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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 JERRY TER HORST

AT 12:26 P.M. EDT

AUGUST 12, 1974

MONDAY

MR. TER HORST: My apologies to you for keeping you waiting. My only excuse, I hope is a good one, is that I have spent a good part of the morning with the President. So, I hope to be able to brief on two legs regularly in that fashion after having seen him.

The President has been working in his Oval Office this morning since about 7:30. He met with his Counsellor, Jack Marsh, Ambassador Rumsfeld, whc you know is the coordinator of the transition team, General Haig, Secretary Kissinger and Brent Scowcroft.

This afternoon I expect the President to essentially continue working on his address for tonight and, as you know, that time is at 9 o'clock. If I might just anticipate a question there on advances, we are working on that. I have high hopes, but since this is President Ford's first address to Congress, let's see what his working habits produce for us. I don't want to go beyond that, but I do have high hopes of getting advances to you at a reasonable hour.

Q Do you have a very rough target?

MR. TER HORST: Just for your guidance only, I am hoping we will be able to put it out around 8 o'clock, but that, as I said, is strictly for guidance.

Q Any idea how long the text will be?

MR. TER HORST: I know I have said in the past it looked like it was going to be 15 or 20 minutes, but I think 30 minutes is probably a better guesstimate.

Q What sort of wordage might that be?

MR. TER HORST: Ralph, I really don't have a good idea.

Q Will you send copies to the press gallery?

MORE

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MR. TER HORST: Yes, we will do the normal distribution on messages to Congress.

I have some announcements to make.

As you know, at the invitation of the President, His Majesty King Hussein of Jordan will visit Washington and will meet with the President this Friday, August 16. The exact time is not set yet, but the President will host a dinner in His Majesty's honor that evening here at the White House.

King Hussein will be accompanied by Queen Alia, by Prime Minister Zaid Rifai and Mrs. Rifai. His Majesty has been on an official visit to Canada and is presently on a private visit to Seattle. As your good sense tells you, this is the first chief of State to meet with President Ford.

The President looks forward to this opportunity to renew acquaintances with His Majesty, to review and reaffirm the close and friendly relations that have long existed between Jordan and the United States, and to exchange views on the continuing efforts that are underway to make further progress toward just and lasting peace in the Middle East.

Q Does the President have to renew all the invitations that former President Nixon extended? I mean, there were sort of a steady stream coming in.

MR. TER HORST: Yes, I think that will be an ongoing process. I can't give you any specifics as to certain visits or dates or times, but obviously all that is under review and much of it will just carry forward.

Also, as you know, Egyptian Foreign Minister Fahmi is in Washington to meet with Secretary Kissinger. The President does plan to meet with the Egyptian Foreign Minister this week. He will have lunch with him Wednesday. It will be a working luncheon.

Secretary Kissinger, and also the President and Foreign Minister Fahmi, will have a meeting in advance of the working luncheon. It will be a very small working group, the senior American officials and a group that Foreign Minister Fahmi is bringing with him from Cairo.

You probably have seen the wire reports this morning to the effect that Portugal has agreed to recognize the independence of its former territory, Guinea-Bissau by early September, I believe, and Portugal today will ask the United Nations to admit Guinea-Bissau to the United Nations.

On behalf of the President, I would like to read to you this statement regarding this Portuguese move:
"The Government and the people of the United States welcome the agreement in principle reached on August 9 between the Portuguese Government and representatives of Guinea-Bissau. We extend our congratulations to the leaders of both Governments. We look forward to a productive and friendly relationship with Guinea-Bissau."

I have instructed our representatives at the United Nations to support the application of Guinea-Bissau for membership in the United Nations."

I have another announcement, also. This is one that has been in the process for a long time, and I know all of you have been aware of its being in process.

The President is accepting today with deepest regret the resignation of Frederic V. Malek as Deputy Director of the Office of Management and Budget, effective on a date yet to be determined. Fred, as many of you know, has been in Government service since early 1969, first as Deputy Under Secretary of Health, Education and Welfare and then as Special Assistant to the President and now as Deputy Director of the OMB.

