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NEWS CONFERENCE

#470

AT THE WHITE HOUSE

WITH RON NESSEN

AT 11:50 A.M. EST

MARCH 31, 1976

WEDNESDAY

MR. NESSEN: Well, let me give you a couple of things about tonight. The President and Mrs. Ford are going to go to the reception given for them by King Hussein at Anderson House up on Massachusetts Avenue. The President and Mrs. Ford will be leaving the White House about 6:50 and, of course, there will be a travel pool going with them.

I don't know if any of you have been at Anderson House for these receptions before but it is very crowded and for that reason the Jordanians have requested that the President's actual attendance there at the reception be covered by the travel pool that goes with him. There will be no statements by the President or the King. The format will be that the President will shake hands in a receiving line for most of the time and then mingle informally with the guests after that. The President will leave there at about 8 o'clock.

From there the President and Mrs. Ford will go to the Washington Hilton to attend the Senate-House Republican Congressional Dinner. This is an annual fund raising dinner for the Congressional Campaign Committees.

The President is expected to get there at about 8:05. There will be open press coverage of course, and the event is in the International Ballroom.

Their custom has been not to have a head table but to have just individual tables around so that is the way it will be.

You can pick up a credential at the Hilton when you arrive there. You can call ahead and have your credential waiting for you at 225-1800 and you will need to show them your White House press pass, Metropolitan Police pass or Congressional Gallery pass when you pick up your credential.

If you are setting up cameras, the time that they have set aside for that in the International Ballroom is 4:30 to 6:00 and then they are going to close the room from 6:00 to 7:30 to sweep it. But after they open it up again at 7:30 it is not going to be possible to set up cameras because it is going to be crowded with people eating dinner, so the time to set up is 4:30 to 6:00.

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The throw between the camera platform and the place where the President will speak from is 80 feet, which is quite long, and the President will speak at about 9:45.

I would hope that we would not have to get out a verbatim tonight since it is so late. Does anybody really need one tonight?

Q Will there be an advance text at all?

MR. NESSEN: It is possible, but it is not at all sure there will be, Ralph.

Q Will be what?

MR. NESSEN: Will be a -- I am not at all sure there will be an advance text. It is possible, but I don't think likely.

Q Do you expect this to be a sort of full scale political speech or brief remarks? What is the format?

MR. NESSEN: It is a full speech.

Q Would you characterize what he is going to talk about as a major speech?

MR. NESSEN: You know, I never characterize the President's speeches.

Q Can't you say?

MR. NESSEN: I mean I think it is pretty obvious if he is talking to Congressional Republicans he might have something to say about Congressional Democrats. (Laughter) Obvious subject.

Q Ron, do you have a figure on the number of people expected to attend and the amount of money expected to be raised?

MR. NESSEN: I don't. It is not our event, Russ, and I don't have any details of it. Guy Vander Jagt's office on the Hill can probably provide that. He is the Chairman of the Congressional Campaign Committee.

Q He is attending the whole dinner from beginning to end?

MR. NESSEN: He is getting there at 8:05 and expects to speak at 9:45 and get back to the White House at 10:45.

Q And the Reagan speech will be over by the time he gets back?

MR. NESSEN: Tomorrow at noon the President will present to Artur Rubenstein the Presidential Medal of Freedom with distinction. This award is being given to Mr. Rubenstein at the end of what is expected to be his last concert tour of the United States. He is 89 years old --

Q Excuse me. Do you seriously want to say that, that you expect this to be his last concert tour?

MR. NESSEN: I think he said that himself.

Q They used to say the same thing about Sarah Bernhardt and it never worked. (Laughter)

Q Who was she? (Laughter)

MR. NESSEN: That is what Mr. Rubenstein has said. He is 89 years old. He has been an American citizen for 30 years. He has received awards from almost every major country in the world. His career as a pianist has been 70 years. As some of you may know, who have followed his career, he is now almost totally blind.

Q What time will that be, Ron?

MR. NESSEN: Noon.

And the format will be, first of all the President will speak and actually present the award in the East Room at noon and that is obviously open for coverage. There will be a reception line then for the President and Artur Rubenstein and their families to meet the guests in the reception line and then there will be a reception in the State Dining Room. I think we probably ought to have a writing pool, if you desire one, for that. And then Artur Rubenstein and his family will have a private lunch with President and Mrs. Ford in the Residence.

