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

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AT THE WHITE HOUSE

WITH RON NESSEN

AT 12:32 P.M. EST

MARCH 18, 1976

THURSDAY

Q What about Rogers Morton, and then can we all go home?

MR. NESSEN: You have the communique from the Irish Prime Minister and the President.

Q Do you want to take questions on that?

MR. NESSEN: I can.

Q I was told by a member of your staff prior to the Irish Prime Minister's visit that the position of the United States was that it took no position at all on terrorism and American-front charities supplying money and guns for the IRA. The communique seems to suggest there has been considerable change in that position. Is that communique a change in the United States position vis-a-vis Northern Ireland and the IRA?

MR. NESSEN: I don't know who told you the United States had no position on terrorism.

Q A member of your staff.

MR. NESSEN: They gave you a mistaken position if that is the case because the United States opposes terrorism everywhere in the world, and specifically opposes terrorism in Northern Ireland, has and will continue to enforce the laws of the United States, which forbid the illegal shipment of guns to terrorists there. So, someone gave you the wrong position.

I think this photo that is being taken now is two gentlemen from the Ohio Republican Organization. I think you have that on your schedule.

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Q Are we being allowed to take pictures of that?

MR. NESSEN: Are they?

Q Aren't we?

MR. NESSEN: I don't know. Some Ohio papers requested, I guess, to have pictures of it.

Q Will this policy be followed in upcoming events? Will we be able to go in and take pictures?

MR. NESSEN: You know we always try to accommodate requests for picture taking. We don't always, but sometimes.

Q Could I go back to the IRA? Do you remember when the President ever stated that position before, or you ever stated that position quite so strongly?

MR. NESSEN: I don't recall the exact dates. Margy can probably dig it out for us.

MRS. VANDERHYE: I probably can. It has been on the record.

MR. NESSEN: I saw a TV show last night, Cronkite's show, demonstrating how Americans are being prosecuted and indicted for shipping of illegal guns, so it is the policy.

That is basically all I have.

In answer to Dick's question, Bo Callaway is on leave as chairman of the PFC while the investigations are underway. I don't have anything further to say about the matter.

Q Did he see the President yesterday?

MR. NESSEN: No, he didn't.

Q Do you know who he saw here?

MR. NESSEN: He saw Dick Cheney.

Q Who else was in the meeting?

MR. NESSEN: Dick Cheney, Bo Callaway, those were the principal attendees.

Q Was Stu Spencer there?

MR. NESSEN: Stu Spencer was not there.

Q What did they talk about at the meeting?

Q Was anybody else there?

MR. NESSEN: Nobody of any importance.

Q Functionaries?

MR. NESSEN: That is right, functionaries.

Q What did they talk about?

MR. NESSEN: Dick asked Bo to come in yesterday and they met for about 30 minutes. The purpose of it was for Dick to make certain that the matter is moving as fast as possible to reach a resolution.

Q What does Mr. Callaway have to do with that?

MR. NESSEN: I think you probably know that the White House has taken the position that we should not get involved in any way in the investigations, even to the point of not getting official reports on the investigation. So, it is really up to Mr. Callaway to advance the resolution of this.

Q Did Dick suggest it would be helpful if he would just go ahead and resign?

MR. NESSEN: This is all I am going to say about it.

Q Ron, I wondered, the page one story in the Post and then also a UPI story that says Morton will be chairman, are you categorically denying that?

MR. NESSEN: What I am saying is what I said and nothing more.

Q You won't deny the report in the Post or UPI? You won't deny that?

MR. NESSEN: I am going to say what I said.

Q That is a separate thing from Bo Callaway and it is very important. You mean you are not going to talk about Morton today?

MR. NESSEN: This is really all I am going to say on it.

Q I have another question on the Bo Callaway thing, which is sort of before this, so I don't think it is excluded by your ultimatum.

MR. NESSEN: I didn't issue an ultimatum.

Q How long has the White House, how long did the Ford Administration, know about Bo Callaway's skiing incident before this came out last week?

MR. NESSEN: I don't know what you mean by the skiing incident.

Q The action of Mr. Callaway in connection with his skiing resort.

