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NEWS CONFERENCE

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AT THE WHITE HOUSE

WITH RON NESSEN

AT 11:50 A.M. EDT

MARCH 24, 1975

MONDAY

MR. NESSEN: I thought what I would do would be to quickly go through the very brief announcements and then come back to the Congressional leadership meeting, if that is all right.

At 10:30, the President greeted the Romanian Choral Group and student leaders who are touring the United States for three weeks under the auspices of an organization called Friendship Ambassadors, Inc.

This meeting was requested by the president of that organization, a gentleman named Harry Morgan.

The Friendship Ambassadors is a nonprofit organization. It has brought about 5,000 young American singers to Romania over the past few years. The ceremony was originally supposed to be in the Rose Garden, but it is raining, as you know, so it was moved into the Cabinet Room. There wasn't much room, but I think we had enough press representation there for you to get an idea of what it was like.

Q Can you take a question on that?

MR. NESSEN: Yes. I didn't think there would be any questions.

Q I want to know about the President's remarks. Has the President received an invitation from President Ceausescu?

MR. NESSEN: We will check that.

At 11 o'clock, the President began a meeting with Secretary Hills. It is the first meeting since she was sworn in. I think you know by now that the President's plans are to meet with each new Cabinet member at the beginning of their term to discuss the Department's business and to give his views on how the general policy of that Department should be carried out and the approaches he considers important; in her case in the areas of housing and urban development.

I think there were photographs at the beginning of that meeting, too.

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I have no personnel announcements, or other announcements, so I will give you a report on the bipartisan Congressional meeting.

For those of you who were not here at the end of that meeting, Senators Mansfield and Scott and Speaker Albert and Congressman Rhodes came out here to the briefing room. We will have a transcript of that available so you can catch yourselves up in case you missed what they said.

Q What is your rule of thumb on when you permit bipartisan Senators or Congressmen to come into the briefing room or when you catch them on the loose outside; when it is raining or something like that?

MR. NESSEN: I don't think there is a rule of thumb. It clearly was raining today. In the interest of dryness, I guess, I brought people in here.

Q There have been other times, too. Will it always be from now on?

MR. NESSEN: As I said, I don't think there is any general policy on it, Helen. I think you have a list of participants.

The President walked into the Cabinet Room with Dr. Kissinger, and those present stood and applauded. The President began the meeting by saying he did not intend to assign blame for the suspension of the Middle East peace talks. The President gave a short history of efforts to help Israel and Egypt to take another step toward peace.

The President said he was greatly disappointed that the talks had been suspended without agreement.

The President said that the parties involved now will assess how to proceed toward peace. The President praised Dr. Kissinger for his "skill and patience" -- using his words -- and said that everyone was grateful for his efforts.

Dr. Kissinger reviewed in some detail the course of the negotiations. He concluded that the United States will now consider how to further the cause of peace, including the possibility of negotiations at Geneva.

Q Did Kissinger say that?

MR. NESSEN: Kissinger said, "The United States will now consider how to further the cause of peace, including the possibility of negotiations at Geneva." At that point, the President announced that the United States will re-examine the Middle East situation and will keep Congress fully informed on the results of that examination.

Q Did he use the word "reassess" at that point?

MR. NESSEN: I think both words were used, Peter.

The President said that this re-examination or reassessment was being undertaken as a result of the situation which has developed in the last few days, that the re-examination will look into all aspects and all countries in the Middle East.

Q All aspects in all countries in the Middle East?

MR. NESSEN: Yes, that it would look into all countries and all aspects in the Middle East. He told the leaders he would stay in very close touch with them and keep them fully informed of the results of the negotiations (examination).

Q Did you say informed of negotiations or informed of the examination?

MR. NESSEN: No, I said informed of the progress and outcome of the examination.

Q What was this an examination of, again?

MR. NESSEN: All aspects of the Middle East and all the countries of the Middle East.

Q By whom?

MR. NESSEN: By the United States.

Q Does that mean a reassessment of the past American policy of being even-ended or not trying to tilt toward one side or the other?

MR. NESSEN: It is a reassessment of the entire situation in the Middle East.

Q Does that include a reassessment of the U.S. policy in the Middle East?

MR. NESSEN: It is a total reassessment of all aspects of the Middle East.

Q Then your answer is yes?

MR. NESSEN: Let me hear the question.

Q The question was, does that include a reassessment of the U.S. policy in the Middle East?

MR. NESSEN: I said it is a reassessment of the situation in the Middle East.

Q The answer is yes?

MR. NESSEN: It is a reassessment of the situation in the Middle East.

Q Who is going to do it -- Kissinger? (Laughter)

MR. NESSEN: The President, of course, will oversee the examination, and it will be done --

Q This is a very fine but important distinction, whether it is a re-examination of our policy or an assessment of the situation over there. Is it both?

MR. NESSEN: It is a reassessment of American policy toward the Middle East, so the answer is yes.