We have an exchange of correspondence between President Ford and Mr. Malek, and we will post that, if that will suffice for your needs.

Q Any successor?

MR. TER HORST: No successor has been picked at this time, no. I talked to Fred before coming up here, and he tells me that his new opportunity with, I believe, the Ludwick Corporation, was such that he felt he could not turn it down.

Q Which Corporation, Jerry?

MR. TER HORST: I believe Ludwick Corporation. It will be in the letters that we post.

The President also talked over the weekend on several occasions with Bill Timmons, particularly about Congressional liaison and carrying forward on administrative requests that have been pending before Congress, and he assured Bill Timmons of his complete support and his admiration for the work of the Bill Timmons shop has been putting in on legislation on behalf of the White House.

The President is strongly hoping that Mr. Timmons and the rest of the members of his Congressional liaison team will remain in place and continue to work for him as vigorously as he feels they worked for President Nixon.

I think, gentlemen, that about takes care of the announcements. I will try your questions.

Q Jerry, is there anything new on the Vice Presidential choice? Has the Vice President been consulting on that at all this morning, with, say, Marsh or Rumsfeld?

MR. TER HORST: No, he has not to my knowledge talked to anyone this morning regarding the selection of a Vice President. You are aware that he did spend a good deal of time yesterday primarily on that subject with a number of advisers and long-time friends, but, as you know, the process is ongoing of getting the recommendations from the Hill and the Republican Party, and the Democratic leadership of Congress.

Q Any idea on time of selection?

MR. TER HORST: I know it is his hope to come up with a selection, as he said originally, within ten days, and I think if that clock still holds on his schedule, that would mean sometime before the end of this week. I can't be more specific than that, I am afraid.

Q Jerry, do you have a Presidential comment yet on the GM price rise of Friday?

MR. TER HORST: Yes, I was able to check out the President's reaction to that, and I can give you a quote from the President on the General Motors price increase. I will read it in case you would like to take it down:

"I was very disappointed, and I hope that the General Motors action will not be viewed as a signal by other auto companies or other industries. In this critical period, the President of the United States cannot call on others to sacrifice, if one or more parts of the economy decide to go it alone. It is essential at this time, particularly, that all segments of the economy, industry and labor, exercise restraint in their wage and price actions."

Q May I ask if he has personally talked to anyone in General Motors conveying his views?

MR. TER HORST: I am not aware he has done so, Bill.

Q Is he going to try to get a rollback?

MR. TER HORST: I didn't ask the President about that possibility, but my general view is that the President expects to have quite a bit to say about the economy in his address tonight, and I suggest that we all wait to see what he says to the Congress and the Nation at that point.

Q In that connection, Jerry, does the President plan specific new programs or specific new efforts to cope with economic problems, or is he just going to talk broadly and generally?

MR. TER HORST: Are you talking about tonight's address?

Q In the speech tonight, yes.

MR. TER HORST: In the address tonight, I think you should not look for specific recommendations by President Ford to deal with the problems of inflation and the economy, generally. However, you should expect him to give it very high priority in terms of his speech and to indicate to Congress and to the American people that he will be taking those specific actions in the very near future.

Q Jerry, is the President aware that Alan Greenspan, who is Chairman-designate of the Council of Economic Advisers, told the Senate Banking Committee on Friday that he is opposed to the graduated income tax and against antitrust laws?

MR. TER HORST: I am not certain about that, whether the President is aware of those views or not. I am sure that those views will come to his attention, I presume from those who have talked to the President on economic policy.

Q Jerry, President Nixon proposed a wage and price monitoring task force for the White House just before he left the office. How does President Ford feel about that idea?

MR. TER HORST: On all these matters of the economy I think we would be well advised to let the President speak for himself tonight.

