NE

												This Copy For
W	S	С	0	N	F	E	R	E	N	С	E	#37

AT THE WHITE HOUSE

WITH RON NESSEN

AT 11:58 A.M. EDT

SEPTEMBER 26, 1974

THURSDAY

MR. NESSEN: Good morning. You see, by moving the briefing to 11:30, it only makes us a half hour late starting, so I guess maybe that is some improvement.

We do have a lot of stuff today, as always. I want to call your attention to one particular announcement that was in the package of releases that we gave you, and that is the one concerning the transfer of 21 parcels of Federal property to cities, counties and States under the parks program. This land is to be used for parks and recreation lands.

Nearly 2,500 acres, worth an estimated \$15 million, are being deeded over to various State and local governments at no cost to them so they can continue to improve and increase their park and recreational areas.

The President met for more than two hours this morning with the bipartisan Congressional leaders. That was a breakfast meeting over in the Residence. I was over there and I can give you a little rundown on what was discussed, if you would like to hear it.

The breakfast lasted two hours and 15 minutes. The participants were the President, Secretary Kissinger, General Skowcroft, Bill Timmons, Senators Mansfield, Scott, Humphrey, Aiken and Fulbright, Congressmen Rhodes, O'Neill, Frelinghuysen and Morgan. And I sat and listened.

Secretary Kissinger gave a report on the diplomatic status and the outlook for negotiations on Cyprus. That was followed by a discussion of the pending foreign assistance legislation, including its relevance to the Cyprus situation as well as to the legal questions regarding assistance to Turkey.

**- 2 -** #37

It is the Administration's view that passage of restrictive amendments will work against the interests of all parties, especially Greece, since it will inhibit negotiations to settle the Cyprus situation.

That was followed by a brief discussion of the trade bill and by the Jackson-Vanik amendment.

The President feels that this was a very useful and constructive meeting.

Q Were any decisions reached?

MR. NESSEN: As you know, Helen, it is in the legislative process, and you couldn't very well reach any decisions this morning since it is in the hands of Congress.

Q Did the leaders agree to back the Administration's position on this point?

MR. NESSEN: I think I would rather have you talk to the leaders themselves rather than acting as their spokesman.

Q Well, did he ask for a postponement of all action on the foreign aid bill beyond September 30, a continuing resolution rather than act now?

MR. NESSEN: I think I would rather leave it the way it is, Helen, and not get into the details of what the President asked the leaders.

Q Why?

MR. NESSEN: I just rather would.

The President met with staff members after that -- Al Haig, Kissinger, Scowcroft and Hartmann. The President is going to be spending much of today preparing for the summit conference on inflation which will be held tomorrow and Saturday, as you know, at the Washington Hilton.

As part of that preparation he will be meeting this afternoon at 2:00 with his economic advisers. The President plans to attend virtually the entire conference which will be held from 9:00 to 5:00 tomorrow and from 9:00 to 1:00 on Saturday.

#37

- 3 -

I told you yesterday the President will open the conference tomorrow morning with a statement and will also speak at the conclusion of the conference which should be about 12:30 on Saturday.

Q Will you be briefing tomorrow inasmuch as the President will be up at the hotel?

MR. NESSEN: That is still a little bit up in the air, and we are thinking about it, but we will get the word to you.

Q When will you get the opening statements?

MR. NESSEN: It is being worked on, Helen. I don't know.

Q How many people will take part in the summit?

MR. NESSEN: Let me say this. What I was coming to is we are going to have very extensive press kits on this conference available to you. I have asked that they be brought over here so you will have them ahead of time so you don't have to wait until you get over there to get them.

I think we have already given you the agenda --- have we not —and also a list of the delegates.

Q No.

Q When will the press kits be available, Ron?

MR. NESSEN: They are coming. The press kits will be available hopefully tonight.

Let me say a couple of things about this economic summit meeting. I know there has been a fair amount of interest in the newspapers, some speculation and so forth. I had a chat with Bill Seidman and with Al Greenspan and maybe I can tell you some of the thinking here.