Q Ron, was there anything about intransigence alleged in the reports, that the President used the term "intransigence" in regard to Israel. Is there any validity to this?

MR. NESSEN: Where are those reports, Les?

Q I just saw them in the newspapers of wide circulation.

MR. NESSEN: I have not seen those.

Q You have seen none? I believe the Washington Post reported yesterday there were reports of the President having allegedly written or said something about Israel being intransigent or stubborn. I hear it on the air, too.

MR. NESSEN: I have not seen that or heard that, but as the President opened the meeting, he said he did not intend to assign blame.

Q Has the President written letters to Mr. Rabin and President Sadat?

MR. NESSEN: He has been in touch with both Israel and Egypt during the course of Dr. Kissinger's trip.

Q My question was the Prime Minister and the President.

MR. NESSEN: I don't want to go into much detail about personal correspondence between the President and foreign leaders except to say that he was in contact with the two sides last week.

Q He was in touch as the negotiations appeared to break down?

MR. NESSEN: He was in touch during the period of Dr. Kissinger's negotiation.

Q I wasn't specific enough. It was my fault. Has he been in touch with them since the announcement that the talks had been suspended?

MR. NESSEN: I am not aware of that.

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Q Can I be more specific on that? Was the President in touch with Rabin Friday?

MR. NESSEN: He was in touch with both sides, Peter, and I don't have further details.

Q On Friday?

MR. NESSEN: I don't have details of when and how.

Q Who is going to do the reassessment now?

MR. NESSEN: The normal foreign policy-making machinery of the State Department, the NSC and the others who prepare material for the President on foreign policy.

Q Can you be any more specific than what you have said about reassessing foreign policy. Can you say the President will now be reassessing the U.S. policy toward Israel and Egypt, specifically?

MR. NESSEN: I can say all aspects of American policy and the situation in all countries.

Q Does this include a U.S. commitment to resupply Israel in the event of war?

MR. NESSEN: It is all aspects.

Q Ron, may I ask a question about the letter. You said you don't want to go into too much detail, but since Rabin himself has talked to some degree and has tended to shoot down the reports in the Israeli press that the President's letter was critical and tended to blame the Israelis for what appeared to be at that time a breakoff in the talks that hadn't happened yet.

Can you back up what Rabin has said? Can you tell us if the Prime Minister's remarks are correct?

MR. NESSEN: I don't think it is proper to give any details of a private Presidential communication with foreign leaders.

Q Did the Members of Congress have anything to say?

MR. NESSEN: I was about to get to that. The Congressional leaders did speak in turn, and I think you got the main idea of what their reaction was by the four who came out here to talk. I think it would be fair to summarize their comments by saying that they were unanimous in their praise of the President and Dr. Kissinger for the latest effort to take another step toward peace.

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The Congressional leaders also unanimously promised continued bipartisan support for the Middle East efforts.

At one point, Speaker Albert said -- on behalf of the Democratic leadership -- that he wanted to tell Dr. Kissinger, "You have outdone yourself trying to bring this thing to a conclusion." At that point, the other Congressional leaders applauded.

Q That was the only subject?

MR. NESSEN: There was no other subject discussed at the meeting other than the Middle East.

Let me clean up one detail on Romania, if we may interrupt. Sometime back the President accepted an invitation in principle to visit Romania, and there has been no date set for the visit.

Q Can you tell us how long the meeting went on with the leaders?

MR. NESSEN: It lasted from 8 o'clock to about 9:20. I think it was an hour and 20 minutes.

Q Several weeks ago the President, on numerous occasions, warned that war might be imminent in the Middle East. I think Dr. Kissinger, in that period, was also quoted often as saying that.

They suspended these warnings during the trip over there. Do they now feel the likelihood of war is very great? I believe the President one time said it was 80-20. Is that right?

MR. NESSEN: The likelihood of war in the Middle East is highly unlikely, the President hopes.

Q Do you want to clean that up a little? The likelihood of war is highly unlikely?

MR. NESSEN: The possibility of the prospect of war in the Middle East is highly unlikely, the President hopes.

Q Ron, what accounts for the change in both substance and tone here? The President -- as Aldo points out -- on several occasions repeatedly, before the start of Dr. Kissinger's mission, spoke of the great danger of war in the Middle East if the Kissinger mission failed.

The Kissinger mission has failed, but you say the prospect is highly unlikely. Is there something private or some development here that we don't know about? What accounts for this change?

MR. NESSEN: I don't accept your interpretation that there is a change.

To go on independent of that, the talks have only been suspended. This suspension period is to give the two countries an opportunity to reassess what the next step should be. Both Dr. Kissinger and the President feel that both sides acted in a sincere way and made a serious effort to reach an agreement.

His expectation is that they would continue that. So, on that basis, they are hopeful for resumption in some form of peace talks.

Q Could I ask at that point whether Dr. Kissinger mentioned to the leaders that he might go back to the Middle East?