Q Jerry, could I ask a question about the statement you just read. You say, "In this critical period, the President cannot call on others to sacrifice, if one or more other parts of the economy decide to go it alone." Is that a way of saying that the President is calling on others to sacrifice and, if so, what is the sacrifice?

MR. TER HORST: I think what the President is trying to convey there, and does, is that it makes it very difficult for the President of the United States -- as he points out in the statement I just read -- makes it very difficult for him to call on others or to expect them to show restraint when a giant such as General Motors takes unilateral action of this nature.

Q Jerry, can you tell us whether there is anything new on the status of President Nixon's tapes and papers and documents? I think you said the other day they were being studied by the legal people.

MR. TER HORST: Yes, and, Pete, I can't advance that much further. It is still being studied and still being considered and as soon as the attorneys have made a judgment on that, I am sure I will be able to be more forthcoming.

Q Jerry, to follow up on that, just who is doing the consultation and deciding on this matter? When you talk about attorneys, who are you talking about?

MR. TER HORST: As you know, Fred Buzhardt is still aboard, and, of course, we have the Justice Department and its attorneys over there. I think you could expect the Government's position to be developed by those parties.

Q Could you be specific in Justice as to who you are talking about?

MR. TER HORST: Marty, I just cannot.

Q Is St. Clair involved or has he left the White House?

MR. TER HORST: I have no guidance to give you on that, except to my knowledge he is still aboard. He is still on the payroll as a member of the President's Office of Legal Counsel.

Q To follow that a moment, are the papers and documents, so far as you know, still intact?

MR. TER HORST: Yes, they are. I said before that they are in the custody of the White House Legal Office. Technically, that is incorrect. Technically, they are in the custody of the Secret Service, as they have been all along, and they still remain there and no disposition nor movement of them has occurred.

Q Do you expect to ask the Special Prosecutor's views about the Watergate documents before making a decision?

MR. TER HORST: I would presume that certainly the Office of the Special Prosecutor would be cranked into the legal consideration of all of this.

Q Did the President specifically ask the Justice Department to become involved in the tapes issue? You mentioned the Justice Department attorneys.

MR. TER HORST: No, I mentioned that because that is obviously the branch of Government which deals generally with legal questions confronting the Government.

Q To follow that up, Jerry, the Justice Department attorneys were not involved in the President's Watergate defense. Now they have been brought into this whole matter.

MR. TER HORST: No, I am just suggesting that obviously there has been in the past during the Nixon Administration contact between the Justice Department attorneys and the Office of Legal Counsel and the Special Prosecutor's Office on matters such as this, and I didn't want to suggest something new to you has occurred.

Q Jerry, was former President Nixon blocked from taking the tapes out of the storage here?

MR. TER HORST: I am not aware of that.

Q Why were they left here?

MR. TER HORST: I presume they were left here in the custody of the Secret Service until some decision can be made on their disposition.

Q Has there ever been an assertion by former President Nixon that they are his personal property?

MR. TER HORST: I think that is something that we will have to await for the lawyers to advise us on; certainly me. I have no guidance to give you on that.

Q You don't know whether he has asserted a claim of personal property?

MR. TER HORST: I don't know that.

Q You mentioned that the President wouldn't have specific measures on the economy. Will he be referring to specific legislative proposals in other areas or specific bills?

MR. TER HORST: Yes, he may very well do that. As you know, the speech is not finalized -- that is a bad word (Laughter) -- the speech is not yet in its final form.

I think you could look for two things tonight. President Ford hopes to set the spirit and tone of his administrative approach to both domestic and foreign problems of the highest priority as he sees them. I don't think you should expect this to be a kind of State of the Union Message by any means. He is not going to present Congress with a laundry list of legislation that he wishes Congress to consider.

But on the other hand, he certainly knows from his own long experience in dealing with Congress and as a Member of Congress that there are a number of critical items on the Hill awaiting action or awaiting decision, and I think you can expect him to refer to those in the speech tonight.