Mr. Seidman feels that the preliminary conferences which have been held so far, plus the final conference coming tomorrow or Saturday, represent the most thorough exploration of the state of the Nation's economy that has ever been held.

## Q Are those his words?

MR. NESSEN: I am paraphrasing our conversation. None of these will be direct quotations.

I think everyone involved in this agrees that the inflationary situation is complicated, it is worldwide, it has many causes. And there is no quick and easy solution.

Mr. Seidman feels that these preliminary conferences have calmed the fears that we are going to have a deep recession.

#### Q How is that?

MR. NESSEN: Let me say "that we are going to have a deep depression" or "a depression". The people who have taken part in these things do not think it is 1932. They don't think we are going to have a depression.

Q We are going to have a deep recession?

MR. NESSEN: I don't mean that. I am trying to read the notes that I have from my conversation and they are not entirely clear.

Q Did he say a recession or depression?

MR. NESSEN: Depression.

We are not going to have a deep depression?

MR. NESSEN: We are not going to have a depression.

Q Are you speaking of a consensus now of what they have gotten from the mini summits?

MR. NESSEN: A general consensus. Not everybody agrees with everything, but this is the majority view.

Q Is this all paraphrased of Mr. Seidman, Ron?

MR. NESSEN: Yes, during the conference -- I don't know how many of you have followed it -- there were various problems cited as being the causes of inflation, and I will run over some of those with you, although I want you to understand that these are reasons listed by various participants.

Obviously, all participants don't agree with all the causes suggested by other participants, but some of the causes that were mentioned by participants included Federal spending, too much easy money, the oil cartel, the food problems and droughts, devaluation of the dollar, the cost to clean up the environment, Government restrictions on industry, labor restrictions, and the lack of accumulation of sufficient capital.

Now, just so you understand, these are reasons sited by various delegates but do not necessarily represent a concensus of the participants.

Q These were mentioned by him? These are Seidman's reflections?

MR. NESSEN: Right. In talking to him about how the conferences have gone, he said these are some of the things that have been mentioned.

Q These are the only ones he remembers?

MR. NESSEN: Mr. Seidman also indicated that there was general agreement that wage rates were not the principal cause of inflation. However, what he referred to -- and I don't want to define it too much -- as the wage and price spiral could be a real problem if something is not done soon. I might say -- and I want to interrupt myself here for a moment -- we hope to provide you with a briefing after the President's speech tomorrow.

Q Where?

MR. NESSEN: I think we will have it at the hotel.

Q The President's speech tomorrow or Saturday?

MR. NESSEN: Saturday; I am sorry. We hope to have a briefing for you on Saturday after the President's speech at the hotel.

Q By you?

MR. NESSEN: No, by an economics expert, which I am not. I can't balance my checkbook. (Laughter)

MORE

Q Ron, when you say if something is not done soon, can you give any indication of what "something" he might have had in mind?

MR. NESSEN: No, I can't.

Q Ron, Did Mr. Seidman not mention to you administered prices and cartels within the domestic economy?

MR. NESSEN: I don't think that his list of problems possibly causing inflation was meant to be exhaustive. I think certainly other reasons were cited by other participants. These are the ones that apparently came most quickly to his mind.

Q Does the order you gave them in mean anything?

MR. NESSEN: Certainly not.

Q It is obvious from this list that what comes quickly to his mind is the traditional conservative Republican approach to the problem. Is that what you are trying to imply?

MR. NESSEN: Bob, I certainly am not and I wouldn't read that into it. I was hoping to get a little material on the thinking just on the eve of the summit, and I would advise you not to read too much into the order of the list or exclusions from the list.

Q Do you have some more there to list?

MR. NESSEN: I do, and I would like to, if you don't mind.

I have also talked to Al Greenspan on some of his thoughts on the eve of the summit about the outlook for the economy. I think you probably have heard him say yourself that the economy is not in good shape, and obviously the Government, this Administration, is looking for ways to change it and to improve it.

He doesn't think we can go on with double-digit inflation because traditionally the economy of this country has been built on low rates of inflation and with interest rates somewhere between moderate and low. The financial system is under strain, and it will be under strain if we continue with double-digit inflation.

