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

#433

AT THE WHITE HOUSE

WITH RON NESSEN

AT 11:37 A.M. EST

FEBRUARY 6, 1976

FRIDAY

MR. NESSEN: The speech text for this afternoon's speech at the Northeast Republicans will be available at the end of this briefing, embargoed for delivery time.

We hope to have the text for tomorrow's speech in New Hampshire late this afternoon or early evening. I would say seven o'clock is a good time to aim for.

The bible for the trip tomorrow will be around 3:30 available here.

Q What time is the embargo on the New Hampshire speech? Is it on delivery?

MR. NESSEN: I thought we agreed yesterday to make it Sunday a.m., which is 6:00 p.m. Saturday.

Q Won't you have a text for the noon speech?

MR. NESSEN: There isn't a noon speech. Isn't that a meeting with the eldeted leaders of New Hampshire, off-the-cuff remarks, and Q and A's, I think.

Q This afternoon's speech, will the text carry a specific embargo time?

MR. NESSEN: Delivery time, yes.

Q Will it say what time?

MR. NESSEN: Yes, 1:45.

I think you are pretty well set on the meeting this afternoon that he is speaking to. I gave you the States represented there yesterday. It is in the Marriott. Other speakers on the program, this morning they heard from Senator Goldwater and Senator Griffin, the Vice President will introduce the President this afternoon, will speak and introduce the President.

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In the afternoon, there will be speeches by Frank Zarb and Carla Hills. Rog Morton speaks to this evening's banquet. Tomorrow morning, Elliot Richardson and Bill Simon will speak, and Saturday afternoon the attendees will make a tour of the White House.

Q Rockefeller was scheduled to speak at the luncheon. When was it decided the President would speak, when was the change?

MR. NESSEN: I don't know. It is my understanding the Vice President will.

I thought he would make remarks as well as make the introduction.

Q He will introduce the President?

MR. NESSEN: Yes, he will.

Let me give you this word. The President is going to --

Q Are you finished with the meeting?

MR. NESSEN: Yes.

Q I want to ask one thing. In the Dearborn meeting you said that most of the people attending the conference probably would end up as delegates to the National Convention. Is that true today, too?

MR. NESSEN: That is also true today.

The President is going to travel to Florida next weekend on Friday the 13th and Saturday the 14th. The cities to be visited include Orlando, Fort Lauderdale, St. Petersburg, Fort Myers and Miami.

The stop overnight will be in Fort Lauderdale. That is Friday night, and the return to the White House will be Saturday evening. I don't have any specific events or schedule beyond that rough outline at this time.

Q Ron, you said including these cities?

MR. NESSEN: At the moment these are the cities, yes.

Q Do you have the sequence in which he will go to these cities?

MR. NESSEN: I don't. No, it is not the order, I guess, or maybe it is the order.

Orlando will be the first stop, I know that much. Beyond that, I don't know.

Q You don't know whether the departure on Saturday will be from Miami?

MR. NESSEN: To return home? I don't, at this point.

Q You said it is overnight in Fort Lauderdale?

MR. NESSEN: Yes, Friday night.

Q Is Mrs. Ford planning to go?

MR. NESSEN: I don't have anything on that.

Yesterday the President sent a message to President Laugerud of Guatemala, extending his sympathy to the people of Guatemala and telling the President of Guatemala the United States is committed to helping bring prompt relief and assistance to those areas affected by the earthquake.

The President has given instructions that he is to be informed of developments in Guatemala. As I told you yesterday, a disaster area survey team was sent from Panama and other specialists will be going today from the United States to help with the relief effort.

In addition, temporary housing, medicine and water purification equipment are being flown from the disaster relief stockpile that is kept in Panama.

An Army hospital, complete with equipment and staff, is being airlifted today from the United States and should be open for patients tomorrow morning.

I gave you the figures yesterday of \$525,000 so far. Probably more will be given. The Disaster Relief Coordination Center at the State Department has been in operation around the clock since the earthquake.

This afternoon at 3:15 Mr. Parker from the AID organization at the State Department is coming here to brief the President in person on the situation in Guatemala. If any of you care to attend the briefing at the same time the President does, that will be at 3:15. I guess it will be all right to take pictures and films, if you want to. It will be in the Oval Office.

Q Which Parker.

MR. NESSEN: Daniel Parker.

Q What is the name of the President of Guatemala?