Q Jerry, has the President talked to Attorney General Saxbe today or yesterday in connection with the legal matters that are left over from the previous Administration, the custody of the tapes and other matters like that?

MR. TER HORST: I am not aware that he has, Jim.

Q Has the President been in contact with the former President since Friday?

MR. TER HORST: I have not heard that he has. I did not ask him that, but I am not aware that he has.

Q I would like to rephrase Jim's question and ask you, since the Attorney General was in the White House today, did he meet with the President, to your knowledge?

MR. TER HORST: It is my belief that he met with General Haig.

Q When was that?

MR. TER HORST: This morning. Attorney General Saxbe was over here and talked to General Haig. I don't think he saw the President at that time because from my memory of what went on this morning, that was a time that I was in with the President.

Q Would that meeting have been at the request of President Ford that General Haig meet with Saxbe or would General Haig perhaps have acted --

MR. TER HORST: You know there are matters of legislation involving the Justice Department on the Hill and General Haig, as the man who sits at the crossroads on the flow of things between the President and the departments, I think it was in that area, Marty, rather than anything having to do with tapes or that sort of thing.

Q Specifically, can you rule out the possibility that General Haig might have met with the Attorney General at the request of Mr. Nixon?

MR. TER HORST: I cannot rule it out. Certainly, I wouldn't attempt to do that.

Q Can you find out why he was here?

MR. TER HORST: We can find that out, sure.

Q Have any members of President Nixon's former staff submitted resignations other than Mr. Malek?

MR. TER HORST: No. You are aware, of course, that Ron Ziegler and Rose Mary Woods and Steve Bull and so on have gone to the West Coast with former President Nixon. But they have not resigned per se, and they are still on the Government payroll.

Q Until when?

MR. TER HORST: No time has been set, but it will be a reasonable period while they clean up their personal affairs, and take care of the transitional process involved there.

Q Jerry, a procedural question, if I may. Did you sit in with the President when he met with these other people this morning, and do you plan to do that as a routine matter?

MR. TER HORST: I sat in on two sessions, and I don't think I should tell you which particular sessions they were, but the President has asked me to keep myself available for such times when he thinks it might be useful to have me sitting in in such meetings, Pete, and that is the kind of relationship we have. I am sort of at his beck and call.

Q In connection with the discussion this morning with Marsh and Rumsfeld which I assume was on transitional matters, could you give us some idea of the sort of thing the President is talking to them about in terms of the transition? What are some of the areas that are being discussed?

MR. TER HORST: It really is the same areas I talked about the other day after the first meeting of the transition team, and what has happened since then really is that the work in those assigned areas is progressing, but it is still the same kind of work and it still amounts to the mission of reviewing the existing White House staff structure in all its ramifications and divisions and what have you, and trying to see if it would be useful for President Ford to have an altered system that might respond better to his working habits and style of procedure.

So, there is obviously a lot of give and take back and forth between the President and this transition team in his suggestions to them, things they should look at, and their coming back with suggestions, "Does this meet your specifications or do you want some further idea from us." There is quite a lot of back and forth.

Q Are there any pieces of legislation that are awaiting action that the President has acted on?

MR. TER HORST: We had two small bill signings to announce yesterday. They were very minor, and they were posted. Outside of that, of course, as you know, he has the education bill waiting signature. That is on his desk, and there are some other bills, also. But here again, if I may, I suggest we let the President address those topics tonight in his speech.

Q Jerry, in connection with the personal staff of the President, Dr. Tkach accompanied President Nixon and his family out to San Clemente. He is an Air Force officer assigned to the White House as the senior medical presence. What is his status now?

MR. TER HORST: He is still so attached.

Q Is Bill Lukash still here?

MR. TER HORST: Yes, Bill Lukash very much is still here.

Q Who is President Ford's personal physician?

MR. TER HORST: President Ford's personal physician, as of now, is Dr. Lukash.

Q You mean at this moment?

MR. TER HORST: I mean he is the President's White House doctor at this moment.

Q He is the official number one?