MR. NESSEN: He didn't mention it, but some of the Congressional leaders raised at least their hope that -- given this period of reassessment -- the two sides might decide to resume their talks in the present forum; that is, the step-by-step negotiations.

That is why I say that this is a period when all sides will be considering how to take the next step.

Q Ron, could I ask what countries you consider part of the Middle East when you are talking about a reassessment? Is Saudi Arabia involved? Is Kuwait? Is Iran? Is Libya? How far does the Middle East extend in this reassessment?

MR. NESSEN: I think all the countries of that area are included in the reassessment.

Q All that I mentioned?

MR. NESSEN: I think all those that you mentioned certainly would be.

Q Would all those countries be under reassessment, the arms sales policies?

MR. NESSEN: All aspects of the American policy in that area will be reassessed.

Q Are you talking here of a fairly routine, though important, reassessment that hinges on the possibility of major changes in policy?

MR. NESSEN: I think it is not possible to tell what would be the outcome of the assessment since the assessment is only now beginning.



Q Is there a deadline?

MR. NESSEN: Just as soon as it can be done.

Q Ron, when you say resumption of some form of peace talks, you are talking about something other than and before a Geneva peace conference?

MR. NESSEN: The door is open for talks to continue in whatever forum the two sides think is best.

Q Did the Secretary bring back a feeling that they will do that, that they have invested so much time and effort that they don't want to lose that, that they will resume?

MR. NESSEN: There certainly was a momentum toward peaceful settlement, and the President and the Secretary hope it will continue.

Q Ron, to be more specific about my earlier question, did the leaders express the hope that it will resume in the present form with Kissinger acting as a mediator? That was the point of my question -- will he be the mediator?

MR. NESSEN: There are just various possibilities, and at the moment it is not possible to discuss them. Some of the leaders suggested maybe after or during this period of suspension the two sides would conclude it would be better to resume what they had been doing.

Q Did Dr. Kissinger suggest that both sides were equally reasonable, as well as equally sincere?

MR. NESSEN: There was no distinction made, Les.

Q I mean, you can be sincere but unreasonable. I just wonder, does he feel both sides have been reasonable in this?

MR. NESSEN: He made no distinction.

Q Did he go into any detail on the idea of giving up the two passes and the oil fields in exchange for a declaration of nonbelligerency that the Egyptians apparently won't give? Did he go into any detail on that?

MR. NESSEN: I think everyone knows that this round of talks focused on what Les has explained, which is the issue of Israel withdrawing from additional territory in the Sinai on the one side, and Egypt giving some form of declaration of nonbelligerency. It was not possible up to now to narrow the gap between the two sides on that issue.

Q Ron, over the weekend practically everything you heard on the radio and TV and read in the newspapers was extremely pessimistic. They used words like talks were "broken down" and "failed." Do you think they were excessively pessimistic?

MR. NESSEN: I would rather not judge the stories. I think Senator Mansfield told you there was disappointment expressed this morning, and the President certainly is disappointed.

But, I think it is incorrect to use the word "failure," frankly. I think this is a suspension of the talks while the two sides decide how they want to proceed.

Q Ron, the President also said that we are reassessing the U.S. policy in Southeast Asia.

MR. NESSEN: Yes. He indicated a reassessment would be necessary if there were certain developments there.

Q Who said that? The President?

MR. NESSEN: The President did. This is on a different matter now. We are talking about Southeast Asia now.

I think maybe we have one other question here on the Middle East.

Q There is a major question in my mind about the context in which the Secretary said the U.S. will consider other forums for discussing peace, including Geneva. You are saying that there is the possibility that the two sides will continue in the present forum, which is a step-by-step.

MR. NESSEN: I said that was raised by Members of Congress as a hope.

Q But the Secretary, if I understand correctly, was the one who mentioned Geneva, and the Secretary, from what I gather from what you have been saying, never offered hope that he would be going back to continue the step-by-step negotiations. Is that correct?

MR. NESSEN: I don't think it came in quite that form at the meeting. His words were that the United States will consider how to further the cause of peace, including that possibility, but nothing was ruled out as a forum.

Q Does he consider that tactic or technique of Dr. Kissinger's personal step-by-step diplomacy exhausted or still open?

MR. NESSEN: Who is that, the President?

Q Yes.

MR. NESSEN: No.

Q He does not consider it exhausted?

MR. NESSEN: No.

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Q Is it the President's hope that by announcing that we are reassessing our policy in the Middle East that that will encourage one or both sides to reassess their own positions and perhaps move toward a compromise?

MR. NESSEN: I don't think I should be the one who ought to gauge or announce what the reaction to this might be. It was the President's announcement and the President's decision that in light of what has happened in the last few days it was his decision to announce a reassessment of American policy. But how others might react to it, I don't think I am the proper one to talk about it.