MR. NESSEN: I have the last name. Margy will have to get the first name. The last name is Laugerud.

Q We will be able to have cameras in there for this briefing?

MR. NESSEN: If you would like to.

Q The entire briefing?

MR. NESSEN: It is probably the beginning of the briefing, but enough for you to get the main points, I think.

Q Is there open coverage of the White House Oval Office briefing?

MR. NESSEN: The initial part of it, anyhow.

Q More than just a photo opportunity, then?

MR. NESSEN: A couple of minutes or two.

Q Will you put it on the house mult?

MR. NESSEN: Let me check.

Q Is there any chance of getting the text of the message to the Guatemalan President?

MR. NESSEN: Let's ask Margy. This was a written message sent by the President. We will see if we can get the text of that.

As far as the unemployment statistics go, I think you are all probably familiar with those. The President is extremely encouraged by the unemployment statistics for the month of January. He considers that to be a major improvement. He was especially pleased to see that employment went up 800,000.

That means that since the bottom of the recession, the total number of people who have returned to work is two million one hundred thousand. This, to him, represents the rehiring of people out of work at a very considerable rate.

In fact, compared to the bottom of the recession, 96 percent of the lost jobs have now been resumed. In fact, the employment total is almost back to July 1974, which was the all-time peak number of people working in the United States.

In looking through the more detailed statistics, the President feels that many of those in the so-called hardcore categories are also going back to work.

Just one word of caution. The President's economic advisers don't think that the decline in unemployment is going to be a steady unbroken line downward. It may in some months hit a plateau and there could even be a few periods where there is a small upkick.

Naturally, even at 7.8 the President certainly feels that unemployment is too high and that this is not good enough by any means. He is pleased that 92 percent of the working force has jobs, and he does believe that the trend is in the right direction and will continue.

Q What was the bottom of the recession that you mark from in your total number?

MR. NESSEN: It was either March or April.

MISS EARL: 8.9 percent in May.

Q Last year.

MR. NESSEN: Yes, May of 1975.

I can't think of anything else.

Q Ron, has the President talked to Mr. Nixon about his upcoming trip to China?

MR. NESSEN: The former President called Brent Scowcroft yesterday afternoon sometime between 4:00 and 5:00 and said that he would like to talk to the President. The President returned his call. The former President was not available immediately and finally the call went through at 5:25 and they spoke until 5:41.

Q What are those times again?

MR. NESSEN: 5:25 last evening, and they spoke until 5:41.

Q Was it all on the China trip?

MR. NESSEN: Yes, mostly on the China trip. The President expressed the feeling that he was pleased to see that the former President's health had been restored enough to make this trip and asked the former President to convey his best wishes to the Chinese leaders.

Q Will he be providing Air Force transport for the former President to get to China?

MR. NESSEN: No.

Q Will the Government be providing transportation for Mr. Nixon?

MR. NESSEN: No.

Q Will he have any official capacity at all?

MR. NESSEN: No, he is going as a private citizen. Ever since relations have improved with the People's Republic I think there have been about 10,000 Americans to go to China, about 80 percent of those being private citizens, and this trip is considered to be a trip by a private American citizen.

Q Does the President think it is a good idea for him to go?

MR. NESSEN: It is something the President had no role in, didn't know about until yesterday, and it is the visit of a private citizen, one of, as I say, 10,000 in the past few years.

Q Is General Scowcroft Mr. Nixon's contact now in the White House?

MR. NESSEN: No.

Q Why? Did he get a briefing from the NSC?

MR. NESSEN: Let me go back and maybe clear up the whole chronology so we can maybe see how this thing developed.

Yesterday, at about 3:00, a representative of the Liaison Office here, in fact, the head of the Liaison Office, Han Hsu, came over to the White House -- and his contact is Brent Scowcroft, Phil -- and delivered to Brent at 3:00 a text of an announcement that was to be released in Peking at 8:00 this morning.

This was the first notice that the White House had from either the Chinese or San Clemente. Brent then went around and showed that announcement to the President, and then very shortly after that the former President called Brent and then this phone call that I mentioned to you earlier was set up.

Q If he is going as a private citizen, why did they go through all this official protocol, or was it just a courtesy to inform the President?

MR. NESSEN: That is my understanding.

Q Will there be any other contacts or briefings? Will Nixon be briefed by Scowcroft's office, the State Department or anybody else?