MR. TER HORST: I am not aware that a hard decision has been made yet on that, Helen.

Q Jerry, the President's son yesterday gave an interview in which he said that he thought former President Nixon should make a full confession that he did wrong and so forth. Does the President agree with this?

MR. TER HORST: I asked the President about that this morning. Something told me that might come up. (Laughter)

Q We didn't hear all of the question.

MR. TER HORST: Helen, do you want to repeat your question?

Q The President's son, Mike, a seminary student, says that former President Nixon should make a full confession of any wrongdoing in Watergate and I wanted the President's reaction.

MR. TER HORST: As I mentioned, I did ask the President about that, and he said with a smile, and I think if you wish you can put this in quotes, "All of my children have spoken for themselves since they first learned to speak, and not always with my advance approval, and I expect that to continue in the future."

Q How about his retroactive approval? (Laughter)

MR. TER HORST: I just take it one step at a time. (Laughter)

Q Can you give us guidance on a press conference this week?

MR. TER HORST: I would think you should not look for one this week. The President has a very busy week, and with a lot on his mind, and a lot of decisions that have to be made, both in terms of the Congress and in terms of transitional activity and in terms of selection of a Vice President, but I do know that as soon as there is an opportunity, there will be an early press conference.

Q Jerry, do you know of any White House aides other than Bill Timmons who have been asked by the President to stay on or any aides he wants to stay on?

MR. TER HORST: Yes. As a matter of fact, going back to the President's meeting with the White House senior staff, the group that General Haig pulled together for him last Friday, I believe, at which time he asked them all to stay on and told them again that he did not want pro forma resignations from them or members of the Cabinet, either. And to my knowledge, all of those people have agreed to stay on at the President's request.

Q Was that a permanent stay-on or just for the transition?

MR. TER HORST: Essentially, it is for the transition, as you might expect. As the President said, these things we will deal with on a one-to-one basis as they come along. I don't think anything is locked in cement in that process.

Q Has anyone else come along on a one-to-one basis besides Bill Timmons so far? I assume Timmons was being asked permanently to stay on?

MR. TER HORST: Yes, very much so. I just wanted to point that out to you because they did happen to have quite a long session together about the White House concerns with things on the Hill, and in that process, I thought it would be useful for you to know that the President and Bill Timmons see eye to eye on Mr. Timmons future.

Q He would be the only one so far that you could say with certainty --

MR. TER HORST: No, I wouldn't say that, Marty. I would say I just wanted to give that for your own information for whatever use you care to make of it to give it some attention.

Q Just for clarification then, in your own mind, yet Timmons is the only one you happen to know about that has this extra assurance?

MR. TER HORST: No, I refer you back to the President's request and the pledge of continued support and staying on from Dr. Kissinger, from other members of the Cabinet, Defense Secretary Schlesinger, General Haig. So, I am not trying to say this is the first man of the former staff who has been identified as agreeing or being especially asked to stay on. I just wanted to point out to you they did meet today, and I thought it would be useful for you to know because there have been some stories or reports from time to time about the fact that Mr. Timmons might not remain as the President's senior Congressional liaison, and I thought it might be useful for you to know those stories are not true.

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Q Are you saying General Haig has been asked to stay on a permanent basis beyond the transition?

MR. TER HORST: General Haig has been asked to stay on indefinitely. I don't think they have talked about time in terms of the length of time.

Q You left the implication, at least with me, that beyond the transition period that these people who have been asked to stay on might be discarded on a one-to-one basis and the only one who has been assured he would stay on beyond that point was Timmons. That is the implication I have.

MR. TER HORST: No, and I wouldn't want to accept your words on being discarded. But outside of that, obviously with every new President and with every staff that one inherits, there is a certain amount of transition and staying aboard and then there is also the problem that arises that a lot of these people have thoughts in their own mind about their own future and what they may like to do, and all of this now has to be reviewed in the light of a new situation and the fact of a new President.

