timing and the itinerary of the Presidential trip to China?

MR. NESSEN: I can't give you any indication of when that will be.

Q Last time you were up there, Ron, you said you would check on the Family of Man Award, accepted by four previous Presidents, and he is due to be awarded it on Thursday night by the Council of Churches. Will he accept it?

MR. NESSEN: Mrs. Ford will accept it.

Q Did the President have anything to say about the call for a boycott of it or the people awarding it, their statement about his statements on New York? Did he have any reaction to that?

MR. NESSEN: No.

Q What is the President's reaction to the Senate Banking Committee's vote yesterday on the Federal loan guarantees measure?

MR. NESSEN: I think he told you his views in his speech at the Press Club the other day.

Q So, he doesn't have anything further?

MR. NESSEN: No.

Q Ron, talking about the New York City situation, I think Senator Stevenson suggested the Ford plan opens the door for much greater Federal involvement in New York City in the long run than does the Congressional approach and that President Ford is guaranteeing city services even in the face of a possible policemen's or firemen's strike.

MR. NESSEN: There would be no need for Federal aid, the President believes, after a default, if there is a default, under his plan.

Q Why not?

MR. NESSEN: Because the city and State and, if there is a default, whoever the court -- whatever judge is overseeing the default, if there is one, would have authority to approve or disapprove New York City's plans for continuing its essential services and eventually paying its debts and, with State help, the city would not need any Federal help to continue its essential services.

Q Ron, when do you plan to send the specifics of this legislation to the Hill?

MR. NESSEN: It went the other day, at noon on the day he made his speech.

Q Who is going to sponsor it?

MR. NESSEN: Burdick and Hruska.

Q On what basis does the President now believe it may have been a mistake to give assistance to Lockheed?

MR. NESSEN: I haven't talked to him in great detail about it, Jim. I haven't explored his reasoning on that.

Q Ron, are you aware of the fact that other White House officials are saying that after default, after bankruptcy, there may indeed be a need for Federal aid for those essential services?

MR. NESSEN: Peter, if New York City refuses-- if there is a bankruptcy and New York City refuses to do what it can do to continue to support its own essential services, or if it submits a plan that is unacceptable to the Federal judge, as the President said, the Federal Government would work with the court to assure the essential services.

The point is, one, there is still time for New York City to avert default; second, if it does default and this plan takes effect, there is the money in the city and State to provide the essential services and eventually pay off the debt without Federal help.

Q Therefore, you do not rule out Federal relief for the policemen and firemen of New York City if it comes?

MR. NESSEN: I would only stick to what the President said, which is we would work with the court, if the city refused to do what it can do, to maintain the services.

Q Have you been asked about the Senate Banking Committee estimating it will cost the Federal Government \$3 billion the first year to carry out the President's plan?

MR. NESSEN: Peter, the President's belief is that there is no need for any Federal money before or after bankruptcy, if there is a bankruptcy. The money is there.

Q Ron, can we interpret your statements that "we would work with the courts," the President would send troops in to do police duty and fire duty?

MR. NESSEN: I wouldn't interpret it that way, Saul. Look at all the steps you would have to get through to get to even that point.

First of all, New York City would have to default, and the President doesn't believe it needs to. Then, if it does default, this plan would go into effect. Then the President is confident that the money is there in the city and State to maintain the essential services and the court would have the authority to oversee or approve a plan to do that.

Now, if the city refuses to do what it can do, that situation could arise, and at that time, the President would see what was needed.

Q Ron, at that point, does that mean if Federal funds were needed the President might agree to supply them?

MR. NESSEN: He said what he meant to say in the speech, Phil, and it is all these other things that can and should happen before that point that will prevent the need for Federal funds.

Q What you are saying here today, Ron, is it or is it not intended to firmly rule out Federal funds if the need should arise?

MR. NESSEN: It is really intended only to stick to exactly what the President said, but to elaborate to the extent of saying that the money is there. The President and his staff who deal with economic affairs in New York City are confident that the money is there after default or before default.

Q What he said was then that if the judge --

MR. NESSEN: The money is there in New York City and New York State.

Q If the judge says they need money, they will get it?

MR. NESSEN: The President doesn't believe that it is needed because he believes the city and State can pay for the essential services.

Q The President said he would work with the judge, with the courts.

MR. NESSEN: If the city refuses to do all these other things it has the ability to do.