MR. NESSEN: Number one, I think everybody -- or a great many people in Washington in and out of Government -- know that Bo had an interest in a Colorado ski resort, and the President was among those that knew Bo had that interest.

The first that anyone at the White House knew of the allegations was last Friday late afternoon in Chicago when Bo came to Dick Cheney and told him of the allegations.

Q Could I ask if Cheney and Callaway discussed the CAB waiver of its charter regulations?

MR. NESSEN: I didn't attend the meeting, Walt, so I don't know every subject discussed other than what the general purpose was of Dick asking Bo to come in.

Q You don't know whether that was discussed?

MR. NESSEN: No.

Q In the discussions last Friday between Dick and Callaway, did Callaway say why he was bringing it up at that point? Did he know someone else was going to reveal it?

MR. NESSEN: He had been asked a question by an NBC correspondent on arrival at the Chicago airport, and I believe he had advance knowledge of a Denver Post story coming out containing such allegations, so it was in that light that he called it to Dick Cheney's attention.

Q When was it decided the White House would not --

MR. NESSEN: You know most of the people on the trip last weekend knew these details, Sarah, so I am not revealing anything today. We went through this scenario last Saturday.

Q I know, but it doesn't jibe with some of the reports circulating in Washington as of yesterday and today. That is why I am asking the question.

MR. NESSEN: I don't know what those reports are.

Q Those reports are that the White House had known this for some time and just decided now was the time to ditch Mr. Callaway?

MR. NESSEN: That is not true.

Q On the Cheney-Callaway meeting yesterday, was Jerris Leonard present? I believe he is Mr. Callaway's attorney.

MR. NESSEN: He was.

Q Is he not important?

MR. NESSEN: He wasn't one of the two principles at the meeting.

Q Who were some of the other people there?

Q The report from Crested Butte this morning in Colorado said they seemed to absolve anything that Bo Callaway did. That was the Park Service this morning in Colorado.

Q What did she say?

MR. NESSEN: She said something she read indicated the Park Service in Colorado had exonerated Mr. Callaway. The matter is under investigation, and I don't see how I could comment on that until the investigations are resolved.

Q Did Mr. Callaway say he acted at the time under pressure from some citizens in that area who wanted the thing finished so they could have jobs?

MR. NESSEN: I can't speak for Bo, Sarah.

Q Ron, in which way is Mr. Callaway resisting White House hints or suggestions or encouragements that he step aside?

MR. NESSEN: Bob, I am just not going to say any more about Bo's status than I have said. It is as I have stated.

Q Has the White House suggested to him it might be good for him to resign or not resign before Tuesday and the North Carolina election?

MR. NESSEN: I won't say any more about Bo's status than I have already said. However, I think you know that the White House feels that this incident has had no effect in Illinois and will have no effect in North Carolina since it involves no Presidential wrongdoing or allegations at all.

Q Ron, will you explain how Jerris Leonard happened to come to the White House? Did Mr. Cheney invite him or did Mr. Callaway say he was going to bring his lawyer with him?

MR. NESSEN: Yes, he did.

Q The latter?

MR. NESSEN: Yes.

Q Does the President think he might have announced too quickly he was accepting Callaway's request to step aside temporarily?

MR. NESSEN: I think Bo's status is just the way I explained it to you.

Q I am asking about the President.

MR. NESSEN: I understand, but I won't say any more about it.

Q Did the President meet with Mr. Morton this morning, and what did they discuss?

MR. NESSEN: Rog attended various staff meetings here this morning in which the President participated, and there were various matters discussed.

Q Your limited statement says Cheney wanted to make certain the matter is moving as fast as possible to reach a resolution. There are two matters. One, who will head the PFC, and the other matter is the charges and allegations against Callaway.

MR. NESSEN: I was referring to the charges and allegations.

Q Ron, that statement, it seems there is a discrepancy here. Maybe you can explain it. You said at one point the White House will not interfere in this whole matter.

MR. NESSEN: Right.

Q Then, if I am quoting you correctly, it is up to Mr. Callaway to advance the resolution of this, that that was the purpose of the meeting?

MR. NESSEN: To make certain that the resolution of the allegations and charges was resolved as soon as possible.

Q What can he do when you have one investigation being run in the Congress and another that is being carried out by the Defense Department and the Justice Department? What can Callaway do?