MR. NESSEN: There are no plans to give a briefing to the former President.

Q Did the President ask him to perform any diplomatic duties of any kind?

MR. NESSEN: No diplomatic duties whatever, other than the courtesy of asking the former President to express his best wishes to the Chinese leaders.

Q What does the White House regard as the significance of the invitation with a former President to China?

MR. NESSEN: The White House considers that there is no significance attached to the invitation.

Tom?

Q What about after Nixon's trip? When he returns to the United States, will the President be interested in getting his views on the exchange of conversations he has with the Chinese leaders?

MR. NESSEN: There is no plan now to have any report or anything from the former President.

Q Is he making an announcement on the change in the Liaison Office over there? I believe the Bush vacancy has been there about two months now.

MR. NESSEN: I don't have the name of a new Liaison Officer to give you.

Q Ron, who paid for the telephone call?

MR. NESSEN: The call came here and then the call went back and then the call came back this way, so one out of three phone calls was made from here, and I guess that goes on the monthly phone bill.

Q It sounds like Mr. Nixon was asking Mr. Ford's approval of this trip or to see whether there would be any disapproval.

MR. NESSEN: As I understand, it was a courtesy call. The trip had been arranged privately between the former President and the Chinese without any White House knowledge or involvement whatsoever. It was a courtesy call. It is a visit of a private citizen.

Q Does the White House, then, disagree with the People's Republic of China on the significance of this trip? In the announcement they are pointing out it is the fourth anniversary, or whatever it is, and it is a significant trip. Does the White House disagree with that?

MR. NESSEN: No, they don't say anything like that. They trace a little bit of the history between the People's Republic and the United States.

Q They say that trip by Mr. Nixon was a breakthrough in relations between the countries.

MR. NESSEN: Yes, in 1972, that is right. They say in 1972 it had a significant role in improving relations.

Q And this marks that historic breakthrough?

MR. NESSEN: They say it is the fourth anniversary of the visit.

Q Was anything said to the Chinese by Scowcroft that that was not viewed in any official context?

MR. NESSEN: The way it was handled indicates the Chinese understand that. It was handled between the Chinese and the former President with no White House involvement.

Q The fact they came here and reported it indicated they may think touching base here was --

MR. NESSEN: As a courtesy.

Q Ron, in view of Mr. Nixon's past role as the President of this country and his obvious interest in China, why does President Ford have no intention of trying to find out what he did there after the trip is over?

MR. NESSEN: We have normal day-to-day diplomatic relations with the Chinese. When I say normal relations I don't mean at the Ambassadorial level. We have a daily mechanism of diplomatic relations with the Chinese. Obviously, any official business is transmitted through that channel.

Q I mean, are you saying, in fact, that President Ford doesn't care what Mr. Nixon does in China and has no desire to find out what he thinks when he comes back?

MR. NESSEN: There are no plans for the two to meet. The diplomatic business between the two countries is transmitted through their diplomatic relations. He is going as a private citizen.

Q Ron, I understand a Chinese plane will come to the United States and pick up Nixon; is that correct?

MR. NESSEN: The State Department is now working with the Chinese in order to make the specific arrangements and they would have the details.

Q Doesn't this set a precedent that Americans can be picked up in the United States among the 10,000 that have gone?

MR. NESSEN: This is something that the White House is not involved in and it is something that I understand the State Department is working out with the Chinese.

Q So it is a Government involvement?

MR. NESSEN: This is a visit of a private citizen, Helen.

Q So the State Department is serving as a travel agent?

MR. NESSEN: They are not. Obviously, if the plan is to have a foreign aircraft land in the United States, that would be something that needs some arrangements for.

Q CAB would have to act on it, wouldn't they?

MR. NESSEN: I don't know.

Q Ron, did Nixon ask the President to expedite the State Department handling of this?

MR. NESSEN: My understanding is there was nothing asked of the White House, no advance notice given, no involvement at all and there still isn't.

Q Did the President offer any assistance?

MR. NESSEN: He did not.

Q Will he be considered as an envoy to Peking?

MR. NESSEN: He is going as a private citizen.

Q Is he being considered as any kind of Ambassador to Peking?

MR. NESSEN: You mean for that position?

Q Is he being considered --

MR. NESSEN: Is he being considered for George Bush's job? I think the President is on the record as saying no.