Q Does the President believe that setting a precedent of allowing a bankruptcy proceeding to delay payment of money owed to municipal bondholders, or perhaps not paying them at all, would be healthy for the municipal bond market?

MR. NESSEN: I don't know why you say not paid at all. The record of municipal bankruptcies going back to the depression is that all or virtually all of the creditors have been paid 100 cents on the dollar. You are saying what effect would this have on the municipal bond market, that this is essentially your question.

The answer is that whatever effect it is going to have--Wall Street discounts things ahead of time and this apparently has been discounted. The cities and States, and other units of Government which would sell bonds, are being scrutinized more carefully now as a result of the New York experience, and those municipalities, like Fairfax County or States like Maryland which have well-managed budgets, are getting lower interest rates. In fact, the national average of interest rates for municipal bonds is down for the past three weeks. So, in essence the answer is no.

Q Ron, what about the --

MR. NESSEN: I forgot what the question was.  
(Laughter)

Q This goes to whether or not this would be something true, a new situation, that the market has not discounted.

MR. NESSEN: There have been municipal bankruptcies all through the years, Jim, and a lot of them during the depression. The cities that are well-managed are going to get lower interest rates. The cities that are not managing their fiscal affairs as well as they should, this will be a prod to them to do so so that they will continue to get low interest rates.

John?

Q Ron, does the President's reference to this New York City problem at the California party or dinner, and other occasions and previous political occasions, indicate that he regards this as a politically useful issue?

MR. NESSEN: John, we always get a lot of questions here about is that issue political or is this issue political, and political is used in a kind of perjorative sense, as if politics is a dirty word.

Politics is the way we choose and rate the people who lead the country. There is nothing dirty about politics; it is our system.

Now, politics simply means that a leader does what he thinks is --

Q There is nothing dirty about politics, did I get that right?

MR. NESSEN: I am saying that some of the questions seem to suggest that there is a feeling that politics is a perjorative word, and it is not a perjorative word. It is the system by which we choose our leaders.

Every issue, a President or whoever the leader is does what he thinks is best for the country, and what he thinks reflects the desires of the country, and then he is judged by his record and either continued or rejected.

That is true of the New York City issue and of all the issues the President faces. In a sense, every issue is political, John, because it is part of a politician's record by which he is later judged and either turned out of office or kept in office, so I see nothing shameful or perjorative about the word politics. That is the way the system works.



Q I don't say the word is shameful, dirty or perjorative.

MR. NESSEN: I think sometimes the word is used here in a perjorative sense, but it is an issue on which the American people will decide whether they are pleased with the way he is managing this matter and other matters, and in that sense it is political.

Q Ron, I would like to ask, if the President is going to Boston on Friday, why is it he is not going to stop in New York Friday to pick up this award, unless he doesn't want to appear in New York City at this time, or is there some other previous engagement? Is there anything else that would keep him from accepting like the other Presidents?

I think Mrs. Ford is a great ambassador, but on the other hand, is there some other engagement? I am just quite curious.

MR. NESSEN: This is the schedule, Les.

Q There is no conflicting engagement?

Q Ron, let me try the question I had previously another way. You say no Federal money would be needed to maintain services in New York --

MR. NESSEN: Correct.

Q -- in the event of a default or in the event of the avoiding of default.

MR. NESSEN: Correct.

Q If the court becomes the mayor and council of New York --

MR. NESSEN: They legally can't. Constitutionally, a court cannot take over the political management of any jurisdiction.

Q The financial management of a jurisdiction?

MR. NESSEN: They sit in judgment of it, but they don't actually run it because you can't, constitutionally.

Q Let's assume New York refuses to provide police services.

MR. NESSEN: Why would they refuse?

Q It was your word, you said if they refuse to give or if they are unable to do what the court says they should do. Then we would work with the courts to see that essential services are maintained.

MR. NESSEN: That is what the President said the other day, that is what he meant.

Q How would that word come, do you have any idea?

MR. NESSEN: Saul, again you have to go through that whole string of things where New York refuses to do what it can do, and if you should reach that point, the President would then have to see what is needed and what the situation would be.

Q Ron, has the President received from the New York authorities, as he did from Louisville, warning that his appearance there might endanger his security?

MR. NESSEN: Not that I am aware of.

Q Question?

MR. NESSEN: Phil wanted to know if the President had received any kind of notification as he did with the Louisville stop that the Sheriff down there said he couldn't guarantee the safety of the community or the President and had he received such notification from New York, and the answer is no. You heard what he said the other day at the Press Club and certainly some of the mail coming in here reflects the idea that some people in New York City support the President.