MR. NESSEN: He is the only contact we have with any of the investigations.

Q Ron, "advance the resolution of this matter," is that a euphemism that means the President wants Callaway to quit?

MR. NESSEN: Bo's status is exactly what I said it is.

Q Ron, my question is, has the President changed his views on the Callaway matter from those he expressed at the press conference at Guilford College?

MR. NESSEN: I won't go beyond what I have said about Bo's status.

Q How long will it be before some decision is reached on who will head the PFC?

MR. NESSEN: Stu Spencer is Acting Chairman.

Q There will have to be a decision on who will be the permanent chairman. It can't go on on a temporary basis indefinitely, can it?

MR. NESSEN: If you look at Bo's statement announced on Saturday, it was that he was stepping aside temporarily until the matter was resolved.

Q Has Stu Spencer indicated he would prefer not to remain in that acting position too long?

MR. NESSEN: Has he?

Q Yes.

MR. NESSEN: I haven't heard him say that.

Q Was the President asked about this in the interview with the North Carolina editors?

MR. NESSEN: He was.

Q Can you tell us what his response was?

MR. NESSEN: You have just heard it.

Q If I understand you correctly, you say the White House should not be involved in the investigation and not even get reports on it. How will the White House determine whether Mr. Callaway is exonerated or not?

MR. NESSEN: The various agencies looking into it will make that determination.

Q But the President does not want to see any of the investigation reports -- did I understand you correctly?

MR. NESSEN: The feeling here is that it is proper for the White House to stay completely out of the investigations.

Q That means any final or written report of Defense or Justice?

MR. NESSEN: I don't know about the final reports.

Q It is the procedure you are concerned about?

MR. NESSEN: Yes.

Q Yes, you asked Mr. Callaway to report to the White House?

MR. NESSEN: Not report. As I say, Dick called him in to make certain it was moving along as fast as possible toward resolution.

Q Did Dick, in this meeting, indicate to Callaway that the White House felt that Callaway ought to cooperate with the investigative agencies in every way possible by making available records, books, memoranda, that sort of thing?

MR. NESSEN: Jim, since I didn't attend the meeting, I don't know everything that was said there.

Q And one follow-up on that. Did the White House have any indication Callaway was not cooperating fully?

MR. NESSEN: Not that I am aware of.

Q Was the fact Mr. Callaway brought his lawyer along an indication the White House and Callaway are in an adversary relationship?

MR. NESSEN: Not that I am aware of.

Q Was anybody at the meeting from Phil Buchen's office?

MR. NESSEN: Yes, Ed Schmults.

Q Did anybody ask for a report from Mr. Callaway as to how the investigation was going?

MR. NESSEN: I will have to check that.

Q How can Mr. Callaway himself know how an investigation is going?

MR. NESSEN: I don't --

Q He won't until they give him the final word.

MR. NESSEN: I don't know that.

Q If you people want to know how the investigation is going, all you have to do is contact the department that works for you.

MR. NESSEN: That is what the White House doesn't want to do for various reasons.

Q What can Bo Callaway do that you cannot do in finding out how these investigations are going?

MR. NESSEN: He is involved in them.

Q Rogers Morton is quoted as saying that he hopes Callaway will return as Chairman of the PFC. Does the President hope Mr. Callaway will return?

MR. NESSEN: He said so Saturday, I thought, in North Carolina.

Q I am not sure he said that.

MR. NESSEN: I thought he did.

Q He said he would wait and see, I believe.

MR. NESSEN: I would like to look up the transcript and see.

Q What is his position on Callaway returning?

MR. NESSEN: His position is Bo stepped aside until the matter is resolved.

Q Then he will return as campaign chairman?

MR. NESSEN: I won't go beyond the statement.

Q Will he return as chairman?

MR. NESSEN: You will have to check with the PFC.

Q Will you check whether the President wants Callaway to return as chairman?

MR. NESSEN: Phil, the President was asked that on Saturday and his answer is the same as it was on Saturday.

Q I am asking for an advance on that.

MR. NESSEN: I can't give you an advance because his position has not changed since Saturday.

Q Were the four people you mentioned the only ones at the meeting -- Callaway, Cheney, Schmults and Leonard?