Q The former President, Ron, has been living a rather quiet life in San Clemente since he left and was pardoned by the President so this trip will get a lot of publicity. Could this trip cause some political embarrassment to the President?

MR. NESSEN: The view here is that it has no impact at all.

Q How long does a private citizen normally have to wait to go to China?

MR. NESSEN: You will have to check with the Chinese Liaison Office which issues the visas.

Q Ron, does the President feel that the esteem in which Mr. Nixon is held by the Chinese may be of some value to us in the future?

MR. NESSEN: As I say, we have diplomatic contacts with the Chinese on a regular basis and that is how we conduct our business with them.

Q Was that raised in any fashion, Ron, during President Ford's trip to China?

MR. NESSEN: It was not.

Q There was no mention of the former President between the President and Teng Hsiao-ping or other Chinese leaders?

MR. NESSEN: There was no discussion of a trip. Now, whether there was any sort of social small talk, I don't know but there was no discussion of a trip.

Q Ron, the statement from Peking said that both the Chinese side and former President Nixon consider that a visit by him to China will be appropriate. Does President Ford share that view?

MR. NESSEN: It is the visit of a private citizen arranged privately with no Government involvement, Phil.

Q That doesn't answer the question.

MR. NESSEN: Let me hear it again.

Q Does President Ford regard the visit of former President Nixon to China as appropriate, whether as a private citizen or not?

MR. NESSEN: As I say, 10,000 private citizens have gone to China and the White House does not indicate the appropriateness or inappropriateness of each and every visit and this is the visit of a private citizen.

Q But the Chinese Government has never come into the White House with an announcement of any other private citizen's visit to China, Ron, so I don't see how you continue to insist there is no Government connection whatever.

MR. NESSEN: It is not, Peter. I am telling you there truly isn't.

Q There is on the face of it, Ron.

MR. NESSEN: There was the courtesy of giving the White House 15 hours advance notice.

Q Ron, it is obviously more than a private citizen. The President of the United States returned a telephone call to San Clemente. They talked about 16 minutes about the trip. There have been 10,000 other visitors there. The President has not done that with any of them so far as I know. There will be clearance for a Chinese plane to arrive here. So how can you possibly describe it as just another visit of a private citizen? This is a former President of the United States who resigned and then was pardoned.

MR. NESSEN: What is the question, Tom? Those are a statement of facts, truly, but what is the question?

Q How can you describe him as a private citizen, Ron? It is as plain as the nose on your face.

MR. NESSEN: And that is very plain. (Laughter)

Q Ron, I don't really mean that, I really don't. It is as plain as that ski badge. Now that is a legitimate question.

MR. NESSEN: Obviously, you list a set of facts, Tom. The fact is that the White House, the President, the State Department, NSC and so forth, first learned of an already arranged trip at 3 o'clock yesterday afternoon. The White House didn't help to arrange it, discuss it with anybody, obviously, has no role in it now, plans no prior briefings, no post-trip meeting. Whatever technical details need to be worked out -- to have a foreign aircraft arrive in the United States--is being worked out, and there was no role in obtaining a visa form. There has simply been no role.

There is no diplomatic role he is undertaking and those are the reasons why I say that here it is not expected to have any impact on American relations with China.

As to this other question, it is seen as having no impact on domestic politics so for all those reasons the view here is it is something arranged between a private citizen and the Chinese.

Q Ron, when did Mr. Nixon first learn about this?

MR. NESSEN: You will have to ask him.

Q Did he indicate when he learned it? He certainly didn't learn about it yesterday morning. He must have known of this some time in advance. How does the White House suddenly drop this one in the lap? He must have known in advance, or am I wrong in that presumption, Ron?

MR. NESSEN: You will have to ask him.

Q Does the President know whether he knew about this in advance?

MR. NESSEN: You will have to ask the former President.

Q Ron, is it fair to say that the White House is disassociating itself entirely from this Nixon trip?

MR. NESSEN: Did you say disassociating?

Q Disassociating itself from it?

MR. NESSEN: I would say I told you it is the visit of a private citizen with no White House involvement either prior to or after the announcement.

Q You enumerated a number of things about the trip which would suggest that the White House is plainly disassociating itself from the trip. Is that a fair assumption?

MR. NESSEN: Only in the same sense that the White House was disassociated from the visits of 10,000 private Americans.

