

This Copy For \_\_\_\_\_

N E W S C O N F E R E N C E

#421

---

AT THE WHITE HOUSE

WITH RON NESSEN

AT 11:45 A.M. EST

JANUARY 22, 1976

THURSDAY

MR. NESSEN: The President met this morning for an interview with seven editors of New Hampshire newspapers. I think it was eight daily newspapers and one representative of all the weekly newspapers. He had been invited by a number of these editors separately to take part in the interview and it was decided to instead invite all the New Hampshire editors down for one interview.

Q Was Loeb there?

MR. NESSEN: Loeb was invited and declined to come or send a representative.

The transcript will be up as soon as we can get it typed -- sometime this afternoon -- which should just about coincide with the publication up there, so we will get that for you later today.

Q Is there a release time, or as soon as we get it?

MR. NESSEN: Immediate release.

Q Were these weeklies?

MR. NESSEN: There was one weekly editor who represented all the weeklies in the State plus the editor of all the dailies except the Manchester Union Leader.

Q Is that all the dailies?

MR. NESSEN: There are eight other dailies, and one representative of all the weeklies. Three of the dailies are kind of a little chain so there was one man representing three dailies.

Q Why don't you just give us the names of the papers they represent?

MR. NESSEN: Out loud or in print? (Laughter)

MORE

#421

Q How many people were actually there?

MR. NESSEN: Seven.

Q While we are on that subject, last week you told us Time Magazine had a session with him that was, I believe you said, off the record.

MR. NESSEN: Right.

Q There was liberal use of it in the magazine.

MR. NESSEN: Or conservative use of it, either.

Q Considerable use.

MR. NESSEN: What happened was that Time came back and said they would like to put it on the record and the President went through it and said that some of the portions he preferred to have off the record, but the others he then said "okay, go ahead and use," and that is what happened.

The rest of the schedule, I think, you have that. No additions to the schedule. The updated mail count still does not really amount to a lot of response. If you combine the mail and the telegrams and the phone calls now, it comes out to -- this is on the State of the Union -- 241 in favor; 66 against; 36 various comments. That was as of about five minutes ago.

The situation in Lebanon -- the President is being kept closely informed on the situation there, both the military situation and the efforts of the Syrian delegation to arrange and supervise the cease-fire. We do hope that the current efforts to arrange the cease-fire will facilitate an end of the fighting and the restoration of peace. As we have said all along, all the parties of that area could help most by encouraging the Lebanese to reach a solution of their own problems through a political solution rather than a military solution.

The United States does continue to work through all the diplomatic channels available to see what it can do and to encourage others to do what they can to ameliorate the situation in Lebanon through a political settlement rather than a military settlement. We are concerned for the welfare of the Lebanese people and we do hope that these current efforts result in a cease-fire settlement ending the fighting.

Q Ron, on Lebanon, did Shamun's requests for American intervention reach the White House?

MR. NESSEN: No, they have not, and in fact they have not reached any member of the American Government, if there was indeed such a call. As I said yesterday, the UN Ambassador of Lebanon says he knows of no such call.

On the Saturday physical examination, we don't have the precise plans as yet, but, briefly, the President would be leaving here about 7:30 and going out to Bethesda where the tests of various kinds would last until approximately 11:15, when he would come back here. I have been talking to Bill Lukash and have not yet worked out precisely how and when and in what form and so forth information will be released, but as the week goes on we will get that organized.

Q What are his reservations?

MR. NESSEN: I think maybe a lot of you have talked to Bill, and it is not a reservation that he has had just recently. It is a reservation he had in fact going back to, I guess, my first week here which was when Mrs. Ford was ill. He has very strong feelings about the relationship between a doctor and a patient and the confidentiality of that relationship. I don't mean to speak for Bill, but I know he feels that things that he says about the President and the kinds of tests he was given, the results of the tests and so forth, in his view, really amount to a confidential relationship with his patient.

MORE

#421

Q He is not being paid by the President, he is being paid by the American taxpayers, and this view certainly does not apply to the White House.

MR. NESSEN: I don't agree. You know the President is on record as committed to updating the medical records that were made public at the time of his confirmation hearing, so there is no longer an argument about whether they will or they won't. It is a question of the form and the department and so forth, and we will work that out.

Q Ron, will he come out here and let us throw questions at him?

MR. NESSEN: At the moment, he is inclined to do that, that is correct.

Q Saturday?