MR. NESSEN: Yes.

Q Ron, will the White House be bringing Callaway in to get these reports from him?

MR. NESSEN: I think that is similar to the question Annie asked and I said I would check.

Q Don't you think we are getting just a one-sided part of the story in proceeding this way?

MR. NESSEN: As I say, the decision was made not to take a hand in any way in the investigations for the obvious reasons, even to the point of asking for periodic reports, again for the obvious reasons. So that is where it stands at the moment.

Q Ron, you said, when Sarah asked you did the White House know in advance of this Colorado involvement of Callaway's -- and now use it to ditch Callaway -- you said, "That is not true." Why is it you can't say that is not true about the Washington Post and UPI stories that Morton will be the new man?

MR. NESSEN: Well, I think I have told you exactly where it stands today.

Q You haven't explained why you can say Sarah's thing is not true, Ron, and you can't deal with the Post and UPI, which leaves the impression, Ron, that the Post and the UPI are right, you know. Certainly you have a great ability to firmly deny something, Ron, because I have seen it. (Laughter) It is very convincing but you don't deny this, Ron. That leaves a suspicion that they are right.

Q You have hit the nail right on the head.

Q No comment? All right.

MR. NESSEN: None of the above.

Q Mr. Nessen, at this meeting yesterday that was attended by the four people so far that you named, you said those were the only four at the meeting?

MR. NESSEN: Right.

Q Could you please tell us -- you have told us a few things that you don't know if they were discussed -- what was discussed at the meeting?

MR. NESSEN: To my knowledge, the purpose of the meeting, as I said, was that Dick asked Bo to come in and to urge that the matter be moved along as quickly as possible to a resolution.

Q Was there any possibility there is information, or any aid that the White House would be able to give Mr. Callaway in his efforts to move this forward? Was that the sort of thing that was discussed?

MR. NESSEN: No. As I say, the White House has made the decision to stay out of the investigations.

Q To put it the other way, was there a discussion of what Mr. Callaway himself could do that he had not yet done?

MR. NESSEN: That question was asked before and I said I didn't know because I wasn't there.

Q Ron, if I may add NBC's name to the litany of people who are right, do you expect Morton to continue in his present capacity as Economic and Energy Adviser to the President through the spring?

MR. NESSEN: I am not a fortune teller, Tom, and can't predict the future. The situation is today as I described it to you.

Q Ron, back to Callaway, did Mr. Leonard, as attorney for Mr. Callaway, state anything in defense of Mr. Callaway?

MR. NESSEN: Has he what?

Q Did he state anything in defense of Mr. Callaway?

MR. NESSEN: I didn't attend the meeting.

Q Did he have any explanation?

MR. NESSEN: I didn't attend the meeting.

Q Did Mr. Cheney question Mr. Callaway as to Mr. Callaway's version of all of the events now under investigation?

MR. NESSEN: I didn't attend the meeting so I don't know precisely everything said in the meeting.

Q Do you know the answer to that one?

MR. NESSEN: Or very little of what was said in the meeting, as a matter of fact.

Q Do you know the answer to that question?

MR. NESSEN: I don't know the answer to that question.

Q That would seem one possible reason for the meeting and for the presence of Mr. Callaway's attorney.

MR. NESSEN: Would you say the question again?

Q Whether Mr. Cheney asked Mr. Callaway to give to Mr. Cheney his, that is, Mr. Callaway's version of all of the events now under investigation?

MR. NESSEN: I don't know the answer to the question and I will see if I can get the answer to the question.

Q Do you have any news? (Laughter)

Q Has the President been in touch with Mr. Callaway?

MR. NESSEN: The President has not since last Saturday on the airplane.

Q Ron, if there are no further Callaway questions, Secretary Simon said yesterday that he expects the inflation rate could get as low as two percent within the next two or three years. Does the President share that optimism?

MR. NESSEN: I think you have heard the President say before that he hopes that statistics will do better than the economists say they will. The President, as I have said on a lot of occasions, has no independent method of obtaining economic statistics. His economic statistics come from the people in his Administration whose job it is to gather them or forecast them. So I don't know that the President has a view as to precisely what the level will be other than, as he said publicly, he thinks it will be better than what the economists have printed in the budget.