Q Is the President absolutely ruling out the possibility of naming the former President liaison to China?

MR. NESSEN: He said that some time ago.

Q Was the President displeased that these arrangements were made without any prior notice to him?

MR. NESSEN: Jim, it is something that the question has not -- I mean, it is not a real issue. The arrangements were made by a private citizen.

Q Ron, the State Department involvement will be the airplane, is that what you said?

MR. NESSEN: Whatever technical arrangements are needed to clear the airplane in.

Q What was Mr. Ford's reaction to the news Mr. Nixon was going to China? Was he delighted? (Laughter)

MR. NESSEN: It is the private visit of a private citizen. He was given the courtesy --

Q They did talk a long time.

MR. NESSEN: I may be able to elaborate to the extent of saying that during the phone call the two points the President made were, one, he was encouraged by the fact that the former President's health seemed to have improved enough to make this trip and, secondly, asked the former President to convey his best wishes to the Chinese leaders. To that extent that was his reaction.

Q Ron, how many Secret Service agents will accompany private citizen Nixon?

MR. NESSEN: Whatever is required by Congress.

Q Ron, what staff will Mr. Nixon take with him?

MR. NESSEN: You will need to ask the former President.

Q You mean, like Manola, who was with him?

MR. NESSEN: You need to ask the former President. I don't have any idea.

Q This question may not be valid but, have you been instructed not to use Mr. Nixon's name?

MR. NESSEN: No.

Q Say it. (Laughter)

MR. NESSEN: If it makes you happier, I will say it. Former President Nixon.

Q Ron, have plans been made for the use of El Toro for the Chinese plane arrival and departure?

MR. NESSEN: That is the technical details the State Department is working out.

Q Ron, the telephone conversation lasted what, 16 minutes, from 5:25 to 5:41, and there were only those two points made? There were obviously other things discussed, weren't there?

MR. NESSEN: I didn't listen in on the conversation. My understanding is it was entirely or primarily about the trip. Whether he asked about the family and so forth -- there was no talk of policy matters and other things.

Q Did the former President wish the incumbent President good luck in the New Hampshire primary that will occur three days after that trip?

MR. NESSEN: I didn't listen in, Jim, and I don't know.

Q Do you know whether President Ford conveyed to former President Nixon his impressions of China based on his recent visit, or discuss Peking in any fashion?

MR. NESSEN: I don't know that.

Q Ron, can you tell me how the President feels about Secretary Butz taking that Christmas holiday on the Southern Railway tab?

MR. NESSEN: I am told the Office of the General Counsel at the Agriculture Department has reviewed the matter and has decided and has told the White House Counsel's Office that he has decided that corrective measures will be taken in keeping with the policies of the Department.

Q What corrective matters?

MR. NESSEN: I don't know. That is something you need to ask them.

Q You say he has decided. Do you mean --

MR. NESSEN: The Office of the General Counsel at the Agriculture Department.

Q Who is he?

MR. NESSEN: I don't know, but you can get him on the phone.

Q What is the President's personal view of the --

MR. NESSEN: Obviously, it has been resolved by the General Counsel at the Agriculture Department.

Q With prodding from the White House Counsel?

MR. NESSEN: No, the Agriculture Department counsel phoned Phil Buchen's office and told him that this review had been made and a determination had been made.

Q When did the review take place, Ron? Before or after it became public?

MR. NESSEN: I would guess after.

Q What are the corrective measures.

MR. NESSEN: You will have to get that from the Agriculture Department.

Q We want to know, is this an admission of some sort of impropriety -- I was going to say guilt -- (Laughter)

MR. NESSEN: This is all I know about it. They reviewed it and determined that corrective measures --

Q What is the President's view?

MR. NESSEN: I didn't ask him and don't know that he has one.

Q Ron, does the White House plan to do anything to make sure that this sort of thing doesn't happen with other Cabinet officers?

MR. NESSEN: You know there is a code of ethics which you know about, and each department has its own regulations, which the General Counsel over there has reviewed.

Q Has this been put out at Agriculture, by any chance?

MR. NESSEN: Yes, it has been.

Q Ron, on a related issue, the Congressional Black Caucus has charged that the firing of Mr. Crawford in their terms raises serious standards in the application of rules of conduct for black appointed, and elected officials.

Since the White House announced this firing, I am wondering if the White House has responded to this charge or will it be ignored?