Q Will this make the briefing earlier or later tomorrow?

MR. NESSEN: Good question. Let's do it earlier. Let's do it at 11:00.

Q What time is the swearing-in of the Intelligence Board?

MR. NESSEN: I will check.

Let's see what else we have got here.

I think that is it.

Q If you are going to make tonight's speech available, when will it be available?

MR. NESSEN: The President is meeting with his speechwriters later in the afternoon and it certainly would not be before, say, 5:00 or 6:00 at the earliest, and I really, frankly, don't look forward to having it done in time to put out in advance.

Q On the subject of speechwriters, I was not here Monday so perhaps you were asked then, but on one of our pools over the weekend we asked you about a Washington Post story when we were out of town about another shake-up in the speech department. Did you ever clarify that Monday or was it brought up?

MR. NESSEN: I don't know whether it was brought up. I don't know of any impending shake-up in the speechwriters department.

Q You remember we asked you because there was a Post story about it.

MR. NESSEN: I do, and I don't know of any.

Q Is the President happy with his speechwriters?

MR. NESSEN: As far as I know he is.

Q Would you know?

MR. NESSEN: I have never heard him express any displeasure with them.

Q Ron, the transcript of Monday's briefing shows 13 questions about whether Bo Callaway would come to the White House, which you explained you knew nothing about. On Tuesday morning, after we learned that Bo had indeed been at the White House, there were 19 questions about Bo's resignation which you could not confirm. So my question is how can you say, as you did yesterday, "I have quite an intimate knowledge of the workings of the White House," and do you think this withholding of information is fair to you or to the press?

Q Yes or no?

Q Oh, come on.

Q You didn't mention Rhodesia.

MR. NESSEN: On Monday I said that Bo was not on the President's schedule as indeed he was not, and he went in to see the President after seeing Dick Cheney so I don't know that -- I mean I obviously knew of the possibility that Bo was going to come in to see Dick but, as I said, he was not on the President's schedule.

Q I don't raise this -- seriously, Ron-- I don't raise this question to find fault with you. It is just that somebody up there seems to have the Kissinger mystery itch. What was the reason why all of this meeting was held secret and then the resignation was held secret, and, Ron, do you have any idea or could you give us any insight? I mean, he was coming --

MR. NESSEN: I don't think the meeting was kept a secret, Les. As I say, he was not on the President's schedule and it was not finally arranged until Bo had been in to see Dick.

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Q Then the resignation was kept secret?

MR. NESSEN: You saw what the date on the resignation was.

The swearing-in of the President's Foreign Intelligence Advisory Board is at 11:00 tomorrow, which is going to cause a problem with the briefing. Then the Rubenstein thing is at 12:00. I suppose we could have the briefing as soon after the Rubenstein ceremony as everybody gets back here from the East Room and files. Do you want to do that? So let's say maybe the briefing will be in the 1 o'clock area, okay?

Q I don't mean this facetiously, but do you expect Rubenstein to play anything at this ceremony tomorrow or is this just an award ceremony?

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

Q I mean, it is a serious question.

MR. NESSEN: I know it is and I don't know the answer.

Q It would be nice.

Q Yes, it would. (Laughter)

Q And for an encore we would like a little Shubert, please. (Laughter)

Q How is the Foreign Intelligence Advisory Board swearing-in going to be conducted? Privately or publicly, or what?

MR. NESSEN: Publicly.

Q Where?

MR. NESSEN: If the East Room is taken up with the other ceremony, I don't know. We will check out the details for you.

Q Ron, is it certain that John Connally will be there? Does the White House expect him to be there?

MR. NESSEN: I have not heard that he will not be there.

Q Are there any other plans for him to meet during the day, as long as he is in town anyway, with the President?

MR. NESSEN: Not that I know of.

Q Could there be that you don't know of now that you could find out about and let us know?

MR. NESSEN: I will check.

Q For the fact.

Q At the Treasury Department there is a ceremony to unveil Connally's portrait tomorrow. The President does not plan to attend that?

MR. NESSEN: He does not plan to.

Q Holding a milk carton.

(Laughter)

Q What is the President's reaction to the hanging of Kleindienst's portrait at \$5,000, Ron?

MR. NESSEN: I didn't ask him.

Q Okay.