MR. NESSEN: The question is whether to wait until all the lab tests and so forth get back the first part of the following week or whether to do some of it on Saturday and finish up later when the lab tests are back.

Q Ron, when will Mrs. Ford have her next complete physical?

MR. NESSEN: I don't know what the timetable is on that, Tom. I can check it for you, or Sheila Weidenfeld can get it for you.

Q I remember, Ron, having a very extensive interview on the record with the President when he was Vice President, and he told me virtually everything I wanted to know.

MR. NESSEN: As I say, the commitment is made to do it, so there is no argument about that.

Q Ron, there is no doubt we will get something on the President's health after that examination Saturday?

MR. NESSEN: That is right.

Q We hope we will get the whole picture.

MR. NESSEN: In order to get the whole picture, it may require waiting until the lab tests come back.

I don't have anything else to cough up here.

Q Ron, yesterday you made reference to the President's deep concern about the leaking and the Pike Committee and so forth. I am wondering if the President has had any similar concern about the Congressional committee, the Intelligence Committee cover-up of the identity of Mrs. Exner? Has he?

MR. NESSEN: Let's get on with some serious stuff here.

Q Ron, could you give me an answer? Has he had any concern about that, Ron?

MR. NESSEN: Do we have anything to deal with this morning in a serious way?

Q Ron, can we find out exactly what time to get here Saturday for the economic report?

MR. NESSEN: The handouts of the economic report, noon on Saturday.

Q Is that firm or is it target time?

MR. NESSEN: I think this document is well along.

MR. CARLSON: It is as firm as anything can be in the Government.

Q What does the President hear from Dr. Kissinger?

MR. NESSEN: He has gotten very full reports from Dr. Kissinger. The talks in Moscow are sort of in midstream, and I think I better not go into the details, but I can tell you he has gotten complete reports.

Q Is the United States -- that is to say, is Secretary Kissinger -- attempting to achieve a bargain or a trade or whatever you want to call it, which would consist of an agreement on SALT in exchange for Russian withdrawal from Angola?

MR. NESSEN: Jim, I don't think it is really going to be helpful to get into the negotiations while they are going on, from here. I know Dr. Kissinger and his party are making all the information they can available in Moscow, and I think that is the proper place for it.

Q These stories appeared in the papers and they were stories from Moscow. Can we assume these stories accurately reflect the American positions?

MR. NESSEN: I don't want to give a blanket endorsement of all the stories.

Q I am talking about the one in the Washington Post.

MR. NESSEN: I have not had enough time to sit down and read it.

Q You have not read that story?

MR. NESSEN: In full.

Q Are you familiar with it?

MR. NESSEN: Yes, I am familiar with it.

Q Then, does it accurately reflect the American position?

MR. NESSEN: I am not going to second-guess what the Kissinger party is saying in Moscow.

Q Did he watch Senator Muskie last night?

MR. NESSEN: No, he did not.

Q Why?

MR. NESSEN: Because he was at the theater.

Q Does he have a report on it?

MR. NESSEN: He had a transcript on his desk this morning.

Q Any response; any comments?

MR. NESSEN: I would say this. The President himself does not have any really particular reaction to the Muskie speech. The White House does not really have any official reaction to the speech. I would say that the staff people who watched it here last night -- and I stayed here and watched it -- and the ones I talked to this morning really sort of welcome Senator Muskie's obvious embrace of many of the basic principles that the President has enunciated and has believed in for a long time.

You have all seen the speech, where Senator Muskie said, "It is clear one of the most frightening economic results of recent years is inflation. Wasteful Government spending, inefficiency and ineffective programs are burdens taxpayers ought not to be asked to carry. Our job is to decide on a ceiling on spending and a floor under taxes for each year. We need to set an economic policy for the country and ration dollars" --

Q Ron, we heard Muskie's speech. Do you have anything to add?

MR. NESSEN: I was asked what specifically was I referring to, and I thought I might answer the question.

Q Go ahead.

MR. NESSEN: Would you care to hear?

Q I do.

MR. NESSEN: Talking about the new Congressional budget process, he talked about the use of the information to put spending priorities more in line with real needs and to work out programs which cost too much or produce too little.

"We need another spending reform to make sure Federal money we spend is effectively used. We should question the most basic assumptions of every program. Any programs not doing the job or duplicating a better-run program should be eliminated.

"We have learned that we can't solve our problems by simply throwing Federal dollars at them. We must pursue the hard detailed job of evaluating Federal spending in each and every area of the budget. We must buy only what we need and at the lowest cost possible."