MR. NESSEN: The White House didn't announce the firing.

Q They did. You did it. I remember you did it from that podium, unless I am very much mistaken.

MR. NESSEN: You are probably very much mistaken, but it is a matter that is in litigation and, therefore, I can't comment on it.

Q What was the President's reaction to the House rejection yesterday of the Krueger natural gas deregulation bill?

MR. NESSEN: The President has asked Frank Zarb to give him an analysis of the action yesterday, and there is a meeting between Frank and the President at 4:30 this afternoon in which Frank will pass on that analysis.

It is possible that we might have something to give you in more detail after that.

A general sort of preliminary report given by Frank at the senior staff meeting this morning, which was attended by the President, was that the action in the House set back the effort to provide increased and adequate supplies of natural gas and to attain independence in energy and that at least this first preliminary analysis of the bill indicates it could actually increase the imports of foreign oil, which would be needed to make up for the shortages of domestic natural gas.

After the 4:30 meeting, I may have more for you other than that very quick preliminary.

Q Ron, Senator Griffin apparently has been talking on the Hill about a possible compromise in public works. Can you outline that?

MR. NESSEN: The President's position on the so-called public works bill remains unchanged. There are people who I think on their own hook have talked or explored that possibility. But, as far as the President is concerned, his own personal position remains unchanged.

Q Are you saying what Griffin has been talking about, about cyclical aid at a lower level based on unemployment figures is entirely on his own hook?

MR. NESSEN: No. I think he bases that on some conversations with others in the Administration who are sort of on their own exploring that idea. But, it is not something that has been ordered by the President.

Q Ron, two more questions on the Butz thing.

Does the President have any plans to ask for Secretary Butz' resignation?

MR. NESSEN: He does not.

Q When the President took over office, he said that his own example would set the standard of morality of the office. Does he consider the action attributed to Secretary Butz follows his own standards?

MR. NESSEN: I don't want to speak for Secretary Butz.

Q I am asking about the President.

MR. NESSEN: Let me just go on a little bit. I do think you need to check and see what the corrective action is. I don't myself know.

Secretary Butz feels that that meeting was a business meeting, it was in part a business meeting. It was an annual meeting held for members of the agriculture -- well, held for the agricultural commissioners of Southern States by a railroad that does considerable agriculture freight hauling, and it has been held on an annual basis and there is this agricultural business discussed. He did spend part of his time there doing that.

Now, upon review by the General Counsel of his department, the General Counsel determined that corrective action should be taken. So, I think probably the loop is closed.

Q Ron, what is the difference between this incident and the one involving Mr. Timm when he headed the Civil Aeronautics Board?

MR. NESSEN: I don't know enough about either one of the incidents, actually.

Q He lost his job as a result of going to a resort with the heads of airlines. What is the difference between that and this?

MR. NESSEN: As I say, I don't know enough about either episode. I do know that the Agriculture Department General Counsel has determined that corrective action should be taken.

Q Has the President discussed this with Secretary Bu z?

MR. NESSEN: Not to my knowledge.

Q Is the President aware of the corrective action the Counsel has determined?

MR. NESSEN: He is or will be through Phil Buchen's office.

Q Is Phil going to help define "corrective action"?

MR. NESSEN: No, it is an Agriculture Department matter. The Counsel's Office here was notified of it, but it was a matter handled within the Agriculture Department.

Q Would it be useful for the White House to put out a new set of guidelines on how senior members of the Government should conduct themselves?

MR. NESSEN: The ethics standards at the White House are reviewed on a continuing basis and changed when necessary.

Q Don't those standards, as I remember reading them not too long ago, say that every employee of the Administration should avoid even the appearance of conflict of interest and that they should not accept gifts? Isn't this certainly an appearance of conflict of interest, and certainly that it is partly a business trip and also partly a gift?

MR. NESSEN: I don't know enough about the specific episode, but as I say, the corrective action has been directed by the lawyers at the Agriculture Department.

Q Ron, isn't that an admission, then, that some impropriety was committed?

MR. NESSEN: Helen, it is something that has to be taken up at the Agriculture Department.

Q Your approach is very strange because you say corrective action but you can't even explain it and I should think your plain curiosity would --

MR. NESSEN: I am not a lawyer, for one thing, and I don't know what the corrective action is or I would pass it on to you.