**-7-** #37

He believes that we really need to make a start in getting inflation under control because he thinks that it will take between a year and a half and three years from the time we start until we have it under control. And he believes that economic problems, if they are not solved, will have their effect in a wider area of our political and financial lives.

Q Ron, before we leave that, can you be more precise about what he means by getting it under control and an acceptable rate of inflation?

MR. NESSEN: Tom, I don't know what figure he has in mind on that.

Q Ron, another question. You say it will take between a year and a half to three years from the time we start until we have it under control?

MR. NESSEN: Again, I am paraphrasing him and using layman's language, and I don't know what he considers the starting point. I assume some steps --

Q That is what I wanted to ask you. When do we start?

MR. NESSEN: I believe he thinks we have started already some of the steps that have already been taken. I don't think he is talking about from Saturday afternoon at 1 o'clock. There have been some steps taken, and I think that is what he is talking about. Maybe the way I should say it is that from the time we started it, it will take a year and a half to three years.

Q Ron, Mr. Seidman says that the fears have been calmed about a depression. But reading between the lines on Greenspan, there are all these "if's," if we don't stop double-digit inflation, if we don't do this, if we don't do that. Greenspan apparently doesn't rule out a depression, does he?

MR. NESSEN: I wouldn't read that into it. I think you have all heard Mr. Greenspan speak and I think you have heard most people involved in this area speak, and there is no disagreement on the fact that this is a serious problem that needs to get better or else it will get worse.

I wouldn't suggest in any way that Mr. Greenspan expects a depression or thinks there will be one. He thinks there will be serious problems if we don't control inflation.

- 8 - #37

Q He doesn't rule it out, and Seidman did. I mean, you quoted Greenspan as saying the economy isn't --

MR. NESSEN: Again, these are my notes of a conversation, and you should not speculate that Alan Greenspan expects a depression.

Q Ron, in view of the sense or urgency that is being conveyed in these messages by high White House officials, is the President likely to present a list of legislation that he would want Congress to act on this year?

MR. NESSEN: Will he present it this year, or will it be for action this year?

Q Will he present it for action this year?

MR. NESSEN: For action this year?

Q Yes.

MR. NESSEN: I think I can say that there will be some things that he would like acted on this year.

#37

Q Ron, will we know about these things on Saturday? You said yesterday that these matters would be referred to.

- 9 -

MR. NESSEN: I can't tell you at this point what will be in the speech on Saturday.

Q Does the President still rule out a lame duck session of Congress this year?

MR. NESSEN: I don't think that is the President's decision, really. I think Congress has to decide whether it needs to come back. My understanding is that they have indicated they expected one.

Q Ron, does the President oppose a lame duck session?

MR. NESSEN: Again, it is not a question for him to oppose or favor.

Q I thought you said before he didn't favor it.

MR. NESSEN: I think the Congressional leaders have indicated to him what the situation is.

Q Can you just give us any kind of indication as to the kind of things he might want Congress to act on this year?

MR. NESSEN: I can't. After all, he hasn't even sat in on this final summit meeting yet and he is still having meetings with his own economic advisers and will continue to.

Q Ron, was your first answer to Phil -- did you mean by that that the President will ask Congress to act on some economic legislation this year?

MR. NESSEN: I don't want to be pinned down to saying definitely yes, but I think that there are some things that the President is looking at that he might want Congress to act on this year.

### Q Including taxes?

MR. NESSEN: I am not going into specifics.

Q Ron, on legislation, but a different aspect, was there opposition being expressed on the Hill in committee and elsewhere, to number one, the agreement on the Nixon tapes and documents, and two, the requested appropriation for Mr. Nixon?

Were those two problems raised and discussed at all at this morning's leaders' meeting?

MR. NESSEN: Absolutely not.

Q Has the President intervened and supported a recommendation on those two things and are Bill Timmons and his staff under instructions from the President to really work for that legislation to prevent or rather to work against legislation that would cancel the tapes agreement and for the appropriation?

In short, is the President really going to bat on those two things?