So I am just saying that the President has asked everybody to stay on. They have agreed to stay on. How long they stay on is something when there is a change, I will be out here to tell you about it.

Q Have any members of the transition team had any input in the President's speech or will they be reviewing any portions of it?

MR. TER HORST: They have had some input, yes, on the same basis that he asked for members of the Cabinet.

Q Who specifically?

MR. TER HORST: I couldn't give you a list of who specifically, but you know the four members of the team. They certainly have given their ideas to the President, along with members of the Cabinet and some of the independent agencies, and of course the President has considerable thoughts of his own that he will express tonight.

Q Aside from the mood that the President is going to set about the economy, when he is finished tonight will the American people have some idea about how he proposes to attack inflation?

MR. TER HORST: I think that is his intention.

Q Who is doing most of the work on the speech, along with the President?

MR. TER HORST: As you know, speechwriters like to remain slightly invisible, but I think I can tell you, and you are aware of who the President's speechwriters are. Essentially, of course, it is Milton Friedman and Bob Hartmann, who is the President's Counsellor, but I would not want to leave you with the impression that President Ford is not getting into the process rather extensively himself, as I can testify from being in there this morning.

Q Jerry, there is an appointment that is rather urgent that has been hanging fire for a long, long time, and I think it might have been made last Friday if other things hadn't happened, and that is the Veterans Administration. That is the third biggest agency in Government and they are just in a state of suspension.

MR. TER HORST: Sarah, I am glad you brought that up. The President has the matter of the next Veterans Administrator very keenly on his mind, and it is a matter of high priority with him and he hopes to move on that rapidly. But I cannot give you his precise time, and obviously cannot yet give you a name.

Q Jerry, there are reports the President plans a labor-management conference. Can you tell us anything about that?

MR. TER HORST: As the President indicated in his brief talk to the Nation at the time of his swearing-in, he does intend to meet with all these groups, not only labor and management, but also ethnic groups, black groups, various officials of cities, counties, mayors, Governors and this sort of thing is now in the process. They are trying to organize an orderly way to do this, but it will be done soon in a rather full way.

It will be a comprehensive series of sessions.

Q Will it be pretty much individually and not a broad conference of many groups at the same time?

MR. TER HORST: It may be a combination, depending on the size and the nature of the group.

Q There is already machinery for that with Bill Baroody's schedule of a White House Conference on Economy and Domestic Issues. Are you going to be working through that mechanism?

MR. TER HORST: Yes, that mechanism will be used and so will the ones the President himself is devising.

Q On the GM statement, has the President perhaps asked anyone on his staff to convey his thoughts on this directly to GM or to any of the other auto companies asking them perhaps not to follow it up?

MR. TER HORST: I do know that the President's counsellors or advisers on economic matters have had this matter under consideration, and are very much aware of it, very keenly aware of it, and have talked both to the President and to the industrial sector at large on this whole question of price restraints and wage restraints.

Q Have such conversations occurred since the GM announcement, or are you speaking just generally?

MR. TER HORST: I think it would be fair to say that the General Motors announcement put extra emphasis on the effort they were making in that respect.

Q When the President decides on a Vice President, what will the mechanics be of the announcement?

MR. TER HORST: That hasn't been worked out yet, Charlie. That is one of the problems that will have to be tackled and I think that will not really be decided upon until after the President has made the selection of the individual and then he will decide how and what manner would be best to put the name before Congress.

Q Jerry, does President Nixon still have any mechanism of contacting staff members back here and ask them to do one favor or another for him or to look up this or check that or whatever it might be, and if so, could you tell us how that works?

MR. TER HORST: There obviously -- without accepting, Marty, the suggestions in your specific question -- is continuing liaison between the former President and the present one, and the essential mechanism through that is of course Ron Ziegler and Steve Bull and Jerry Warren, who is still on the Press Secretary's staff, and to whom anyone else former President Nixon would care to talk.

THE PRESS: Thank you, Mr. Press Secretary.

END

(AT 1:05 P.M. EDT)