I guess he concludes by borrowing the President's own words, and saying, "We cannot go back to the old days. We must be ready to change old ways to meet new needs and present realities."

He talked about evaluating the President's proposals with an open mind and where they make sense, adopting them; not fearing change, but facing up to the new realities.

So, that is not the President's reaction or official White House reaction, but it is a view that many in the White House have, that Senator Muskie has clearly embraced many of the basic principles that the President expressed.

Q So does it follow, these same people regard Senator Muskie's speech as a responsible speech?

MR. NESSEN: I don't know exactly what you mean.

Q Let me be more specific.

MR. NESSEN: As opposed to?

Q As opposed to an irresponsible one. Do they also approve of his statement that the President's policy is penny-wise and pound-foolish?

MR. NESSEN: Peter, clearly everybody here does not agree with everything in Senator Muskie's speech nor does he agree with everything in the President's speech.

Q I wonder why the President did not have an opinion on Senator Muskie's speech?

MR. NESSEN: Because the President has laid out his program --

Q Does he not like to comment on anybody else? He gets a lot of comment when he makes speeches.

Q Ron, did the White House check on how many of these programs Muskie has supported in Congress?

MR. NESSEN: No, but staff people have thought about this and talked about it this morning, the problems that Muskie is talking about and agreeing with the President on, seemingly of evaluating each and every program, of eliminating inflation and putting a ceiling on spending in the Government. He did not sort of make the final loop which is that the Democratic Congress over the past year has not followed the precepts that Senator Muskie laid down last night as his.

Q Ron, you mentioned in passing the new Congressional budget procedures -- is it correct that the President is now willing to wait for those procedures to take their normal course, that is the first target resolution being passed in May and the second and final binding one being passed in November?

MR. NESSEN: It does not require the President's approval or disapproval. That is the process.

Q The reason I asked that is because a month or two ago he was insisting they pass a spending ceiling even before seeing his new budget and now the sense of urgency about that seems so to have passed.



MR. NESSEN: No, I don't think you can read his State of the Union or his budget and think the urgency of holding the spending to \$394.2 billion is lessened in any way.

Q But he is not demanding now that they go on record with a spending ceiling.

MR. NESSEN: As you know, a compromise was worked out in which Congress made the moral commitment to reduce Government spending by a dollar for every additional dollar of tax cut.

Q And he is satisfied with that and is not going to ask anything beyond the normal budget procedures the Congress has set.

MR. NESSEN: That is the budget procedure that is being followed. I see why Senator Mansfield has said -- a Democratic leader -- he said he hopes the budget will be held to less than \$394.2 billion and I saw where Senator Proxmire, another leading Democrat, the very first words he said, I guess on ABC, after the speech, the State of the Union, was he certainly hoped Congress would pass \$394.2 billion or less.

I think some of the old dividing lines and labels and so forth are not holding true and don't apply any more and that Congress, I think, is getting the same message that the President is trying to relay, which is that the people do want wasteful Government spending held down.

Q Specifically, what I think he is trying to find out -- at least what I am interested in -- is how you view this moral commitment, how strongly you view it. Let me see if I can get at it this way. If Congress enacts the additional \$10 billion in tax cuts that the President has asked for, so we get a total of \$28 billion in tax cuts in a full year, and enacts that \$10 billion tax cut before it has enacted the final budget limit, will the President sign the tax cut?

MR. NESSEN: Jim, I don't think we can play "what if" here. As you know, many of the leading Democrats are going on the record saying yes, we do need to hold the budget down. We need to hold it at \$394 billion or less. I think we will have to wait to see how it unfolds, but clearly there is a good deal of support for this.

Q Nevertheless, he asked for that tax cut. Will you please answer that question?

MR. NESSEN: Jim, I cannot say what will happen in April or May or June or what Congress is going to do.

Q Let me phrase the question another way.

If Congress enacts the tax cut, will the President sign it in the absence of a legal spending limit?

MR. NESSEN: I think we have to wait and see whether Congress follows the lead of its Democratic leaders who are on record as holding down Government spending.

Q Could you get back to Muskie and get your reaction on two specific points that he stressed? One is that he says the Ford budget is designed to keep unemployment high, keep 7 million people unemployed. And, secondly, he was disappointed that the President has not made any recommendations to improve or taken action to improve Government efficiency.