Q How about Boston, did the Sheriff of Boston make any --

MR. NESSEN: I am not sure they have a Sheriff.

Q -- or any police officials?

MR. NESSEN: I haven't heard of any.

Q Ron, did I understand you to say in response to John's question that the President considers it appropriate to treat the New York City issue as an element of his political campaign?

MR. NESSEN: No, that is not what I said. What I said is that every decision or action that a President takes is part of his record and he runs on that record, and in that sense his decisions are political but he is doing what he thinks is right for the country.

Q He does not think it is appropriate to be a part of a political campaign?

MR. NESSEN: I think it will probably be one of the parts of his record which is judged, which is what politics is.

Q Ron, has the White House received telegrams, telephone calls, expressing a judgment on the President's speech for the Press Club?

MR. NESSEN: Well, I checked yesterday, which was really on a very light response at that point as of 9 o'clock yesterday morning. It was about three to one in favor of the President's position as stated in the speech.

Counting the letters and telegrams over a longer period from October 2, as of yesterday morning it was about 5,000 in favor of the President and about 3,000 opposed with most of the 3,000 coming from New York City.

Q The President, in his speech, proposed something new, which was bankruptcy --

MR. NESSEN: On that specific proposal, the response was about three to one in favor of it but at a very early stage, and you know, like numbers of about 160 in favor and 50 against, that is the magnitude of it.

Q There is no way of knowing the geographic location of that count?

MR. NESSEN: I didn't check this morning. Maybe Larry wants to go and do it now.

Why don't you get me some updated numbers.

Q Ron, what is the President's reaction to Governor Carey's call for the people of New York City to demonstrate in the streets to show their displeasure?

MR. NESSEN: Well, you know that and some of the strong language that Governor Carey has used, this doesn't really seem to be a matter that lends itself to name-calling or street demonstrations. The President considers it a very serious matter, has treated it that way, and really the better way to do it would be to settle down and deal with the problem instead of calling names or calling people into the streets.

Fran.

Q I want to go back to the question of why the President isn't going to New York. Is there something else on his schedule or what was the reason for the decision?

MR. NESSEN: It was just decided that was one trip he wouldn't make.

Q Why not?

MR. NESSEN: I don't have a particular reason to give you.

Q Do you have a schedule for that trip?

MR. NESSEN: Mrs. Ford's schedule?

Q No, Mr. Ford's schedule.

MR. NESSEN: For Boston?

Q Yes.

MR. NESSEN: It is Springfield in the afternoon for a meeting with the New England Society of Educators, another speech in New England in the afternoon which I don't have to give you at the moment and a Republican fund raiser in Boston in the evening.

Q Ron, on the speech to the Press Club, the President mentioned as essential services, I think, police and fire protection and also some medical emergency services but schools were not covered. What is the situation with schools in this kind of --

MR. NESSEN: I am not sure that list was meant to be all inclusive of essential services and I don't know that anybody here has sat down and made a list of what is essential and what is non-essential. In fact, I know it has not been made because I asked the same question myself.

Q At this point we don't know whether schools will continue to function in this bankruptcy proposal?

MR. NESSEN: That obviously is a decision for New York City to make.

Q If they go into bankruptcy it isn't, is it?

MR. NESSEN: It is for the city and the court to decide.

Q The Federal court has to decide and then the President is going to help the court. My question is --

MR. NESSEN: The President is going to help the court if New York City doesn't do what it can do itself.

Let me back up on that one. The President, as he said in his speech -- well, you know what he said in the speech.

Q I think the question he is asking is whether anyone has given any thought as to whether schools are an essential service.

MR. NESSEN: I have checked as to whether there is a list of what would be considered essential services here, that work has not been done.

Q So we don't know whether schools are essential or not at the White House?

MR. NESSEN: I don't think the school has been addressed, Bob. It is just something that hasn't been done here.

Q I raised the question privately here three days ago and it seems to me in three days somebody at the White House would have thought about whether schools are essential to the function of a major community. You are saying it has not been addressed?

MR. NESSEN: He has not addressed that at this point.

Q The President mentioned the court could issue, under his plan, debt certificates.

MR. NESSEN: Yes.