Q Ron, I have a question here. I never quite got the answer right in my own mind. Many of us feel that the President was saying that war was imminent in the Middle East. Then, Kissinger went over and now he has come back and we have this thing that war is not imminent.

MR. NESSEN: I said the President hopes that the prospect of war is highly unlikely.

Q What happened?

Q All you are saying is an expression of hope. You have not made a prediction.

Q There is a shift in attitude.

MR. NESSEN: I can't agree with you on that. I think, as Carroll points out, you should look at what I said.

Q You are not saying the President thinks the prospect of war is unlikely. You are carefully using the word "hope".

MR. NESSEN: I said what I meant, which I often try to do.

Q What does he think? What is his assessment, Ron?

MR. NESSEN: What he thinks is the talks have been suspended, and he hopes the other countries involved will continue their commitment of the past to settle their differences peacefully.

Q Ron, if I could follow up on that, could you tell us what the assessment of the likelihood of war in the Middle East is? That is the question.

MR. NESSEN: It never really came up this morning.

Q In other words, what you are saying, Ron, as far as that first statement of yours is concerned, what you are saying is merely that the President hopes there will not be war in the Middle East. Is that right?

MR. NESSEN: I think you have it written down, Jim. You don't need the i's dotted, Jim.

Q I guess it is a matter of semantics. I don't know how you can hope for a prospect. He hopes there is a prospect that war is unlikely?

MR. NESSEN: I said what I meant to say, Jim.

Q When the President was making more dire predictions earlier on before the Kissinger trip, he also hoped then the prospect of war was unlikely, didn't he?

MR. NESSEN: He always hopes that war is unlikely.

Q So, there is no difference.

Q Ron, would it be correct to say from what you are saying that there is less reason to think there would be a likelihood of war in the Middle East, even though they have gone this far, even though they didn't succeed?

MR. NESSEN: I said there is a momentum there toward peaceful settlement, and there is now a suspension of the step-by-step talks while the two sides decide how they want to proceed with that.

Q Ron, can you give us any hint as to how this reassessment does not mean a far more serious effect on Israel, considering we are their suppliers. If we reassess our policy of Egypt -- the Soviet Union is their supplier -- so, the reassessment ends up affecting mainly Israel. Or is there something you can give us to lead us away from that impression?

MR. NESSEN: I prefer to stick with the President's announcement, which is that there will be a reassessment or re-examination of all aspects of U.S. policy in the Middle East and all countries in the Middle East.

Q Did you know that yesterday when you were on Face the Nation? When did this reassessment begin?

MR. NESSEN: As you know, the President called Dr. Kissinger here last night and they talked last night and talked again this morning.

Q That is when it came into being?

MR. NESSEN: That is when the President decided, yes.

Q Ron, you took some exception to the use of the word "failure". Why? If I am not mistaken, Dr. Kissinger used the word "failed" in Jerusalem before he left. He further said it was a sad day for America, a sad day for Israel. How do you square that with non-failure now?

MR. NESSEN: Any interruption in the progress that was being made is a disappointment and everyone who was there this morning has used that expression.

Q You quarrel with the specific word "failure," and he used the word "failed" himself?

MR. NESSEN: The talks are suspended, Peter, and the period of suspension is for the parties involved to decide how to proceed.

Q Ron, if I remember correctly, when Dr. Kissinger went to the Middle East on this last trip, he either said we make it this time or we are not going to make it. Is the situation such that we think it is worth one more try and there is a possibility of going back one more time with this method of negotiation, this sort of effort, in this forum?

MR. NESSEN: We are in a period where Egypt and Israel are reassessing what they prefer to do next. Beyond that, I don't know that I could go. The Members of Congress this morning -- some expressed the hope that perhaps the outcome of this reassessment by Israel and Egypt would be a decision to go back to this method. It is just not possible to tell what they will decide on.

Q Is that hope shared by the President and Dr. Kissinger?

MR. NESSEN: Their hope is that efforts toward peace will continue in one forum or the other. It is up to the parties to decide what forum they prefer.

We have a distinguished guest today -- Mary.

Q Can you tell us if the Secretary and the President discussed the situation in Indochina and if there is any reassessment about our policy toward Cambodia and Vietnam going on?

MR. NESSEN: None that I know of.

Q Ron, to return to the Middle East, can you tell us without reference to the word "hope," does the President believe that the suspension of talks increases or decreases the chance of a Mid-East war?

MR. NESSEN: I have not heard him speak in those terms.

Q Is your assessment a veiled threat? I am serious. I would like an answer to that.

MR. NESSEN: The reassessment is a re-examination based on what has happened in past few days. I am certainly not calling it a veiled threat.

Q Ron, the Geneva Conference came up in talks on the Middle East. Was the Soviet Union mentioned by anyone there? Was there any question on the Soviet Union?

MR. NESSEN: This morning?

Q Yes, since the Geneva Conference was mentioned there.