MR. NESSEN: I will have to check that for you. I haven't had a lot of time to look into that. Let me see if I have anything I have typed out in my notes.

Let me take a part of it anyhow. You asked about the funds that the --

Q The very drastic cuts in the appropriation that was requested for the transition and that have been recommended and voted in committee; and two, the legislation bill has been proposed in effect to cancel or a abrogate the tapes and documents.

MR. NESSEN: Well, I haven't talked to the President, as I say, about this, because there have been a lot of things, as you know, these past few days.

I do think I ought to point out to you it was the GSA which requested the funds for Mr. Nixon and they requested on behalf of the former President, and that request was transmitted to Congress by the White House.

- Q Didn't the President approve of it?
- Q There was a covering letter with his signature on it.

MR. NESSEN: Well, I think we can say that the GSA did the negotiating with the former President. In fact they have said that on the Hill. With all requests for funds to the Hill, you know, they go from the President, but as for the actual request for the funds and the amounts and so forth, that was from GSA after consulting with the former President.

Q Ron, you said GSA did the negotiating with the President. You mean with the former President?

MR. NESSEN: Former President, I am sorry.

Q You mean negotiating just on the funds or are you including the tapes agreement?

MR. NESSEN: No, no; I am not talking about the tapes agreement. Let me see if I made some notes.

Let me just point out at this point that I still have a good number of announcements to make. Perhaps we ought to get on with those.

Q Could I ask a question about Mr. Greenspan before you get too far away from it?

MR. NESSEN: Sure.

Q Do you know what he had in mind when he said the financial system is under strain and will be under greater strain with continued double digit inflation? How is that strain manifested? And concretely, are we in danger of any bank failures?

MR. NESSEN: I am not sure that he had that in mind. I think maybe it would be best, if you have other questions, as you obviously do, about their views on the eve of the summit -- as I understand it, both of those gentlemen are very much available to answer questions from the press.

Let me get back to the announcements because there are a lot of them and I think we should not get away from them before I have finished.

Q Did you finish up with what Greenspan had to say?

MR. NESSEN: Yes, I did.

The President is meeting again today with President Leone of Italy. They will continue these discussions from yesterday. You probably remember that they talked about 90 minutes yesterday.

There will be a formal communique issued at the conclusion of President Leone's visit, but I don't have an exact time for its release to give you at this time.

Q There is no change in the time of their meeting? Is it still 4:30?

MR. NESSEN: As far as I know, yes.

At 5:30 the President is going to meet with the Foreign Minister of West Germany who, like some of the others, is in the United States for the U.N. General Assembly meeting. This will give the President an opportunity to reaffirm the close ties existing between the United States and West Germany and to reaffirm as well the policy of close consultations between both countries.

They will also have the opportunity for a broad review of U.S.-European relations, East-West relations, international economic problems and other international issues such as the Middle East and Cyprus. I would think that at the end of that meeting we will be able to have something for you to report.

For your GUIDANCE, I think the President, after he finishes tomorrow at the economic meeting, will probably remain in the Washington area this weekend.

Looking ahead to next week, the President and Mrs. Ford are going to the Redskins game with the Denver Broncos at the stadium on Monday night. I am going with them. That is the only way I can get a ticket to the Redskins game. That is the real reason I took this job, incidentally. (Laughter)

The President and Mrs. Ford have accepted an invitation extended by the Redskin coach, George Allen, and they will sit with the Allen family.

On Wednesday, as you know, the President is going to make appearances in Provo, Utah, and in San Francisco. He will speak to the student body at the Brigham Young University in the morning of Wednesday and in the evening in San Francisco to the UPI editors conference.

Q What do you know about Q and A?

MR. NESSEN: We haven't worked out the exact format, but there will be questions and answers with the editors.

- 13 - #37

Q Is he going out Tuesday, Ron?

MR. NESSEN: The President is going to leave Washington Tuesday evening, spend Tuesday night in Salt Lake City, go on to Provo on Wednesday morning and then after the UPI appearance will stay overnight in San Francisco. That is a tough one, too.

Q There is no speaking engagement in Salt Lake City. Is he going out there just to sleep?