Q Ron, before the President appointed Connally to PFIAB, was there any discussion of what Connally's political plans might be or whether he intended to endorse or not endorse any candidate? The question arises because the President has appointed him to a high level position and were he suddenly to endorse Reagan, who is, of course, attacking the President's foreign policy, it could conceivably be embarrassing.

Now, was there any political clearance before this appointment was made?

MR. NESSEN: As far as I know there was not.

Q Ron, to clear up something -- maybe you can answer me, maybe you can get an answer for me -- you mentioned yesterday that Sonnenfeldt's report or the report of Sonnenfeldt's remarks on Eastern Europe and U.S. relations was now classified.

MR. NESSEN: It was classified by the State Department, that is right.

Q Is a classified document.

MR. NESSEN: Right.

Q Can you find out for me or do you know if all of those who heard those remarks delivered by Sonnenfeldt were cleared for classified information and, if so, what level?

MR. NESSEN: I think the people he was talking to were American Ambassadors, if I am not mistaken. They would certainly be cleared to --

Q You mean it was classified before he made it?

MR. NESSEN: No, the report was -- isn't that true, Margie?

MRS. VANDERHYE: Yes, they all had clearances. It was high level and they all had clearances.

Q It was classified before he made it?

MR. NESSEN: No. Well, that is not possible to classify it before he made it. I mean, the document was prepared, in fact, some little time after the meeting and then was classified.

Q Does the appointment of a new Czechoslovakian Ambassador by the U.S. have anything to do with the flap that has come up over this thing?

MR. NESSEN: No.

Q Ron, if the Teamsters go out at midnight, will the President invoke the Taft-Hartley cooling off period tomorrow morning?

MR. NESSEN: I am not going to speculate on what could happen. The negotiations are still going on and Bill Usery is in and helping. The President feels that the collective bargaining system, he hopes, will resolve the matter.

Q Do you have any word from Usery?

MR. NESSEN: I have not checked lately.

Q Ron, a question about Bo Callaway. When Callaway was over here Monday, did he personally give the letter of resignation to the President?

MR. NESSEN: I will have to check that, Russ. I am not sure.

Q And another point, too. Did he have the letter of resignation with him when he met with Dick Cheney?

MR. NESSEN: On Monday?

Q Yes.

MR. NESSEN: I will have to check.

Q Does it follow, then, Ron, that it was either a U.S. Ambassador or someone in the Government with secret clearance that leaked the information on the Sonnenfeldt speech to the columnists to use?

MR. NESSEN: I don't know where it came from, Tom. I just don't know where it came from.

Q Ron, I have a couple of questions about the task force on corporate payments abroad.

MR. NESSEN: Yes.

Q Task force on what?

MR. NESSEN: The Richardson commission that was just appointed, the task force to look into payments to foreign --

Q It is not clear from the fact sheet whether this task force will have an investigative staff and a budget sufficient to conduct a thorough investigation into this matter.

MR. NESSEN: Well, who is the expert on that, John?

MR. CARLSON: Ed Schmults.

MR. NESSEN: Ed Schmults, right. You can either call Ed or I will.

My understanding, from what Elliot said this morning, was that it was not going to investigate individual cases of alleged bribery but was, rather, going to look into the overall subject. But let me get you together with Ed Schmults either privately or at a briefing.

Q Is the President prepared to give them subpoena powers if they ask for it?

MR. NESSEN: Let me look up what their plans are.

Q Ron, how can it be effective if it is not going to look into the glaring, big, individual cases we have had and it is going to just have a general survey of it?

MR. NESSEN: Well, as you know, the SEC has been looking into the individual cases, allegations, for some time, and so is the Justice Department.

Q Why do we need this thing?

MR. NESSEN: To look into the broader question of multinational corporations and their dealings with foreign countries and so forth.

Q Well, everybody knows that you don't even have to do this. Everybody knows that a lot of these people like to have a little money on the side and they demand it, so there is your answer right there. We don't need this thing.

MR. NESSEN: Phil.

Q Ron, does the President have any figures on what a Teamsters strike would do to the economy, economy recovery?

MR. NESSEN: I am sure Bill Usery does and I don't know whether the President personally has seen the figures or not.

Q Are you ruling out any action at midnight tonight if there is a strike?

MR. NESSEN: I am saying that the collective bargaining process is underway and the President has faith that it will succeed.

Q On what does he base his faith?