MR. NESSEN: It is clear that if the two sides decided that the next steps ought to be taken at Geneva, there would be a fairly large membership there, including the Soviet Union.

Q That is not my question. My question is, in talking about the Geneva Conference on the Middle East, was the Soviet Union mentioned by the President, the Secretary of State, or by anyone questioning?

MR. NESSEN: You mean other than their attendance there? You mean was something else said about the Soviet Union and Geneva other than the fact they will be in attendance?

Q Yes. We know they will be in attendance. The question raised is, if the talks were suspended here, not failed but suspended, since there is a possibility of the Geneva Conference and it will include the Soviet Union. Was it mentioned in any way, an explanation or an opinion, anything?

MR. NESSEN: No.

Q Ron, is the start, or the completion rather, of negotiations with Israel on the coming year's military arms supplies to Israel predicated on the reassessment and re-examination being completed before that?

MR. NESSEN: Is it predicated on --

Q Yes.

MR. NESSEN: I don't think I can say anything on what the outcome of the reassessment will be until it is completed.

Q Is the assessment to be completed before they go into negotiations?

MR. NESSEN: It is to be completed as soon as possible.

Q Then, that is a factor in the assessment -- the continued arming of Israel?

MR. NESSEN: When I say "all aspects", Marty, I don't see why you want to attempt to find exceptions to all aspects. All aspects mean all aspects, and all countries means all countries.

Q But they should have a focus, not an exception.

MR. NESSEN: All aspects is not very focused.

Q Ron, is there any indication that Kissinger pointed out to both Israel and Egypt what Congress did in Cambodia and Vietnam -- they got tired of it and started withdrawing aid?

MR. NESSEN: It never came up this morning.

Q Ron, do you know how the President feels about that?

MR. NESSEN: About what?

Q Does he see any tie-in between Congressional action or inaction on Indochina and breaking off of talks in the Mid-East?

MR. NESSEN: It never came up, John.

Q I realize it didn't come up in the meeting this morning, but are you aware of the President's feeling about this one area or the other? Can you tell us how he feels?



MR. NESSEN: Any direct connection between Indochina and the Middle East, is that what you are asking?

Q Yes.

MR. NESSEN: I am not familiar enough to really talk about that.

Q Does the President plan to make any sort of statement concerning Southeast Asia?

MR. NESSEN: Not that I know of.

Q Do you say there is no reassessment of the Southeast Asia policy in view of what has happened there?

MR. NESSEN: I think what he said in the L.A. Times interview, if you read it carefully, that if a number of things take place, then the United States would certainly have to reassess its policy because other countries would have taken their policy in different directions.

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Q What else has to take place in Southeast Asia to question what the policy is now?

MR. NESSEN: The policy remains the same, which is trying to persuade, on the one hand, Congress to put up money so these two countries can defend themselves and, secondly, to persuade North Vietnam to agree to stop violating the Paris peace accords.

Q How are we doing that?

MR. NESSEN: We have gone through this over and over again in terms of how many times we have asked for this, but I would be happy to take you through it again.

As you probably remember, the Paris accords called for all foreign troops to get out of Cambodia, and, of course, the United States did. At the moment there are 10,000 North Vietnamese troops in Cambodia, so that is one of the violations. They are working at all levels in the Communist insurgency.

You probably recall that Phil Habib traced a long list of efforts to persuade the other side to negotiate a settlement in Cambodia, which were unsuccessful, and that included a resolution by the United Nations General Assembly in November 1974 rejecting the claims of Sihanouk and the Cambodian Communists and voting to retain the Cambodian government as the official representative at the U.N.

Q How about Vietnam. What is being done to contact North Vietnam on that?

MR. NESSEN: As I mentioned to you the other day, a note was sent to the signatories of the Paris accords asking them to use their influence to get North Vietnam to stop its attacks and its violations. I think it is clear that as long as North Vietnam, on the one hand, thinks it is winning militarily and, on the other hand, as long as North Vietnam feels there is a prospect that the United States will pull the plug on South Vietnam, there certainly is no incentive to talk about a peaceful settlement when they think they can win militarily and when they think the United States will walk away and let them win militarily.

Q We have had no contact since January 11, so how does that gibe with the fact that so much has happened since then and we have done nothing?

MR. NESSEN: There was no response to the January 11 effort. What is needed to stop the fighting, of course, is to stop the attacks by North Vietnam. That is really very simple.

Q Ron, the President referred in his last conference to a quote, what he terms "abandoning our allies." In this connection, I would like to ask, when did we become an ally of the Lon Nol regime, specifically because Section 655-G of the Foreign Assistance Act states that aid to Cambodia "shall not be construed as a commitment by the United States to Cambodia for its defenses."

I am wondering how we became an ally of the Lon Nol regime, and when?

MR. NESSEN: Going back as far as the signing of the Paris peace accords in January 1973, Les, Dr. Kissinger said at that time -- and, of course, the Paris accords permitted a resupply of weapons and ammunition, if necessary, on a one-for-one replacement basis -- that the United States will continue military aid, which is permitted by the agreement.

