

This Copy For _____

NEWS CONFERENCE

#245

AT THE WHITE HOUSE

WITH RON NESSEN

AT 1:00 P.M. EDT

JUNE 12, 1975

THURSDAY

MR. NESSEN: Let's move on because it is getting late in the day.

I think you know that the President had a meeting in the Cabinet Room with a number of House leaders who are involved in the current energy legislation, and we put out a statement about that, and I don't really have anything further to say about that meeting.

Then there was some staff meetings here, and then the Rabin meeting which Dr. Kissinger has given you a report on.

This afternoon there will be further staff meetings in the White House. Secretary Schlesinger is coming to see the President at 4:30. It is one of just a periodic series of meetings with Cabinet members.

Tomorrow the President is going to take part in the swearing-in of Stanley K. Hathaway as Interior Secretary. It will be at the Interior Department shortly after 11:00. There will be a note on the wire later this afternoon telling you which entrance of the Interior Department to go in. If you have a White House pass, a Capitol Gallery pass, or D. C. Police pass, it will get you in. I assume we will delay my briefing until people have returned from the Interior Department.

Q Where will it be? In the auditorium or in the office of the Secretary?

MR. NESSEN: I think in the auditorium, Helen.

Q Where was it when he swore in the rest of his new Cabinet members? Wasn't it in the East Room?

MR. NESSEN: Morton was sworn in at Commerce.

Now, looking ahead to Saturday. As you know, the President is going to Fort Benning for the 200th anniversary of the Army and the Infantry. Tomorrow we will have the detailed press schedule for you.

MORE

#245

Just to give you some idea, so you can plan your lives, the check-in at Andrews will be 6:45. The press plane leaves at 7:15, and I would anticipate that the press plane will get back to Andrews at about 6:00.

Now you have a little package of announcements today and they include the nomination of James F. Hooper, of Columbus, Mississippi, to be a member of the Board of Directors of the TVA.

The President is also appointing Douglas P. Bennett as Director of the Presidential Personnel Office. He succeeds Bill Walker, who some of you know, and who you know was sworn in this week as the Deputy Special Trade Representative.

The President also signed an Executive Order relating to the withholding of city taxes by Federal agencies; also, a letter transmitting to Congress the Ninth Annual Report of the National Endowment for the Humanities, and a proclamation designating Thursday, July 24th, as a national day of prayer.

For Presidential memo fans, we have, due to popular request, a memo from the President to the Secretaries of State, Treasury and Defense, the Attorney General and the Director of the CIA, requesting their comments on the Rockefeller Commission report, and they are available for you.

We also have a memo from the President to the Attorney General directing him to look into any matters that may bring about criminal charges against anyone. And these have been both xeroxed and are available for you right after the briefing.

That is the extent of my announcements for today.

MORE

#245

Q Hathaway's swearing-in is in Interior?

MR. NESSEN: Hathaway is in the auditorium at the Interior Department.

Q Ron, could I ask you about the Schlesinger meeting with the President at 4:30? If I remember correctly, he is to meet Rabin sometime around 5:30?

MR. NESSEN: Yes.

Q Are you sure this is just a routine meeting between the President and a Cabinet officer?

MR. NESSEN: As far as I know, it is, Peter.

Q Can you check further? This does not quite make sense.

We also heard that Rabin is going to meet Schlesinger here. This is what they say at the Pentagon. It may or may not be.

MR. NESSEN: Yes. I have not seen the agenda for the Schlesinger meeting with the President. It is described to me as a routine and regular meeting. I will look into it further, if you want me to.

Q Would you expect the subject of arms shipments or arms aid to Israel to come up at that meeting?

MR. NESSEN: I don't have any idea, Walt. I don't know what the agenda of the meeting is, but I do recall, one time, when everybody thought the Schlesinger meeting was something other than what I described it as, it turned out to be what I described it as, so, I have a halfway decent record on Schlesinger meetings.