MR. NESSEN: The bargaining that is continuing between the two sides and Bill Usery's helpfulness to the two sides, and he has faith and hope that it will succeed.

Q What if it doesn't?

Q When did he last talk to Usery?

MR. NESSEN: I will have to check and find out when he talked to Usery.

Q You don't expect any action tonight? What I am saying is that we should be alerted if there is going to be anything at midnight.

MR. NESSEN: I am saying that I am not going to speculate on what may happen. The collective bargaining process is operating and the President hopes it will succeed.

Q Is the President concerned about the impact of a strike on the economic recovery?

MR. NESSEN: Jim, I am not going to comment any further on labor negotiations that are underway or speculate on what he may do if the collective bargaining process doesn't work.

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Q That is not what I said. I asked whether he was concerned about the impact that a nationwide strike of this sort might have on the economic recovery.

MR. NESSEN: I am not going to comment on labor negotiations underway.

Q What I am asking is, does he have any reason for any optimism at this stage today?

MR. NESSEN: He is hopeful that the collective bargaining process will work.

Q That is a cliché.

MR. NESSEN: It may be.

Q What I want to know is, has he gotten any reports that are hopeful?

MR. NESSEN: I will check on when was the last time Usery reported to him.

Q Ron, has the President or any of his emissaries asked Mr. Fitzsimmons for political support this year?

MR. NESSEN: I don't know that, Phil.

Q What was the question?

MR. NESSEN: The question was, has the President or any of his political emissaries asked Mr. Fitzsimmons for political support this year?

I don't know the answer.

Q Ron, on Sunday one of the clergy of the President's denomination termed Washington a slaughterhouse which has caused considerable interest and so forth. What is the President's view? Does he agree with the Chief of Police or with Canon Cave?

MR. NESSEN: I don't know, Les. I have not talked to him about that subject.

Q Will you check that one?

Q I didn't have time to look at the schedule. Does the President have a meeting this afternoon with a group of Western Senators and Secretary Kleppe and some owners of big ranches to discuss grazing fees?

MR. NESSEN: Yes, he does.

Q The Interior Department has been trying to get these grazing fees reduced. I would like to ask you what the President's position is on the question of whether the grazing fees for grazing cattle on public lands should be reduced, kept where they are or raised?

Q Or none of the above.

Q Or none of the above.

I misspoke myself, I am sorry. The Interior Department has been trying to get the fees raised, not lowered.

Q What time is the meeting and why is it off the record to us?

MR. NESSEN: It is not off the record. I am telling you about it now.

Q It is not on the schedule.

Q It was not on the schedule.

Q It is on the schedule. It is on the telephone schedule.

Q It is also on the public schedule. It does not say it is about grazing fees but I think it is listed on the schedule at about 2:30.

MR. NESSEN: Let's get this straight now so we find out what it really is.

Do we have a participants list?

MRS. VANDERHYE: We are about to post one.

MR. NESSEN: The participants are all Members of the House and Senate as well as members of the White House staff, and the Director of the Bureau of Land Management, so there are no ranchers coming.

Q Are you quite sure there aren't going to be any ranchers there?

MR. NESSEN: If there were going to be ranchers there, the President would be told about it in his paper on the meeting and he is not told about it. There are no ranchers listed as those coming.

Q Is it a bipartisan delegation, do you know?

MR. NESSEN: Yes, it is.

Q Will you give us the list of the people?

MR. NESSEN: I can give you a list now.

Q We would like to have a list, particularly to see if you would check to see if there are any ranchers.

Q Would some of the Congressmen be ranchers, Ron?

MR. NESSEN: I don't know what their private businesses are, if any.

Q Also, could we have an answer to Deakin's original question?

MR. NESSEN: Yes. I am just checking that if you will give me a minute to check the background here.

John, do you know this?

MR. CARLSON: We have proposed increasing grazing fees of public lands.

MR. NESSEN: Right.

Q Do you know the amount or the percentage?

MR. NESSEN: About 50 percent.

Q The 1977 budget proposed a 50 percent increase in grazing fees? Was this the percentage sought by the Interior Department?

MR. NESSEN: Why don't I get you together with one of our experts on grazing fees, Jim, because I, myself, am not an expert on it.

Q He is not the only one interested. Would you make this a public gathering, please?

MR. NESSEN: Okay.