Q Is there any thought being given here, since the Big Mac certificates have not exactly been selling like hotcakes, and the question has been raised as to who would buy them --

MR. NESSEN: Or hamburgers either. (Laughter)

Q Is there any thought given here to the Federal Government buying debt certificates?

MR. NESSEN: There are no plans to.

Q Ron, does the President have a plan to call Mayor Beame and Governor Carey in here and tell them what he thinks they can do to straighten this mess out and avoid some of this "you can do it" and in response he gets a lot of name-calling?

MR. NESSEN: No, there is no plan because it is not an appropriate role for the Federal Government to tell the city and State how to do it. Members of the President's staff who deal with economics and New York City are convinced it can be done. They have convinced themselves. They have done the necessary work to know it can be done.

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Q There is no way for the Federal Government appropriately to transmit that work to the City of New York?

MR. NESSEN: It is not considered to be appropriate because it should be easy for them to figure out.

Q Ron, the President said in his Press Club speech about holding the elected officials of New York City responsible for ten years of mismanagement, also there is the link he cited between the city and State.

Does he in any way hold Governor Rockefeller, Vice President Rockefeller responsible?

MR. NESSEN: I think he was asked that in the Metromedia interview and he gave his view on it.

Q Ron, how does the President feel about the action against his nomination of Mr. Coors, and does he have another candidate?

MR. NESSEN: The Coors nomination was tabled, as I understand it, and the President is going to study the matter and decide what to do about it.

Q Ron, would he welcome Senator Mathias getting into the race against him?

MR. NESSEN: I didn't talk to him about it, frankly.

Q Do you have a date on the Packard letter?

MR. NESSEN: No, I haven't been able to get it yet.

Q Does the President still maintain total confidence in Bo Callaway as his campaign manager?

MR. NESSEN: He certainly does.

Q Does he think his committee is doing well, in view of the disruptions, resignations?

MR. NESSEN: I would suggest that independent assessments be made by you. The feeling is that the committee is doing very well, well organized, well on the way to spreading the organization. In many places, the organization is ahead of where previous candidates have been at this stage, so rather than accepting a kind of common wisdom that everything is all fouled up over there, you ought to go take a look yourself and make that judgment because that is the judgment here.

Q Ron, is the President concerned that a number of his political advisers and political friends don't agree with him about Callaway, they think Callaway is doing a lousy job. Is he concerned about that?

MR. NESSEN: I have not heard that.

Q How does he feel about the financial progress the committee is making?

MR. NESSEN: You will have to check with them over there. I don't keep that over here.

Q You talk about it is well ahead of your other committees. Do you mean it is doing better now than CREEP was at this stage? (Laughter)

MR. NESSEN: Regarding the phone calls, let me check out these numbers. They don't jibe with yesterday's numbers.

Q Ron, you gave a fairly strong endorsement of how the President's election committee is working, but Mr. Packard, who handles the finances, resigned apparently because he couldn't seem to raise money. How does the President feel about the way the financial side of this effort is going?

MR. NESSEN: Are you sure that is why he indicated his desire to resign?

Q I am sure of what the report was. I haven't seen the letter. In any case, I am asking, the question is, is he satisfied with the way the financial side of this effort is going?

MR. NESSEN: Yes, he is.

Q Why did he resign, if you know why he didn't?

MR. NESSEN: I am just not prepared to talk any further about it, that letter.

Q Are you disputing the suggestion that was why he resigned?

MR. NESSEN: I just am not going to be able to say anything further, Jim.

Q Ron, doesn't this raise this to a great mountain of mystery over this? Doesn't this kind of indicate there is something vastly wrong? We have had two principal resignations, and you won't tell us. You show us letters of resignation all the time, Ron. Why not this one?



MR. NESSEN: If you have any questions about how they are organized, you ought to go over there and make your assessments. I have told you what the assessment is here.

Q Might the President decide not to accept the resignation if he suspected that Mr. Packard would then proceed to the Reagan camp?

MR. NESSEN: I said earlier that that is not in sight.

Q Do you mean the Reagan committee or as a rejection of the attempt to resign?

MR. NESSEN: In terms of Mr. Packard going to the Reagan committee?

Q Has Mr. Packard told you he is not going to the Reagan committee?

MR. NESSEN: It seems to me when I said he has indicated a desire to resign from this position but has expressed an interest in continuing to be of assistance, I don't see how you can be of assistance to the PFC if you are working for Reagan.

THE PRESS: Thank you.

END (AT 12:38 P.M. EST)