Q If we could go to the interview for just a moment -- you said you had issued a statement after the President met with the House leaders. I was not here then.

MR. NESSEN: It is here.

Q Is it posted?

MR. NESSEN: Yes, it is in the racks.

Q Could I go into it just a little deeper, if you would?

MR. NESSEN: Sure.

Q Yesterday, when the House voted to gut the gasoline tax portion of the bill, it would seem, on the face of it, at least, that it virtually destroyed any chances of that bill resulting in meaningful energy conservation. What was the President's personal reaction when he was told about that series of votes that killed the gas tax part of the bill?

MR. NESSEN: Let me make two points about that. One, contrary to some stories I have seen, the energy meeting of this morning was scheduled, at about noon to 1:00, yesterday afternoon, so the meeting was not in response to the House votes on the gas tax.

Q Why wasn't it on the schedule last night?

MR. NESSEN: I can't answer that, Walt, because I don't know. But secondly, there is quite a long way to go in the legislative process. The House is nowhere near finished an energy bill, and then, there is still the Senate to go through and the Conference Committee to go through. The President does not want to comment at each step in the process until he sees what emerges at the end of the line.

Q But the President said, once Ways and Means finished with its version, that it was weak and marshmallow -- if he did not use those words, at least Mr. Zarb did, and presumably, he reflected the President's views. Well, if it was a marshmallow then, what is it now?

MR. NESSEN: He just wants to wait and see what comes out, after the other steps in the process.

Q Ron, it occurred to me -- what if they tried to get together something now? What are the options? Congress obviously is not going to go for conservation by a gas tax, which the President didn't want in the first place.

MR. NESSEN: You say Congress, but you have the House only having voted, Bob, and you still have the Senate and the Conference Committee.

Q So, your feeling is that, there is still a chance there would be a heavy gas tax?

MR. NESSEN: The President, of course, is opposed to any gas tax, but there is a long way for any energy bill to go before it gets out and up to him for signature, and he just does not want to comment at every stage.

Q Well, if I could finish --

MR. NESSEN: In addition to the particular bill that is before the House now, there are a number of other pieces of his program and of alternate programs that are before different committees in different stages of the process, and it just does not make any sense to every day make a comment about each vote in each committee.

Now, let me hear the rest of Bob's question.

Q I was just wondering what options are left. As I said, the Congress, it appears now, is not in the mood for a gas tax which would be one way to conserve fuel. It looks like the President's tariff plan, spread out over a long period, as it is, is merely symbolic now. I think even you all say that. It is not going to be a really meaningful conservation in that.

MR. NESSEN: I don't agree with that.

Q Is the President going to propose something new as a compromise? Would he go to an allocation program now, or would he want a higher fee system on imported oil, or is he just going to depend on the decontrol of oil to encourage ---

MR. NESSEN: As far as he can tell, his original plan is still the best plan, and it is still the plan he wants. You know, some of the parts of it have not been considered yet. He has not yet sent up the decontrol portion and so forth.

Q Have they reached some sort of conciliatory area on that today? I mean, do they seem to be leaning more toward his proposal now?

MR. NESSEN: The purpose of the meeting was not really to settle on anything, and it did not settle on anything. It was merely for him to restate his ---

Q I mean, did they lean any more toward his program now?

MR. NESSEN: I would not say I got that out of the meeting.

Q Let's put it this way, Ron: The fact is -- at least my clear recollection is -- that the President, at the time he announced these three increases in the oil import fees, said he was doing so primarily to prod Congress into acting on an energy program.

MR. NESSEN: That is right.

Q To try and help with a comprehensive energy program.

MR. NESSEN: That is right.

Q In other words, they were described not as an energy program in and of themselves, but rather as a prod?

MR. NESSEN: Correct.

Q The fact is now that the House, where the chief energy legislation was being written, has turned down its own energy legislation, by and large. What happens now?