Q One other question about Simon: Has he indicated to the President that he would like to leave the Treasury post by December?

MR. NESSEN: I haven't heard that.

Q Question?

MR. NESSEN: The question was, has Bill Simon indicated to the President he would like to leave his job by the end of the year? I haven't heard that.

Q Ron, can you tell us when the President plans to send to Congress a notification of an intent to sell the six C-130s to Egypt?

MR. NESSEN: I don't have the date on that, Russ.

Q Would you say it might be this week?

MR. NESSEN: I just don't have any way of knowing.

Q Question?

MR. NESSEN: To sell six C-130 cargo planes to the Egyptians.

Q Is there anything you can say about the discussion yesterday that the President and Secretary Kissinger had with Max Fisher and that group regarding this sale?

MR. NESSEN: I think some of the participants in the meeting probably gave you a pretty fair rundown of their presentation.

On the President's side, I think you probably are familiar with the general policy of the United States, which is committed to the security of Israel and support of Israel. At the same time, I think you know the developing relationship between the United States and Egypt and also the stated position of the Administration that nothing would be done in the way of a military relationship with Egypt that would in any way adversely affect Israel's military position in the Middle East.

So these are some of the views that were outlined to the Jewish leaders who came in yesterday.

Q Ron, was the President told that this sale might have an adverse impact on his election in the fall?

MR. NESSEN: I don't know. I didn't sit in on that meeting but, obviously, decisions of this kind are made -- decisions of this kind and all decisions, actually -- are made on the basis of what is best for the United States and not what is best on election day.

Q Are you going to announce soon the appointment of an Ambassador to Peking?

MR. NESSEN: Yes.

Q Today?

MR. NESSEN: Probably not quite that soon, but fairly close to that.

Q Ron, Senator Percy this morning, his office announced that the Senator contacted--his administrative assistant contacted the White House and offered to pay the \$128 cost of that helicopter ride mentioned in Anderson's column, but he said the White House turned him down because, "It is such a common practice." Why does the White House turn down a Senator that wants to pay the cost of a helicopter ride?

MR. NESSEN: Les, after you raised the question Larry Speakes undertook to find out whether there had been any helicopter ride, as you described it, and so forth. He has gotten some of the details and is working to get the others.

Q He kindly told me it cost \$128 but he didn't tell me the Senator offered to pay it from his own pocket.

MR. NESSEN: I don't know that but Larry Speakes talked to me just before I came out here and he is still awaiting phone calls back and forth on the matter. He is working on the matter and if you will see him this afternoon he will give you what he has.

Q May we have that in public when it comes out?

MR. NESSEN: Certainly.

Q Has the State Department or the White House received a formal report from former President Nixon yet?

MR. NESSEN: To my knowledge, it has not come.

Q Which, neither the State Department nor the White House?

MR. NESSEN: I can't speak authoritatively for the State Department but it has certainly not come to the White House. I have not heard that it came to the State Department, but you need to check with Bob Funseth to make sure.

Q There has been a report from the Navy that announced some base reductions because they have been inactivated. What is the President's role in all of that?

MR. NESSEN: The President, as I understand it, in terms of selecting specific bases and that kind of thing, does not have a role in it.

Q Does he at any point determine that certain bases will not be closed?

MR. NESSEN: My indication is he does not play any role in the process whatsoever.

Q He said in New Hampshire the base would be kept open.

MR. NESSEN: Yes.

Q Is he going to keep open the ROTC at Bradley?

MR. NESSEN: The ROTC at Bradley--as you probably know the Pentagon has a rule requiring a minimum number of people to sign up. I think the number is 15, and 8 people signed up for ROTC at Bradley so it fell below the minimum required for an ROTC chapter.

Q Does the President withdraw all the terrible things he said about the Air Force?

MR. NESSEN: He or somebody has written a letter or is in the process of writing a letter to Bradley explaining that.

Q Does that make the first campaign promise, then, he will be unable to keep because of circumstances?

Q I missed the answer on that.

MR. NESSEN: Frank.

Q Is the White House concerned or involved in the labor dispute in the Panama Canal?