The United States is prepared to gear that military aid to the actions of other countries and not to treat it as an end in itself. The United States expects all countries to live up to the provisions. The degree to which these weapons have to be replaced will depend on the degree to which there is military activity.

If there is no military activity in South Vietnam, then the number of weapons which are destroyed, damaged or worn out will be substantially less than in other circumstances. If there is no military activity, if other countries do not introduce massive military equipment into South Vietnam, we do not consider it an end in itself to give military aid.

In other words, if South Vietnam was not being attacked, there would be no need for aid. I know some of you have raised the question: When does this all stop. I think it is interesting to note that South Vietnam had reached the point where it was able to export rice this year.

By 1954 Vietnam was a large rice exporting country. They had reached the point in their economic recovery where they were able to sell overseas 50, (50,000) tons of rice this year.

The reason the President has spoken of three more years of aid to Vietnam was that with the estimate of three more years of aid, South Vietnam's economy would be healthy enough that if they needed any military assistance, they would be able to pay for it with their own money.

Unfortunately, due to the flood of refugees, South Vietnam will need to keep its surplus rice to feed its own refugees.

What I am saying is that there is a point that you could see where South Vietnam was going to be able to care for itself and pay for its own weapons, if necessary.

In the case of Cambodia, historically the United States has never turned its back on a country that has been willing and able to fight for its own defense and independence. It is in that context that the United States is helping Cambodia.

There has been no country overtaken by force by the Communists since 1949, and it is also in that context that the United States feels if the Cambodians and South Vietnamese are willing to fight to preserve their own independence, that the United States should help them.

Q That is your answer to why we are now an ally of the Lon Nol government? Ron, I appreciate a very voluminous answer, lots of information, but when did we designate them as our ally, this particular government?

MR. NESSEN: The Lon Nol government, as I have mentioned before, is legally and constitutionally elected. Lon Nol had two opponents in his election and defeated them in an open election. As I say, it is a country with a constitutional government, and the United States feels that if they are willing to fight to maintain their government, we should help them.

Q Ron, I think you told us earlier that as far as you knew, there currently were no negotiations going on in which the United States is participating to end the fighting in Vietnam.

MR. NESSEN: Right.

Q Are we to assume that the only thing the President is doing to end the fighting over there is pressuring Congress to provide more military aid?

MR. NESSEN: I don't know why that question comes up every day at this briefing.

Q Because we haven't gotten a satisfactory answer.

MR. NESSEN: If there were a satisfactory way for the United States to force an end to the fighting, I would certainly tell you. The way to stop the fighting is for North Vietnam to stop its attacks. That is the answer today, and it is going to be the answer every day.

Q My question is -- and I want to make sure this is right -- there is nothing else being done other than pressuring Congress to provide additional military assistance?

MR. NESSEN: And asking the signatories to the Paris accords to use their influence to stop the attacks by North Vietnam. If you are suggesting by your question that the President is only half-hearted in his desire to stop the fighting in Vietnam and Cambodia, you are totally wrong. His repeated efforts to get the fighting stopped have met with no success.

Q Another question along that line. Why is Ambassador Graham Martin no longer in Saigon?

MR. NESSEN: This is somewhat delicate. He has a minor health problem, and he is here for treatment.

Q Ron, let me ask you something. A minute ago you said the L.A. Times interview with the President -- in that interview he did not say there should be or would have to be a reappraisal of our policy in Vietnam. I was there, but I don't have a transcript in front of me.

MR. NESSEN: I do. He said, "I think we have to take a new look because these changes in Vietnam, Cambodia and Thailand, and potentially other countries, require that very serious study be given to how we meet the new circumstances there."

Q Did you read the question?

MR. NESSEN: Yes. "I would not prejudge about what the study will recommend, but it is a totally different situation from 1950 to 1974."

Q Does the President say when that will be done?

MR. NESSEN: The transcript shows him saying, "I would not prejudge about what the study will recommend."

I think perhaps Jack raises a very good point, that the President clearly said, "We have to take a new look." He didn't give any timeframe for when the new look would begin. I would ask you to let me check and find out whether it has begun or when it will begin. That is a good point, Jack.

Q Are you sure of that figure you gave us, 50 tons of rice? That would hardly constitute a resumption of foreign trade.

MR. NESSEN: I apologize. The figure is 50,000 tons of rice that South Vietnam intended to export this year.

Q Ron, is it possible for us to get copies of those transcripts when the President has interviews with newspapers?

MR. NESSEN: It hasn't been the policy. The L.A. times printed the transcript yesterday.

Q Is it possible to change the policy?

MR. NESSEN: Let me think about it a little bit.

Q We would like to get the full and official thing, if the White House confirms it.

MR. NESSEN: The White House doesn't make a transcript of these interviews.