MR. NESSEN: They have not finished yet. They have not even finished working on that bill on the Floor yet, and then there is the Senate, and then there is the Conference, and there are other bills that are in other committees that contain other parts of the President's program.

Q In light of what has happened yesterday, does the President think there is a realistic expectation that the Congress is going to enact an energy program?

MR. NESSEN: I certainly hope so. That was one of the purposes ---

Q I did not ask about hope. I asked about his realistic expectations.

MR. NESSEN: I am saying he certainly hopes so, and that he restated, I thought, pretty strongly, his view about that this morning to the leaders.

Q Ron, you said -- just in the interest of precision -- you said the President is opposed to any gas tax. You mean a direct gas tax?

MR. NESSEN: Yes, that is right.

Q There is, as a spinoff in his quota-levy program, an increase in gas tax.

MR. NESSEN: A tax focused solely on gas, he is opposed to. Obviously, the heart of his program is to reduce consumption and dependence on imported oil by raising the price, and there is no denying that, but he does not want a tax on gasoline.

Q Ron, does the President plan to make trips around the country to argue in favor of his energy program?

MR. NESSEN: You mean more trips?

Q Yes.

MR. NESSEN: He has made a fair number of them.

Q I thought he told the editors yesterday he intends to do this.

MR. NESSEN: He certainly has a travel schedule in the next few months, as he has in the past few months, and I think he will continue to do what he has done, which is in public speeches and in meetings, and meetings with editors and publishers and other groups.

Q Is he planning a trip next week?

MR. NESSEN: I don't recall a trip next week.

Q Next Wednesday?

MR. NESSEN: Where is it supposed to be?

Q I don't know.

MR. NESSEN: I don't recall a trip next Wednesday.

Q Ron, what a lot of people are trying to get at here -- we are not trying to have a debate -- we are wondering with what has happened in Congress, with the success the President has had with his own program so far, are we about to come to some reassessment on energy like we had on the Middle East, and maybe go back and start over and try to get people together again and see if something can be worked out on the problem? Is there going to be a new push, something new, a new effort now?

MR. NESSEN: I would say not, Bob. I think he is sticking with his program which I think more and more emerges, or is still the only program, and there is still a lot of legislative steps that can be taken and he is hoping that they will be taken.

MORE

Q Ron, has he changed his view toward the OPEC decision to postpone the increase in prices for --

MR. NESSEN: No, I think the views I expressed the other day are still the same views.

Q Ron, does he have any views on the Congressional passed housing bill, and specifically, is it considered, by the White House, to be inflationary and one the President would likely veto?

MR. NESSEN: Well, I don't think the main complaint about it is so much its inflationary aspects. The Secretary of HUD, as I understand it, Carla Hills, and, also, Jim Lynn, have said that they would recommend that the President veto it.

He has not made any final decision on that. The complaints that the President sees about the bill are that -- as you know, there are several sections to it.

Section one has a so-called subsidized interest rates on mortgages. The President thinks the intention of the bill is good, but he does not think that the way the bill is written would accomplish what it claims to accomplish. And he thinks it would make the economic problems worse.

Now, the first part of the bill, Title I, really, amounts to a subsidy for middle income families -- families who would go ahead and buy a house whether they got this subsidy or not -- and in some areas, families making over \$23,000 a year would be eligible for this kind of subsidy to help buy a house. And what that means is that all the other taxpayers and people who are paying 8 and 9 percent on their mortgages, their tax money would be taken, and it would be used to subsidize 400,000 fortunate families, some of them making \$23,000 a year or over. So that, those few 400,000 families would get a 6 or 7 percent mortgage, and that does not seem fair to the President, that all the other taxpayers ought to underwrite a low priced mortgage for the middle income families. That is one of his objections.

In addition to that, the way the bill is set up, it would not provide very much stimulus in the immediate future. It would be further out when, hopefully, the economy would not need the kind of stimulus that this bill promises.