MR. NESSEN: It certainly knows about the labor dispute in the Panama Canal Zone which involves, I think, something like 20 percent of the American employees down there, but it is being worked on and the White House is being kept informed of it. But I don't have anything I can add to it.

Q I believe you have a communication from the President of Mexico you got some time back on a proposal, something about a Commission on Narcotics. May we have a copy of that?

MRS. VANDERHYE: We wouldn't release the letter but we talked about that a couple of weeks ago and said we had the proposals and were favorably impressed and were studying them.

Q What did she say?

MR. NESSEN: It is not customary to publish the letter from another head of State, but the President of Mexico did make some proposals concerning how to improve the campaign against drugs coming across and the United States is favorably impressed with some of the proposals.

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Q You are favorably impressed with some of the proposals?

MRS. VANDERHYE: They are being reviewed.

Q Being reviewed by whom?

MR. NESSEN: By people in our Government to determine what we will do in response to them and how we can help.

Q If there is an advance on the President's North Carolina text for Saturday, it will probably be a p.m. release. This is Thursday. Do you suppose the speech-writers could get that to us sometime Friday?

MR. NESSEN: Yes, they have a long session with the President this afternoon, and hopefully they can resolve it at that time and we could get it out tomorrow for Saturday p.m.'s.

Q It would be helpful for a lot of us if we could have that before we go Friday night.

MR. NESSEN: I think the Future Homemakers of America is probably the major speech.

Q Ron, did the President ask Mr. Morton to ask John Tower to ask Michel and others at the Capitol to suggest that Reagan bow out?

MR. NESSEN: The President has not asked nor authorized anybody on his staff or at the PFC to put forward such feelers to the Reagan campaign.

Q Did Morton do this on his own?

MR. NESSEN: Let me finish. The President didn't authorize or instruct anybody to do this. In fact, he doesn't know himself of anybody who has done this.

Now, as Rog said, people have friends back and forth across the line there and they are maintaining their contacts. But, Rog's remark the other night has been quoted quite often but my understanding from Rog was that what he said, or meant to say, or did say, is that yes, people are keeping their contacts back and forth across the line so that when former Governor Reagan decides to give up his campaign, he and his campaign workers and staff and so forth will be welcome.

Q Has the President talked to former Governor Connally along this line, too?

MR. NESSEN: Not that I know of.

Q Are any plans under consideration to extend that Wisconsin-California trip next week for a day or so?

MR. NESSEN: No, that is pretty well set, I think.

Q Friday and Saturday?

MR. NESSEN: Yes.

Q Ron, speaking of contacts, it used to be, over the years, the White House Press Secretary was the top press secretary of the Government and was pretty much in touch with what went on in the other departments. Lately, it seems you are not in close touch or not willing to give us what is happening in the State Department. Has something gone awry there?

MR. NESSEN: No.

Q Are you still in charge of things?

MR. NESSEN: I don't know that the White House Press Secretary has ever been in charge of things, Howard. He certainly isn't today. (Laughter)

Q The White House Press Secretary in the past was always considered the top man among the press secretaries and in contact with the others.

MR. NESSEN: I am in contact with the others, there is no question about that, fairly regular contact. But on the other hand, just as the President has tried to get some of the decision-making process that was pulled into the White House over the past couple of Administrations back out to the departments and agencies, we have tried to get some of the press matters that were pulled into the White House over the past couple of Administrations back out and let people speak for themselves.

Q I am referring particularly to the State Department, questions about it, things that have happened in the State Department, or has the State Department received a letter from Nixon, you don't know? Wouldn't they report that to you immediately if they received a letter from Nixon?

MR. NESSEN: I don't know whether they would or not.

Q That is my question. Haven't you asked them to report immediately?

MR. NESSEN: As I say, that is a matter that is of much greater interest out there than it is back here, and it is not something we call up first thing every morning to ask about.

Q You just said when Governor Reagan decides to give up his campaign, his campaign workers and staff and so forth would be welcome. Are you telling us the view of the White House is his giving up the campaign is inevitable? You didn't say if he gives it up, you said when he gives it up. Are you telling us that is an inevitability or foregone conclusion?

MR. NESSEN: That is up to him, Tom, when and if to give up his candidacy.

THE PRESS: Thank you, Ron.

END (AT 1:05 P.M. EST)