Q Isn't the President interested enough to have some investigation?

MR. NESSEN: I am sure the Agriculture Department thought the President would be interested enough to call his Counsel and pass on what has been done to resolve the matter.

Q Is this the routine, Ron, when any Cabinet member is reviewed by his own Counsel? Is the President's Counsel automatically notified?

MR. NESSEN: I don't know. It doesn't come up that often. (Laughter)

The President's Counsel is pretty well kept informed of any matters that are important enough for the President's attention.

Q Ron, does this mean the President doesn't think it is important enough for him to direct his personal attention to it?

MR. NESSEN: It was resolved by 10:00 this morning, Dick.

Q I mean, here you have the Agriculture Department top lawyer saying corrective action should be taken and the President doesn't feel it is necessary to talk to his Agriculture Secretary personally?

MR. NESSEN: It has been resolved within the proper system.

Q Ron, you mentioned this as an annual meeting. Now, Butz has been Secretary for about five years. Is this the first time he ever attended?

MR. NESSEN: Yes.

Q Ron, I have the impression there is just no Presidential concern over this. It was supposedly resolved before Mr. Ford was ever aware of it. He hasn't yet talked to his White House Legal Counsel.

I get the impression there is just no Presidential concern. Is that wrong?

MR. NESSEN: The President was aware of it. It was resolved. The White House was told it was resolved and the President was either told or will be told -- I don't know whether Phil has been in there yet -- that it has been resolved.

Q When it was reported to the public?

MR. NESSEN: No, I think he was probably aware of it either yesterday or today.

Q Ron, what moral leadership has the President exercised here? You remember that was his New Year's resolution, to exercise spiritual and moral leadership.

MR. NESSEN: I think you know the moral standards that the President follows and that his staff and aides follow and the matter has been resolved in the proper way.

Q Ron, you keep referring to the matter being resolved. Regardless of what the resolution is, does the President feel that Secretary Butz' behavior in this case was in keeping with the spirit and the letter of the code of ethics that he promulgated?

MR. NESSEN: When the Legal Counsel at the Agriculture Department reviewed it, he did determine corrective action was needed.

Q Does the President share that view that corrective action was needed?

MR. NESSEN: I have not sat down and had a lengthy talk with the President about it, but it is resolved in the proper way.

Q Didn't you think, Ron, this morning when the news broke, that there would be intense curiosity by the public as to what the corrective actions are?

MR. NESSEN: And a phone call will bring you the full details.

Q I was just wondering why the White House didn't make a phone call?

MR. NESSEN: There was one other matter I thought there would be intense public interest about today, and I spent most of my time today investigating that one.

Q Ron, I would like to ask one further question. Does merely some corrective action mean that it shouldn't be done again? Does that solve it as far as the President is concerned or does he feel that he should speak to Mr. Butz and make another direction to members of his Cabinet?

MR. NESSEN: I don't know what, if any, further action the President will take, but it has been resolved.

Q Can I ask also, pursuing our discussion of the National Intelligence Daily, was Secretary Kissinger in any way responsible for cutting the Armed Services Committee and the Foreign Relations Committee of the Senate out of that National Intelligence Daily.

MR. NESSEN: Let me fill in a few details from yesterday that I didn't have clear in my own mind.

Q Will you answer that question?

MR. NESSEN: Yes.

At one point about 50 Members of Congress were getting a certain daily intelligence publication. As I said when this first came up, it was several months ago that the decision was made to shift over to another daily intelligence report, and there was a transition period between one and the other.

During that transition period, the Members got both. Then, as planned, the old one was phased out and the new one was phased in and they were left with one, as they started with.

To answer your question, the decision was entirely made by officials in the bureaucracy who handle the distribution of the daily intelligence reports of the CIA.

Q And not because of what Secretary Kissinger did?

MR. NESSEN: It is my understanding it was not.

Q I called Mike Mansfield last night and Mike Mansfield strongly disputes your version of the way the transition was made. Indeed, there was an effort by the CIA or someone in the Administration to cut off the National Intelligence Daily last September and it was only over the strong protestations of the Chairman of the committee and the ranking Republican Member, Senator Case, that indeed the CIA backed down and allowed both intelligence pieces to come through, that it was not a shift-over or an agreed upon shift-over but the CIA tried to cut it out in September and, because of the protest, they backed away and now they have done it again.