The President believes, basically, the way you bring interest rates down is to stop competing in the money market, stop the Federal Government from competing in the money market to such an extent that it draws so much money off that, that interests rates go up, and that is why interest on mortgages is high.

The other part of the bill, as you know, has to do with stepping in and paying the mortgage payments for people who are temporarily out of work and can't keep up their mortgage payments. The fact is, at the moment, the foreclosure rate is very, very low. One-half of 1 percent is the foreclosure rate, and in fact, that is lower than it was during the '60s, which was during a period of prosperity.

The fact is that most banks and savings and loans during this period are forgiving mortgage payments as long as people are out of work, and then, when the people get their jobs back, they resume their mortgage payments. So, the President does not see that this program, which would be very costly, is needed right now. It addresses a problem that does not exist.

In addition, the President is watching the foreclosure rate, and if it goes up, there are already mechanisms in place which would come into force and would avoid foreclosures.

MORE

Q Ron, presumably a problem that does exist is unemployment of about a million in the building trades and another million in the industries that feed off the housing industry. Now, presumably the bill would cut into that rate a bit.

MR. NESSEN: It would at some point in the future, and the President does not see it providing any kind of an immediate stimulus. The best way to get the housing market back to a healthy state, he believes, is to keep interest rates for everybody -- not just the lucky 400,000, but for everybody -- down by keeping the Government from borrowing so much money to make up for a big debt that it causes interest rates to go up.

Q Ron, I wanted to ask this question, if I may. I have been trying to get your attention ---

MR. NESSEN: Let's finish on the housing bill.

Q Would you say he is leaning toward a veto?

MR. NESSEN: No, I would just leave it that my understanding is Carla Hills and Jim Lynn have recommended a veto or will recommend a veto, but I don't have a final answer from him.

Q Does he see any countervailing questions in the bill?

MR. NESSEN: I say it is well intentioned and he is obviously concerned about the housing industry and he has had people come in and talk to him about the housing industry, but he believes the best way to restore the health is to first of all restore the health of the economy as a whole and then to keep interest rates down and not just subsidize 400,000 people.

Q Ron, when the President made his tax cut proposals he said it was high time somebody started looking after middle income folks. He was quite passionate about that and quite fervent about that. Has he changed his mind about middle income folks now?

MR. NESSEN: Certainly not, Peter. Why would you think that?

Q You made quite a case about subsidizing middle income housing.

MR. NESSEN: I think you know what he was talking about at the time and, in fact, this really reinforces that. You would have all the taxpayers and the middle income taxpayers, really -- as he pointed out in that speech -- bear an unusually heavy burden, and they would be paying their taxes to subsidize 400,000 people who would get these low cost mortgages.

Q I want to ask you about these 400,000. First of all, are they people or families? You said people, at some point, and families, at another point.

MR. NESSEN: Families. 400,000 families.

Q Now these 400,000 families, are these 400,000 families the ones above \$23,000 or are they the ones from \$15,000 to some figure -- because you start out talking about a figure of \$15,000 and suddenly shift up to \$23,000?

MR. NESSEN: I did not mention a \$15,000 figure.

John, why don't you come over and help me as much as you can.

MR. CARLSON: The level is \$23,000 maximum except in certain high cost areas where you can go 20 percent above that.

Q I am trying to find out, for the 400,000 families, what is the income range.

MR. NESSEN: From zero to \$23,000.

MR. CARLSON: Except in certain high cost areas you can go 20 percent above \$23,000.

Q Wouldn't you say your 400,000 families includes people down around \$5,000 or \$8,000 a year, too?

MR. NESSEN: I think I see your point, Jim, and I think you know the answer.

Q You left the impression, Ron, that a lot of people who make \$23,000 a year would benefit from this bill. Now, how many of them are there?

MR. NESSEN: How do you know? The bill has not been passed yet. Nobody has applied for one of these mortgages yet.