MR. NESSEN: He has to sleep somewhere. (Laughter)

Q Seriously.

MR. NESSEN: Yes.

Q Is there any other stop coming back, any other stop on this trip?

MR. NESSEN: Not that I know of.

Q Do you know when he will be leaving and arriving from San Francisco?

MR. NESSEN: I don't have the exact times yet, Bill.

Q One other question on the California trip. I understand that the time on that UPI speech is about 6 o'clock, and let's assume he wraps that up by 8. Does he have any other plans for the rest of the evening? Are we free? I mean, I would like to --

MR. NESSEN: What do you want to do, call ahead and make plans? Get the Condor ready, right, Big Al's? (Laughter)

Q I don't want to make plans for the evening and have him out in a balloon.

MR. NESSEN: I can't give you the exact data. There are no plans for a balloon ascension.

Q Does he plan to stop by and see Nixon?

MR. NESSEN: There are no plans for that.

Q What about the return on Wednesday. Is he going to fly directly back from San Francisco to Washington?

MORE #37

- 14 - #37

MR. NESSEN: That is what I have at the moment. I don't have any other things that I know of right now.

We do have a couple of personnel announcements that you didn't get in your package.

The President is announcing today that he will nominate Army Vice Chief of Staff General Fred C. Weyard to be Chief of Staff of the Army. He will, as you know, succeed the late General Creighton Abrahms, who died on September 4. I think you either already have or we will give you a biography of General Weyard.

We will have another personnel announcement. You will get this momentarily.

The President is announcing that he will nominate David Bruce to succeed Donald Rumsfeld as the U.S. permanent representative on the Council of the North Atlantic Treaty Organization. This position carries the rank of Ambassador.

Ambassador Bruce is currently serving as the chief of the U.S. Liaison Office to the People's Republic of China. In nominating David Bruce, the President is calling on one of America's finest diplomats. Ambassador Bruce's wisdom, his broad diplomatic experience and his unsurpassed record of dedicated service to a close Atlantic relationship uniquely qualify him for this important assignment.

His nomination demonstrates our commitment to the continuation and strengthening of our close relationship with Europe and our dedication to a strong and vital Atlantic alliance.

Q Why couldn't that appointment, that nomination be disclosed yesterday when you were asked about it? I mean, it was apparently known yesterday.

MR. NESSEN: The President made the appointment today, and we announced it today. We announce them as he makes them. We don't hold them back for any reason.

One other item. Late yesterday afternoon the President placed a phone call to the baseball player Al Kaline. He is a Detroit Tiger baseball player, and some of you who are baseball fans know that the night before Kaline hitchis 3000 and 3001 base hit over in Baltimore.

**- 15 - #37** 

There are only 12 people in all of baseball history who have ever done that, and no American Leaguer has done it in 49 years.

I listened to some of the phone call and, if you care, the President wished him well and said he hoped he would go four for four last night. I don't know if he did or not. He probably struck out a lot. (Laughter)

He told him it was a great double he had hit for his 3000 hit. He said we were all watching and counting as you got closer and closer to the mark, and when it got to be only five more hits with 14 more games to go, we knew you would make it.

Kaline has done some work with community action programs and the President complimented him on being a model for the young people. He told him to have a good night in last night's game and told him if he was ever in Washington, to let him know and he would like to have him come by and reminisce about baseball.

The President does like baseball, and at the end of the conversation told him to give Ralph Houk and all the Tigers his regards.

Q Did you say only three others or five others had made this much?

MR. NESSEN: Twelve others in baseball history have hit 3000 hits in their career.

Q Ron, why couldn't we have gotten this also last night?

MR. NESSEN: Fran, it was very late in the evening and I think everyone had gone. It was, I think, after 6:30 when he put the phone call through.

**- 16 - #37** 

Q There was a big pool here all night long at the White House.

MR. NESSEN: It was my fault because I didn't think to get it out last night. I will, in the future, if there are things like this, I will try to get them out in the evening. I forgot about the pool being here last night.

Let's see. Do we have any further announcements? I think that is everything.