Do you know enough now? Does Margaret know enough now?

MS. EARL: That is all there is, really. If they want more information, fine. That is it.

Q Ron, another question on the Richardson task force. The White House fact sheet refers to the consideration of the possible effect of any actions on trade, on the location of private corporations and the international flow of capital. Does that mean the President is concerned that tightening the laws might cause corporations to move their headquarters to other countries? What does it mean?

MR. NESSEN: Let me look into the specific meaning of that sentence.

Q Ron, has the Ford Administration failed to meet the negotiating deadline of March 31 on on-site inspection of the Soviet Union?

MR. NESSEN: As some of you know, the threshold test ban treaty, negotiations for that were completed about a year and a half ago and were scheduled to take effect today with the exception of Article III which talks about peaceful nuclear explosions underground for peaceful purposes. That was not concluded at the time and has been worked on since and progress has been made on it since, and I think that later today we will have something to possibly announce on that subject.

Q Ron, you said the other day that you would check on the President's reaction to the Goldwater-McGovern effort by which the Senate repealed the \$15,000 lecture fee limit.

MR. NESSEN: I did check on that, Les, and the President's view is that since that particular limitation applies solely to Members of the House and Senate in collecting speech fees that it was something that ought to be decided by the Members of the Senate and House and was inappropriate for the President to offer a view.

Q Ron, you say you may have something later today.

MR. NESSEN: Yes.

Q Can you amplify on that what you are talking about? Is the President going to come out and make some sort of a statement of a breakthrough?

MR. NESSEN: I don't expect the President to come out and announce any breakthrough. Since today is March 31 and the treaty was scheduled to take effect today, I may have something later today giving you a progress report on where it stands on this particular date.

Q Will it take effect today?

Q In other words, they are not going to make the deadline, is that what you are telling us, but they have made a little progress?

MR. NESSEN: Well, I would rather --

Q Are you in a position to answer the simple question whether the treaty is going to go into effect today as scheduled or not?

MR. NESSEN: The treaty has not been submitted yet for ratification to the Senate because this one Article III regarding the peaceful nuclear explosions was not included at the same time so it could not go into effect since the Senate had not approved it yet.

Q I understand that, but I assume that it is the delay in submitting it to the Senate or in getting Senate ratification that has prevented the effective date from being held to, from being achieved, is that correct?

MR. NESSEN: All the issues involved with the peaceful nuclear explosions have not all been resolved, although progress has been made.

Q It is not finished?

MR. NESSEN: You know, that is essentially correct, that it is not quite finished yet. Some issues remain outstanding.

Q Would the White House be very surprised if there was not a breakthrough on this?

MR. NESSEN: Well, as I say, there are just a few issues remaining and we are hopeful that they can be resolved in a relatively short time.

Q Ron, does the President have anything to say about Henry Jackson's statements about Lebanon, that we should have intervened in the past? I know there have been a lot of qualifications. Perhaps we were not asked.

MR. NESSEN: You mean the qualifications have been added periodically since the original statement, as I understand it.

Q Cheap shot.

MR. NESSEN: I get one every now and then, you know. I take enough so I like to get one every now and then.

Q He does not feel that there is any place for United States military involvement in Lebanon?

MR. NESSEN: There are no plans for any military involvement in Lebanon. That has been the policy and remains the policy.

Q Ron, has the President filed his income tax return yet?

MR. NESSEN: It it getting close? Yes. I will check and find out. I have not checked lately.

Q On this test ban you say the negotiations are still going on in connection with the Article III.

MR. NESSEN: Yes, in Moscow. That is correct. And Ambassador Stoessel is our negotiator.

Q You will be the one to have the announcement here, not at State, is that right?

MR. NESSEN: It will probably be put out simultaneously at a number of places, but if there is one, there will be one here.

Q About what time do you think you might have one?

MR. NESSEN: I don't have any firm idea of what the time is going to be.

Q You mean they will be putting out a statement in Moscow also? You say a number of places.

MR. NESSEN: I would think the Soviet Government would put out similar or identical statements.

Q Then why can't you give a specific time because those things are very carefully coordinated so that they are made at exactly the same time in both places.

MR. NESSEN: Well, first of all, you need to --

MRS. VANDERHYE: It would be put out publicly at the U.S. Embassy.

MR. NESSEN: Oh, the Embassy in Moscow.