Q That is not true, Ron.

MR. NESSEN: No, it doesn't, Helen. The interviewers make their transcript.

Q I had an interview with the President and got a transcript from the White House.

MR. NESSEN: I don't know how we did it. We didn't have Alderson there, did we? We bought it, or they gave it to us. Let me look into the question of transcripts.

Q You have a transcript now because you got it from us this morning.

Q Ron, as I understand South Vietnam is the only one of the signatories receiving this letter, which publicly responded and publicly denounced North Vietnam for the flagrant violation of the peace accords. That is what the State Department said on Friday.

The question is, have there been more responses? I am not aware of any. And number two, is the President disappointed that none of the signatories are responding to the public pressure?

MR. NESSEN: The Secretary of the U.N. acknowledged the receipt of the letter. I would say the President's disappointment is directed at North Vietnam.

Q Not at the others for not putting public pressure, as he requested?

MR. NESSEN: The South Vietnamese repeatedly have said they are ready to resume the negotiations called for in the Paris accords, and there has been no response.

Q Nothing from Great Britain, France, Russia and China?

MR. NESSEN: Not that I am aware of.

Q Is the President disappointed over this?

MR. NESSEN: I have not asked his reaction, Phil.

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Q Ron, you continually refer to the Paris accords in the efforts of the United States to get the North Vietnamese to live up to the provisions of the accords. Unless I am mistaken, there is also provision in those accords that there be an election in South Vietnam and President Thieu has stood in the way of those elections. I am wondering if the United States has made any effort at all to get President Thieu -- or in the past, prior to the new outbreaks of fighting -- to hold the election?

MR. NESSEN: My understanding -- I don't have the text of the Paris accords here -- of that provision is there would be an election in South Vietnam in which all parties would participate. President Thieu has said he is ready and willing to have such an election, but this is all part of political negotiations which are supposed to take place -- in fact, I think, started -- in both Paris and Saigon, and then were broken off.

The North Vietnamese have never come back to discuss the planning and arrangements for that election.

Q It seems as though the White House is selectively choosing parts of the Paris accords.

MR. NESSEN: I suggest you read that provision of the Paris accords and find that it doesn't require political negotiation leading to election. I think it is interesting to point out that the number of refugees which are leaving areas being taken over by the Communists and coming to government lines, which would be some indication -- they are giving up their homes and fields and livelihoods -- of which side they prefer to be with.

Q Ron, do you have any figures on how many are going the other way?

MR. NESSEN: I don't have those figures. I would say they would be difficult to get.

Q Do you have any report of the meeting yesterday with the President's economic and tax advisers?

Q Are we finished on Southeast Asia?

MR. NESSEN: I think there is more interest in Southeast Asia.

Q In explaining why the President apparently believes the South Vietnamese cannot carry their own economic burden, even for three more years, are you saying that the President's earlier agreement that three more years of aid would be all the Administration would ask for is no longer operative because events have overtaken that and it is no longer the Administration's position?



MR. NESSEN: I am not saying that, John.

Q I am confused. You are saying we do believe now, because of the flood of refugees, the South Vietnamese cannot be economically independent in three years?

MR. NESSEN: No. I think my remarks were much narrower than that, John. I think I said they had reached the point where they were able to export 50,000 tons of rice this year which they will now need to feed their own refugees. I don't think I went out further than that.

Marty?

Q On Face the Nation yesterday, you were asked if it is true that the President had confirmed the Project Jennifer. You said you were there, and he told them it was a subject he could not talk about.

Jack Nelson just gave me a transcript and it says something different. It says the President started off by saying, "It is nice to have you here. I might say I was really pleased with the Los Angeles Times editorial on Project Jennifer. I think you were the very first who came out forthrightly, and I think accurately, defending what was done." Didn't he confirm it in that way?

MR. NESSEN: I think I will just let the President's words speak for themselves, Marty.

Q Ron, to get back, if we can, to what Ted brought up -- namely, the economy.

Q Can I ask it? You have something, I think, to report to us on the meeting of the President's economic and tax advisers. Specifically, did they decide on the strategy of whether they were going to oppose all the amendments or concentrate on a few of what the President considers the worst amendments?

MR. NESSEN: The President is opposed to all the amendments.

Q All the Senate amendments, you mean?

MR. NESSEN: All the amendments. All amendments, period, to a tax cut that has delayed the tax cut for over two months already and threatens to delay it further. He is opposed to all amendments. What he proposed and what he still wants is a tax cut for Americans. It is almost too late to carry out his original desire, which was to do it quickly.

What he feels is that Americans need this \$16 billion, which he proposed in a refund check, so they can go out and buy TVs, stereos and cars.

A lot of these amendments were added in the middle of the night without hearings or consideration. A Lot of them have far-reaching implications for American business and American jobs.

I think the labor leaders have said that. Many of them don't have anything to do with fighting recession, which is the purpose of that tax cut.