Q Ron, what will be the response to the letter to the President from William Hungate that asked for him to clarify how he decided to give Nixon a pardon and also to send Philip Buchen up to testify before Hungate's subcommittee next Tuesday?

MR. NESSEN: No decision has been made as to whether or not Mr. Buchen or anybody else on the White House staff will appear to testify.

Q Ron, do you have anything to say yet, or maybe you have, on the new roles of Simon and Seidman that there has been speculation about?

MR. NESSEN: We don't have anything to announce, but I would anticipate you would know it fairly soon.

Q Ron, if Mr. Buchen, or no other member of the White House staff goes to the Hill, does that mean that Mr. Ford will possibly invoke Executive privilege for the first time?

MR. NESSEN: I think you are way ahead on that. I say that no decision has been made. I think we probably ought to wait and see what the decision is before we leap ahead to that.

Q When you say the Simon-Seidman announcements are going to be made fairly soon, does that mean today?

MR. NESSEN: I can't give you any guidance on that, Mort, because I don't know. The reason I can't is that I don't know.

Q Does it mean that we are on target in our speculation, or does it mean absolutely nothing?

MR. NESSEN: The question was would there be anything to announce on a Seidman and Simon change, and I said we don't have anything to announce in the area of any change in the economic advisers.

Q Ron, what is the answer to my question about how much we are spending on Mr. Nixon.

MR. NESSEN: You did ask that yesterday, didn't you?

Q I did.

MR. NESSEN: Maggie, after you asked that, I checked into it and found that Roy Ash, and I guess Arthur Sampson, were up on the Hill yesterday and they were asked the same question, And I understand that the OMB, that Mr. Ash told them that the OMB is looking into it, and that within the next few days he will have more information.

And I really can't give you anything else until he provides what he said he would.

Q Back on Seidman --

MR. NESSEN: Seidman-Simon?

Q Right. The economic advisers. You said that we will know something fairly soon, and I asked whether that would be today, and then you started answering --

MR. NESSEN: I said I simply don't know, Mort. I don't know when we will have anyting to say in that area.

Q In the greetings on the lawn yesterday, President Ford indicated that he was looking for a multialateral approach to the international economic problem.

Can you give us any guidance on that? Specifically, does it mean an international summit on economic things and will that include OPEC nations?

MR. NESSEN: I think if you can refer your detailed questions over to the State Department, they could help you on that.

Q Ron, you seemed to be earlier trying to disassociate the President from that original appropriation request for President Nixon, emphasizing it was a GSA figure and so on.

Does the President have any reservations about that original figure, and did he have any reservations at the time that he sent it up with a covering letter?

MR. NESSEN: I was merely telling you what the procedure was that was followed on that. I didn't mean for you to draw anything out of my remarks one way or another. I was just telling you what the procedure was.

Q Excuse me. My question was, does the President have any reservations about that original request?

MR. NESSEN: I haven't talked to him about it and I can't give you an intelligent answer on it for that reason.

Q Ron, on that issue, was the President aware when he sent the covering letter that the GSA has been sharply criticized by the Government Operations Committee report for the way it approved expenditure of Government funds for San Clemente and Key Biscayne?

MR. NESSEN: Was he aware of that?

Q Was he aware of that before, the criticism of the GSA for spending money on President Nixon's homes.

MR. NESSEN: I don't know. That was before my tenure and I don't know what he was aware of at that point.

Q Ron, can you also tell us how much money the Government is spending on Mr. Nixon's medical care?

MR. NESSEN: It seemed to me that we looked up something on that subject because I think we had a question about it the other day.

If I don't have it here, Frank, I will check it for you. But I thought we might have gotten some answers on that. I will check it for you.

My understanding is that there are no provisions for the Government to pay hospital expenses in a civilian hospital for a former President. I believe there is some right of former Presidents to use military hospitals, but I will have to check in more detail if you are interested.

Q Ron, did you answer the question about whether the President did approve the GSA proposal for Mr. Nixon?

MR. NESSEN: I am saying that the mechanics of this are that the request was prepared by the GSA and that the transmittal of it obviously is the President's.