Q Ron, another question on Lebanon. We have warned both the Israelis and the Syrians not to intervene, but the latest news is not good and a Syrian entry is thought to be possible anyway. What are we going to do if the Syrians come in or the Israelis come in or both?

MR. NESSEN: Well, you know I am not going to speculate on what might happen. We have indicated, I think, our view about any unilateral outside military intervention but I am not going to speculate on what might happen or might not happen.

Q If I might in that same connection, does the White House have information that there were at least 2,000 Cuban troops in Syria at the time of the Yom Kippur War and that those troops are still in Syria?

MR. NESSEN: The first time I have ever heard anything like that, Jim.

Q I didn't ask whether -- well, I asked in the sense, I suppose, whether you had that information, but I am asking whether the White House has that information.

MR. NESSEN: I will be happy to look into it but it is the first time I have heard of it.

Q Ron, besides warning both parties publicly, what are we doing to prevent the Syrians or the Israelis from going in?

MR. NESSEN: Well, we have issued our warning and all the way back to the beginning the United States has been in contact with the various parties offering whatever help they wish us to be in helping to resolve the matter.

Q Well, does the President believe that the issue should be taken to the UN Security Council?

MR. NESSEN: Well, the President believes that the issue ought to be resolved peacefully. Now I don't know specifically what our reaction is to the Waldheim proposal, I will have to check on that.

Q Ron, the CAB said this morning in sending those materials to the Justice Department on Callaway that there is no evidence that he has done anything illegal, that the CAB termed his action regrettable because his private discussions with officials gave the appearance of possible impropriety. Does the President agree with the characterization there is nothing illegal but regrettable?

MR. NESSEN: John, I don't know how the President would be in any position to make that kind of judgment. The CAB, as I understand it, has looked into all the matters and documents and talked to people and so forth.

Q How could you say that, Ron, when last night the President gave what amounted to a personal legal verdict that he was confident that Callaway would be exonerated?

MR. NESSEN: And the White House has stayed out of all the various investigations. I mean, there are not all that many, but I mean stayed out of the various investigations.

Q If the White House has stayed out of it and the President has no knowledge one way or the other, how can he say that he is confident that Callaway will be exonerated?

MR. NESSEN: Because, as he said yesterday and as he said originally, he has known Bo Callaway for a long time and has faith in Bo's personal integrity.

Q In other words, this is not based on any knowledge as to the facts of the case at all?

MR. NESSEN: It is based on a long friendship and association with Bo and his belief in Bo's integrity.

Q Ron, was there an attempt to hold up that CAB announcement until after Mr. Callaway had the opportunity to resign?

MR. NESSEN: The White House got a phone call simultaneously with the handing out of the press release at the CAB. The phone call reached here four minutes before the story appeared on the wires, so we had no advance knowledge of when it was coming or what it said.

Q Ron, on you justifying the President's remarks of yesterday, where he said he was personally convinced that Bo Callaway would be exonerated, didn't also used to say the same thing about Richard Nixon, that he was convinced that he was not guilty?

MR. NESSEN: I just got mine back for that other little shot that I took, right?

Q Ron, if we could return to this --

Q Wait a minute. Let's get to Phil's question. That was very significant.

MR. NESSEN: It is. It is.

What is the question, Phil?

Q Well, the question is, is my memory correct that he used to say that Richard Nixon was not guilty of --

MR. NESSEN: I would not want to stand in judgment of your memory, Phil. (Laughter)

Q Right, but how about an answer to the question, though, Ron.

MR. NESSEN: I thought that was the question.

Phil said is his memory correct and I said I didn't want to stand in judgment of his memory.

Q Ron, did he say the same thing about Nixon or not?

MR. NESSEN: I think the record is pretty public on that one, Les.

Q I know, but just if you could refresh my memory and everyone else's, including Phil's.

Q Let's move on.

Q Ron, are you sure that no one in the White House knew yesterday that the CAB was going to issue a finding today?

MR. NESSEN: That is my understanding, that no one here knew.

Bo said the other night that he expected the CAB ruling to come very quickly and perhaps within the next day or so and that the FBI ruling would come some time after that. Bo has been the only contact the Administration has had or the White House has had with the progress of the various investigations and that was done deliberately.

Q Why?