MR. NESSEN: I don't want to get into a detailed appraisal of the Muskie speech, but let me answer those two. Clearly, no President designs a budget to keep 7 million people unemployed or whatever it said. Quite the opposite. The President's program is designed to put people back to work. And this economic program of the President's, since last summer, has put 1 million 700 thousand people to work in the private sector permanent jobs, well-paying jobs, and that is what he believes will continue and that is what he believes his program is designed to do and will do, is designed to put people back to work, not keep them out of work, and not to put millions of people on the Federal payroll not doing useful or productive jobs or not doing jobs they chose to do. So on the jobs part of it, that is his view.

What was the second question?

MORE

Q Is his criticism to the effect that the President has taken no efficiency measures?

THE PRESIDENT: One of the reasons for the block grant proposal is to make Government more efficient. You saw the mess charts over there the other day. Somebody told the President this morning it looked like a wiring chart for a TV set.

To cut out all these little categorical grant programs, each one requiring a bureaucracy here in Washington and another bureaucracy at the local level, which costs money to run, that is one step toward efficiency.

Of course, the deregulation proposals are an example of trying to cut out Government inefficiency that works really against the original purpose of some of those regulations. It cost consumers more and interferes with competition.

Q Ron, on another subject, does the President think his SBA nominee should divest himself of his interests in banks that are dealing with SBA loans?

MR. NESSEN: I am not familiar with that case, Fran. I have to look that up. Is he in the hearing process now?

Q Yes, he says he will not divest.

MR. NESSEN: I have to check on that. I don't know anything about that.

Q Ron, going back to the unemployment, and without getting into a detailed analysis of Maskie's speech, as I read Mr. Greenspan's projections, there will be seven million people unemployed in the next couple of years after this one. Now, are you telling us that the President intends to do better than his own economic forecast?

MR. NESSEN: He said himself that unemployment is clearly too high. I forget how the budget is worded, but beyond the next year or two the projections or forecasts are not meant to be estimates of what it will actually be, but his goal is to get unemployment down as quickly and down to as low a level as possible by expanding the opportunities for permanent, well-paying jobs in the private economy and not putting millions of people on deadend jobs on the Government payroll.

Q Ron, since the right-to-lifers are out demonstrating, I wonder if you can refresh my memory on what the President's position is on a right-to-life amendment to the Constitution?

MR. NESSEN: Is that the abortion thing?

Q Yes.

MR. NESSEN: I have got to check that. I have not had time to ask him that question.

Q Ron, Mrs. Ford came out and strongly supported the Supreme Court, as I recall it. Is it your recollection that the President disagrees with Mrs. Ford on this?

MR. NESSEN: I would not put it in those terms, but I will find out what his position is as soon as I can.

Q Why was any reference to environmental problems or situations left out of the speech?

MR. NESSEN: There was a lot left out of the speech in areas that he could have covered, but clearly the economy, inflation and jobs are the things that are most on peoples' minds. The budget, obviously, devotes a lot of time and space to environment, and I guess calls for a fair increase in outlays for improving the environment.

As you know, earlier drafts of the speech ran much longer and covered other areas, but he concentrated on the areas that are of most concern to him and to the people.

Q Does the White House have any comment on the Pike Committee decision to release its report?

MR. NESSEN: No, just about the same as yesterday's comments.

Q When is the President going to come up with his intelligence --

MR. NESSEN: I don't have a timetable, but he is working on it.

Q Let's take that down the line since the last of the big three is going to come out on Monday. What do you see coming after that in the way of special messages patterned after the big three?

MR. NESSEN: The President has seen actually a list of the separate legislative messages that will go up, and he is going to get a report on what their state of readiness is, and then we will have a timetable of when they will go up, but they will be flowing along, I think, before the end of the month.

Q Specifically, are you going to have a CIA message? Are you going to have an intelligence message? Will you have a separate health message?

MR. NESSEN: I believe that is one of those on the list, yes.

Q Would you anticipate you will have a separate message on each of these block grant proposals?

MR. NESSEN: There will be separate messages in areas like health and education and so forth. The block grant concept will be part of it, but there are others, education issues, that are part of it.

Q Welfare reform?

MR. NESSEN: I think there will be a welfare message, yes.

Q Ron, on political travel, as you recall you have announced or confirmed officially so far only New Hampshire on February 7-8 and California -- I think Los Angeles and San Francisco -- on March 11 or around there. Do you have anything else?

MR. NESSEN: I don't have anything that is ready to be announced yet.

THE PRESS: Thank you, Ron.

END (AT 12:10 P.M. EST)