Q That is the mechanics, but what about did he actually approve it?

MR. NESSEN: In what sense do you mean approve? You mean personally approve?

Q Yes.

MR. NESSEN: I don't know whether he personally approved or not. I have no reason to suspect one way or the other on that. But obviously if he sent it to the Hill over his name in his official capacity, obviously it has got his name on it.

Q Can we assume from that that he personally approved it?

MR. NESSEN: I wouldn't assume one way or another.

Q Well, why can't we?

MR. NESSEN: Would you let me check it and see what I can find out on it?

Q Ron, Governor Milton Shapp suggested that Senator Scott seems to feel it would be a good idea to have a fuel stamp program very much like the food stamp program. Is the President contemplating such a program? What is his position on that?

MR. NESSEN: A fuel stamp program?

Q Yes.

Q For old foks and poor folks for home heating oil, easy access in the winter.

MR. NESSEN: You are talking about home heating oil or gasoline?

Q Home heating oil.

**- 20 -** #37

MR. NESSEN: I don't know the answer to that, but I will try to find out.

Q Ron, is Dr. Mar leaving the White House staff?

MR. NESSEN: I don't even know Dr. Mar. Ted Mars. I will find out for you. I don't know one way or the other, Sarah. The President, as you know, has asked everybody to stay on, but I will check.

Q Ron, in your discussions with the economic people, did they say you could confirm the story that has been leaked out that there will be a tax break for the low income?

MR. NESSEN: It seems to me that I saw Bill Seidman quoted to the effect that it was a matter under consideration -- not under consideration. I think his words were that it was one of several ideas or a number of ideas that was under study so I don't think there is any secret about that because he said it already.

Q Ron, would the President sign something of which he disapproved?

MR. NESSEN: Peter, I am going to have to find out about that.

Q What about the expression of support --

MR. NESSEN: Let me not leave that, that I have any doubts about whether the President would sign anything he disapproved of. I merely need to find out one way or the other.

Q Going back to the taxes, Seidman also said, or somebody in the Administration said, that the President was sympathetic towards a tax break fow low-income people, is that correct?

MR. NESSEN: I didn't see that quotation, and I think we will just have to say that it is one of a number of ideas that are under study.

Q How about the matter of the President's support or nonsupport of the tapes and documents agreement which was his baby, very definitely?

MR. NESSEN: What is the question about that?

**- 21 - #37** 

Q Is he himself defending on the Hill or having his lobbyists, his staff, lobbyists, defend that agreement and resist, oppose or indicate his opposition to legislation that would abbrogate that agreement.

MR. NESSEN: I think what we have to say there is that the question of the tapes is kind of in the legislative process, John, and I think we will have to wait and see what Congress comes out with.

Q He is prepared to accept whatever Congress comes out with?

MR. NESSEN: I haven't asked him that question.

Q Has the President talked with Mr. Nixon or gotten a late bulletin on his medical condition?

MR. NESSEN: I was going to try and call Dr. Lukash before I came out here, and I got busy and didn't have a chance. What happened yesterday was -- and I got around and told as many as I could in the press room when I found it out -- was that Dr. Lukash saw a story on television about the former President's health and he and Dr. Lungren talked by telephone.

At about 2 o'clock yesterday, Dr. Lukash went in and told the President what he had learned from Dr. Lungren, which was the same thing that Dr. Lungren said at his briefing out in California, and the President said that he was pleased that there was no imminent danger and that the former President was feeling reasonably well.

I am not aware of any phone call from the President.

Q Was this the first the President knew of the turn for the worst? Had he gotten any prior notice?

MR. NESSEN: I don't want to characterize Dr. Lungren's report as a turn for the worse. It was the first the President knew that the former President was in the hospital with a blood clot on the right lung.

Q Ron, could I get back to John Osborne's question in another way? Has the President expressed dismay or dissatisfaction or disapproval about either the committees cutting the Nixon requested allowance in half and the unanimous vote of the Senate Government Operations Committee to abbrogate the tapes agreement?

**- 22 - #37** 

MR. NESSEN: I haven't heard him speak on either of those matters.