MR. NESSEN: I know that Bo did say that he expected the CAB ruling very shortly, possibly within the next day or so. So to that extent we knew, but as far as what the ruling was we did not know until this phone call four minutes before the wire story moved.

Q Ron, in view of the President saying he does not want to get involved in this investigation in any way, does he think that there is anything improper or does he think it is perfectly proper for him to stand in the Oval Office while an investigation is going on and say that Mr. Callaway is exonerated?

MR. NESSEN: Well, I forget what Bo said in response to the same question yesterday, Phil, but the President has known Bo for a long time as a friend and as a colleague on the Hill.

Q They are old buddies.

MR. NESSEN: Pardon? (Laughter)

What did you say?

Q I said they are old buddies.

MR. NESSEN: And he is a friend of the President's and the President is a friend of his, and the President has faith in his personal integrity and it was from that point of view that the remark was made.

Q Justice Department people who are working for the Ford Administration and are investigating this right now and are going to read and hear the President of the United States saying that he thinks Bo Callaway will be exonerated. Isn't this a little improper?

Q And that he is a friend of the President's. I mean that is like leaning on the Justice Department saying, you know --

MR. NESSEN: Well, --

Q I guess the question is, he sees nothing improper in what he has done?

MR. NESSEN: He would not have done it, Phil, if he saw anything improper and I think, you know, it is --

Q Indiscreet, maybe.

MR. NESSEN: I think it is a terrible --

Q Regrettable.

MR. NESSEN: I mean I don't think it is proper to cast into doubt the integrity of the Justice Department by suggesting that they would in any way shape their findings because of the President --

Q We have a history of where the Justice Departments have been --

MR. NESSEN: By this President?

Q No.

Q He has intended to overrule the Justice Department of *parens patriae* on the antitrust thing.

MR. NESSEN: That was not an overruling.

Q Well, it was. The Antitrust Division came out and said we recommend support of this bill and the President said, "Well, gee, I didn't know about those provisions. I guess we better change them," and so the President said no.

Q Ron, does the President have any feeling about Secretary Kissinger having aides listen into Presidential conversations and has he put any kind of a stop to that or does it go on or is he aware of any tuning in?

MR. NESSEN: I missed the first part of your question.

Q All right. Does the President have any feeling about Secretary Kissinger, and probably others, having his aides tune in on his personal conversations with the Secretary as apparently has been done in the past, probably being done now?

MR. NESSEN: I have not asked him that and I don't know that anything like that is being done now, Helen.

Q Ron, can I ask you another question on the test ban treaty, please?

MR. NESSEN: Yes.

Q Can you say, has there been an agreement between the U.S. and the Soviets on the key question about on-site inspection?

MR. NESSEN: Well, at the time that the original treaty minus Section III was announced to have been completed, which was in July of 1974, Dr. Kissinger held a news conference in Moscow at the time actually, and he said that the two sides had agreed that observers would be permitted at peaceful nuclear explosions under certain agreed circumstances. So that was confirmed.

Q In other words, that agreement was made a year ago?

MR. NESSEN: About a year and a half ago, that is correct.

Q And reported at the time. You said Kissinger.

MR. NESSEN: Well, presumably. I mean, it was said publicly at a news conference in Moscow so I would have to believe it was reported at the time.

Q It was agreed to in principle, right?

MR. NESSEN: Yes. That is what Dr. Kissinger said in his news conference in Moscow in July, 1974.

Q Will that go into effect today?

MR. NESSEN: No. First of all, the treaty has not been completed because Section III relating to peaceful nuclear explosions has not been completed and has not been submitted to the Senate for ratification, so obviously it can't go into effect today.

Q Has there been any change or difficulty or hitch in the on-site inspection agreement in principle that was announced on that trip?

MR. NESSEN: Well, there are some issues remaining outstanding. I don't want to go into what they are, but to my knowledge this part that the Secretary announced back then has not come unravelled.

Q Ron, if we could go back to the Richardson committee a minute, a couple of things.

When the White House first announced this whole matter of a high level committee was being considered, somebody asked you whether withholding defense contracts from companies engaged in bribes was one of the things that they might consider and you said that -- I forget your exact words but the gist of it was that this would be a logical sort of thing for them to consider.

As far as you know, is this still one of the options that is being considered?

MR. NESSEN: I will have to check. I didn't talk to the Secretary that much this morning.