Republican sources on the Foreign Relations Committee say it was indeed Secretary Kissinger who was responsible for trying to cut this off the first time because Kissinger became very piqued in one closed door committee hearing over Laos and Cambodia and Vietnam and Kissinger got so mad when a senior Democrat on that committee discovered something in there that he, Kissinger, didn't think the Democrats should know about.

Kissinger literally "popped his cork" and they said it was Kissinger that was responsible for cutting that off. And that is from Republican sources on the Foreign Relations Committee. Is that the case? Did Kissinger cut that off?

MR. NESSEN: Would you repeat the question, please?
(Laughter)

Q Was Secretary Kissinger responsible at any point, either last September or in this past January, for cutting off the National Intelligence Daily to key Senate committees?

MR. NESSEN: My understanding is exactly as I told it to you, which was that the bureaucracy at the CIA decided to replace one Intelligence Daily document with another. There was a transition period during which they were getting both as planned. The new one was phased-in; the old one was phased-out. Eventually they stopped getting two and they started getting the new one daily. It was done entirely within the bureaucracy of the CIA.

Q Then why was it done?

MR. NESSEN: You will have to call Angus Thermur because I don't know.

Q I called the CIA recently and I asked for information as to why it was done. I asked that specific question. The CIA spokesman -- it wasn't Angus, it was his deputy -- said, "We owe the press no explanation at all."

Q So how about getting us one?

MR. NESSEN: I will call Angus myself.

Q Do you have a picture of Kissinger with his cork popped? (Laughter)

Q Ron, at the senior staff meeting this morning, did the President express any concern that because of the House action yesterday there might not be any deregulation this year of natural gas?

MR. NESSEN: No, his own personal views at the senior staff meeting were that, based on the very preliminary analysis that Frank Zarb provided, the President expressed great disappointment in the House vote. He also used the expression of it being a step backward and he said that he and his staff will make a great effort to turn around that decision in the Conference Committee and that his own view at this point is that the White House will strongly support the Bentsen-Pearson bill as passed by the Senate and will attempt to get that decision reversed in the Conference Committee, so he clearly does not feel that is the final chapter.

Q Ron, will Norris Cotton be at the President's side this weekend?

MR. NESSEN: Let me see how the bible looks for this weekend.

Is there some reason to believe he won't?

Q Well, he was at Reagan's performance yesterday, and I guess there is some indication he might be leaning in that direction.

Q Also, while you are looking, will Governor Thomson be in the group of local officials who are briefed by the President and have an opportunity to ask questions?

MR. NESSEN: I don't have at this point the list of those, the 125 or 150 local officials who will be there.

Q Is the Governor coming at any time during the weekend?

MR. NESSEN: I don't know because I haven't seen the full schedule.

Q He is not meeting him at the airport, is he?

MR. NESSEN: He is not. There is a counsellor to the Governor who will be there. Let me get out the full schedule and see at what point Cotton will appear.

On this briefing on the Guatemala aid, we will have pool writers in there and photos if you want them and we will try to allow an extra couple of minutes so you can get as much of the briefing as you can.

Q Ron, just for the record, on the Nixon trip, would you say that the President does consider the trip appropriate?

MR. NESSEN: It is something that the President has no reason to express one way or another because it is a private visit of a private citizen.

Q In other words, you will not say that the President considers this visit appropriate?

MR. NESSEN: No more than I would say it for the 10,000 others who have gone, Dick.

Q Does he feel it was appropriate for them to go? You obviously are leaving open the clear possibility that the President is not at all happy about this trip and that -- I mean by not taking any position, and I just want you to --

MR. NESSEN: Why do you always want to interpret beyond what I say?

Q I am asking for a simple statement -- does the President consider this trip appropriate?

MR. NESSEN: I am saying that simple statement is not made for private visitors to China or anywhere else.

Q He just loves tourism, doesn't he, Ron?

Q Is the Government paying the fare for the Secret Service to go with Nixon?

MR. NESSEN: That is a requirement that Congress has imposed and I suppose it is Congress' --

Q How about the Chinese plane? Are they going to collect for it? (Laughter)

Q Are you going to ski in New Hampshire, Ron? Are you going to find time to ski at all?

MR. NESSEN: I am afraid I won't find time as much as I would like to.

THE PRESS: Thank you.

END (AT 12:26 P.M. EST)

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