Q Ron, since you seem to have confirmed the leaks on the tax cuts --

MR. NESSEN: In what sense, Bob, have I done that? I said, as Seidman has said, that is one of several ideas, many ideas under study.

Q Yes, well, isn't that a confirmation?

MR. NESSEN: Why do you need it confirmed when you have Bill Seidman saying it publicly under his own name?

Q We haven't had a chance to talk to him. Obviously, he was only talking to certain organizations and mine didn't happen to be one of them. What I am asking now that you have confirmed those leaks from Seidman, is could you tell us what other specific acts or actions might be under consideration besides taxes?

MR. NESSEN: I can't, Bob.

Q What about selective tax credits? I have seen selective tax credits in the same sort of story on low income tax credits. Is that too under study?

MR. NESSEN: Yes, for this reason, on the tax cuts for the low income people, I think at the summit meetings, if any of you have followed them, the preliminary summit meetings, a number of the participants from various sectors of the economy -- labor, management, and also some of the economists -- agreed that inflation has hit the low income people the hardest, and so a tax cut for low incomes is on the agenda for consideration.

I am not sure whether there will be any final decisions by the time of tomorrow's meeting and, in specific response to that question, the President has made clear that one of the ways he wants to fight inflation is to hold down the budget.

Well, if he were to decide on cutting taxes for the poor, there obviously would be a need to be a way to make up that money from somewhere else, that revenue money from somewhere else.

Q Ron, when you talked to Mr. Greenspan and Mr. Seidman, did you tell either one of them that you had been getting some questions on rumors about a return to wage/price controls, and did they have anything to say about that problem?

MR. NESSEN: I just want to be as firm as possible on this, that the President has said, and still believes and still sticks to, that he is opposed to wage and price controls, period.

# Q What about guidelines?

MR. NESSEN: Well, guidelines -- it seems to me from what I can find out -- fall into the same area as --

### Q As controls?

MR. NESSEN: Let me back up a second there. I thought you meantrollbacks. You can't have price rollbacks or wage rollbacks unless you have wage and price controls. This was Jim Deakin's question yesterday and I tried to get out here and tell some folks because I found out the answer to that fairly quickly.

You can't have rollbacks unless you have controls, and if he is opposed to controls, obviously we are not going to have rollbacks.

**-** 24 **-** #37

On the question of guidelines, I have been looking into that question and let me see if I can give you an answer to that question.

My memory is that there hasn't been any decision made on guidelines.

I haven't got my book fully organized here so I can find all the answers to your questions, but I think the answer to that will have to be that there has been no decision made on wage and price guidelines.

THE PRESS: Thank you, Mr. Secretary.

END (AT 12:50 P.M. EDT)

This Copy	For
-----------	-----

#38

AT THE WHITE HOUSE

WITH JACK HUSHEN

AT 6:53 P.M. EDT

SEPTEMBER 26, 1974

THURSDAY

MR. HUSHEN: On the meeting with President Leone, that was, as you know, the second meeting, which lasted about 50 minutes and was necessary to complete the discussions begun yesterday and to approve the joint statement, which you now have, pertaining to the substance of their discussions.

President Leone, as you may know, goes to New York tomorrow to address the U.N. General Assembly and to attend meetings there, and he plans to return to Italy on September 29.

Following the meeting with President Leone, the President met for approximately 45 minutes with the West German Foreign Minister, Hans-Dietrich Genscher, who I am sure you know is in the United States for the current session of the U.N. General Assembly.

During the meeting, the President and the Foreign Minister had a very positive, broad-ranging and useful exchange of views on U.S.-European relations and on international issues, including Cyprus, the Middle East and the international energy and financial situation.

The President reaffirmed his commitment to working closely and in partnership with the leaders of Western Europe on the major issues of current mutual interest and importance.

The President and the Foreign Minister also discussed East-West issues, including the Conference on Security and Cooperation, which is going on in Geneva, and the status of force reduction talks now going on in Vienna.

That is about all I can give you on that meeting.

THE PRESS: Thank you.

END (AT 7:56 P.M. EDT)