Q Can I ask about the President's letter to the Hill with regard to foreign aid? As I understand it, it went only to the Authorization Conference. Did it go to the Appropriation Conference as well on fiscal year 1976? That is the first question.

MR. NESSEN: We will check on who got the letter.

Q All right.

Q Which letter?

MR. NESSEN: It was a letter the President sent to the Hill. It was delivered yesterday, outlining his objections to the foreign aid bill. It is available, if you would like it.

Q Thank you.

Q May I follow up on that by asking you, was it the President's intent with this letter to tell Congress that he will veto the foreign aid bill if the transitional quarter funding is adopted?

MR. NESSEN: He does not use that language, Joe.

Q What is the intent? Can you tell us?

MR. NESSEN: The intent is, as he says, "I wish to inform you of my serious reservations regarding several provisions of H.R. 12203 that will soon be going to conference committee."

Q Can we assume that this is an indication that he will veto it or is he --

MR. NESSEN: The last paragraph of the letter says, "I hope as conferees you will bear these reservations in mind as you consider the bills and that your deliberations will produce an acceptable legislation which I can sign."

I mean, the idea is to get an acceptable bill which he can sign.

Q May I follow that up? Is the name Israel mentioned in that letter in any way, and doesn't this authorization for the transitional quarter apply to all the countries, including Egypt which stands to gain about \$175 million as a result of this and Jordan maybe \$50 million, \$60 million?

MR. NESSEN: Well, the President's position on the transitional quarter is that in his original request he took into account the needs of the transition quarter and that his original requests were adequate for the full 15-month period.

Q For all the countries?

MR. NESSEN: Yes.

Q All the countries?

MR. NESSEN: Yes.

Q Ron, as I recall, before Rogers Morton came to the White House as a Presidential Counsellor, the President was quoted as saying he thought he needed someone here at the White House who could handle on the side some of the political issues and be a liaison with the President Ford Committee. Will there be a new Rogers Morton?

MR. NESSEN: No. Rog will not be replaced as such as a Presidential Counsellor. I would say that Rog and his close associate, Roy Hughes, and Stu Spencer, will be all coordinating their activities with the White House staff, working closely with the senior staff.

Q Does this mean it all goes back to Cheney now, the responsibility for liaison goes back?

MR. NESSEN: Well, I don't think there is going to be any one specific person charged with liaison. There will be a close working relationship between those three at the committee and others at the committee, as a matter of fact, and people on the staff at the White House.

Q Did Morton's job prove not to be useful?

MR. NESSEN: I had not heard that.

Q Who will handle the economic and energy fields, then?

MR. NESSEN: Rog's duties as Economic and Energy Counsellor will be absorbed by others on the staff.

Q Who will handle the liaison problems?

MR. NESSEN: I don't know what you mean by liaison problems. I am just saying that various people at the committee will work closely with various people at the White House.

Q Before Morton came in that was one of the problems -- the liaison between the White House and the President Ford Committee -- and that is one of the reasons Morton came in.

MR. NESSEN: Well, I don't know. This is going to be the arrangement from now on, beginning Friday.

Q Will Morton's duties at the President Ford Committee be only incidentally political? (Laughter)

Q What was the question?

Q Does Morton have better connections or better relations with the senior staff than Mr. Callaway did?

Q Previous question, please.

MR. NESSEN: The question here was, would Rog's duties at the committee be only incidental to politics, and I didn't answer it.

Q Who will be taking Richard Nixon's old office?

Q Refurbished old office?

MR. NESSEN: I don't have any idea. I didn't get Ann's question.

Q My question was, if Rogers Morton's spot here will not be filled, does that indicate that Morton has better relations with the White House senior staff than Mr. Callaway did and will Morton sit in on senior staff meetings? Callaway complained that he was not allowed to.

MR. NESSEN: Rog and the others will from time to time sit in on senior staff meetings and other staff meetings.

Q Is that something that was denied Mr. Callaway?

MR. NESSEN: Not that I know of. I recall Bo being there on occasion. I think I do.

Q Doesn't that kind of merge Presidential and political duties? I mean, doesn't that really have a kind of a questionable overlap?

MR. NESSEN: No, because whatever this close working relationship is going to be between the White House staff and the President Ford Committee staff, it will be done with all the people keeping in mind the need to keep a very clear separation.

THE PRESS: Thank you, Ron.

END (AT 12:25 P.M. EST)

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