The purpose of the meeting primarily was to go through point by point and look at the bill and make kind of a technical analysis of what the effects of some of these amendments might be.

Q Can you give a report on that?

MR. NESSEN: I can if you really care to hear it.

Q Of course.

MR. NESSEN: Do you really want it?

Q Yes, of course.

MR. NESSEN: A lot of this is technical in the sense of counting up how much it would cost, and that sort of thing, which I am sure you can get from the Hill.

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Q What we would like is the White House objection to it.

MR. NESSEN: I will tell you on the depletion allowance elimination, the judgment of the advisers was, "These are very bad decisions not carefully considered."

Q Why?

MR. NESSEN: Because this is a matter that has to be considered in the whole context of -- as I mentioned before -- windfall profits, plowback provisions and how the oil companies finance their drilling and so forth.

On the question of the rebate, of course that was the President's proposal. Both of the bills I believe reduce the rebate below what he recommended, not giving Americans as much money back as the President had proposed.

Q Ron, did the advisers have a considered judgment on the size of the tax cut proposed by the House?

MR. NESSEN: The President remains favorable to a tax cut of somewhere between \$16 billion and \$19 billion or \$20 billion.

Q A couple of moments ago you gave us the judgment of the advisers on the depletion allowance. Was there a judgment by the advisers on the Senate and House tax cut?

MR. NESSEN: The rebate provision?

Q The general tax cut provision.

MR. NESSEN: One judgment made in that area was that the rebate should be a one-year anti-recession rebate and that the permanent tax cut that the President proposed should be considered later. That is pretty much their judgment on that.

The \$200 optional credit puts a premium on families with large numbers of children and causes complications in filling out the tax returns.

Q Do that again.

MR. NESSEN: I say the \$200 optional credit provision puts a premium on families with large numbers of children.

Q Ron, I really don't understand. That puts a premium on families. That means it gives unfair advantage to large families.

MR. NESSEN: This is a factual analysis of the bill, and that is simply factual what it does.

Q What do you mean by, it puts a premium on?

MR. NESSEN: It means the more children you have, the bigger tax break you get.

Q Isn't that the normal situation?

MR. NESSEN: It raises it considerably. If you take that provision and you combine it with the standard deduction, which is already in force, and you have a family of six, you could make \$9,763 without paying any tax at all. That is the effect of that.

Q How many children? Six?

MR. NESSEN: Six in a family; \$9,763 without paying any tax.

Q You said a family of six?

MR. NESSEN: Yes, a family of six.

One of the provisions which would have reduced the brackets on the first \$4,000 of taxable income by 1 percent, there is no real analysis of that other than what its effect would be.

The earned income credit is, in effect, a new welfare program and will require a new agency to carry it out, and it is one of the most ill-considered additions to the tax cut. It would undercut the Social Security system to the extent that people would interpret this as being a refund on Social Security taxes.

The housing credit is considered to be a very bad addition. It is considered to be a payment for what people would do anyway. It is believed that it would be very difficult to take that off after it had gone on. In other words, it would continue through the years.

The Treasury and the OMB don't believe that it would have the claimed effect on housing starts. It does nothing to encourage the building of apartment buildings. The Social Security distribution--the objection there is that it would cost a very large amount.

Q Ron, would it be possible for you to put this factual announcement through a duplicating machine so we can have it?

MR. NESSEN: I can check on that.

Q Ron, are you finished with this rundown?

MR. NESSEN: There are quite a few. I have basically about five or six more. Wouldn't it be better to simply say that the President opposes all amendments? What I have told you gives you a sample of how complicated, expensive and far-reaching these are, that no hearings were held on many of these. Some are major changes in the tax structure that do not belong in a temporary anti-recession tax cut, and that is the President's overall, general opinion.

Q You said over the weekend that a veto cannot automatically be ruled out, or words to that effect.

MR. NESSEN: Yes.

Q A couple of points on that. If the President were to veto it -- I know you don't like to answer hypothetical questions -- wouldn't he be doing the same thing he has accused Congress of doing, delaying the people from getting their tax benefits?

MR. NESSEN: You are right. It is hypothetical.

Q Second, do you know of any instance in history where a President has vetoed a tax cut?

MR. NESSEN: I have not surveyed the record that carefully.

Q Would you be able to check that out?

MR. NESSEN: We can give it a try.

Q One housekeeping question, if I could very quickly. I have tabulated the times of these press briefings, and it comes out one day this month you had one that went 23 minutes early before 11:30, and when you put all the other times together, it is seven hours and 17 minutes late.

I just wonder if there is any way that there could be some fixed time, and knowing you have occasional problems, is there any way to set a more realistic time than 11:30 because we haven't hit it once this month.

MR. NESSEN: As you say, there are times on rare occasions when I can't make it at 11:30, but I think we will continue to aim at 11:30.

THE PRESS: Thank you, Ron.

END (AT 12:48 P.M. EDT)