Q Yes, but you are throwing the figure around.

MR. NESSEN: We are not throwing a figure around. I am pointing out that under the terms of the bill as it is passed people making \$23,000, and in some areas people making \$23,000 plus 20 percent of \$23,000, would be eligible. You can't tell at this point who is going to apply.

Now, people making \$5,000 or \$6,000 or \$8,000 might not have the down payment on a house. Maybe it is the upper income people who have the down payment and would get the benefit.

Q I am trying to find out the income range you are talking about with these 400,000 families.

MR. NESSEN: Jim, we said it, and I think you understand, it is from zero to \$23,000 plus 20 percent. I understand your point.

Q I am trying to find out if there are only 400,000 families in the country who make from, say, \$2,000 a year to \$2,500 a year, which certainly cannot be the case.

MR. NESSEN: No.

Q Then, what is the zero business?

MR. NESSEN: The incomes that would qualify for these low cost mortgages.

MORE

Q Are what? What to what?

MR. CARLSON: Up to \$23,000 -- zero to \$23,000.

Q Only 400,000 of those? That is what I am asking.

MR. CARLSON: The bill only provides \$1.35 billion, which will take care of 400,000.

Q He means the first 400,000 that apply?

MR. CARLSON: That is right.

MR. NESSEN: I am glad we got that straightened out.

Q Ron, what does the President propose to do for this one-half of 1 percent?

MR. NESSEN: Well, if the foreclosure rate increases, there are a number of steps ready to go. At the moment, there are -- and I think it is important to realize this -- that, at the moment, in the fiscal year 1975 and 1976 combined, there is \$60 billion being spent in various Federal or Federally sponsored agencies in the form of credit aids, subsidy payments, tax expenditures and so forth for the housing industry, and I can give you a breakdown of that, if you would like.

Q What years were those?

MR. NESSEN: 1975 and 1976 there are \$60 billion, over two years, available in various forms of assistance to the housing industry.

Q The industry -- but what about the mortgage owner?

MR. NESSEN: Well, at the moment, with a foreclosure rate of one-half of 1 percent, there does not seem to be that need.

Q What does one-half of 1 percent foreclosure rate mean in terms of number of foreclosures?

MR. NESSEN: We can get it for you. We have to add it up.

Q Ron, on the same subject, what, if anything, does the President want Congress to do to help revive the housing industry?

MR. NESSEN: I think there has already been a number of steps the Administration has proposed. I think the main thing is, the solution to the problems is, to have interest rates low enough that people can afford to buy houses again.

Q He does not want any particular specific legislative action on housing now?

MR. NESSEN: The Administration has already authorized almost \$23 billion for mortgage support, and this would assist mortgages covering 700,000 housing units. That includes the Federal Home Loan Bank Board advancing \$4 billion to savings and loans at subsidized interest rates so that the savings and loans can support mortgages on 133,000 units.

The Federal Home Loan Mortgage Corporation has made commitments to purchase \$3 billion in mortgages that would finance another 100,000 homes at below market interest rates. The Government National Mortgage Association, at HUD, has authorized the purchase of nearly \$16 billion in mortgages carrying below market interest rates under various tandem plans. There are 333,000 units with FHA or VA guaranteed mortgages for tandem support. 167,000 units will get conventional mortgages and so forth. There are a number of programs, so the Administration has not done nothing about housing.

MORE

Q Ron, you obviously are loaded for bear, there. Why is the President having any difficulty in deciding whether to veto this bill?

MR. NESSEN: I think he always reserves judgment until he reads the bill.

Q Ron, before we leave housing, 400,000 families buying homes, regardless of whether there would be a few middle income people slipping in there and taking advantage of it or not, still, at an average cost of \$20,000, \$30,000, \$40,000 for a home, isn't that going to be a big shot in the arm for the economy right now?

MR. NESSEN: The argument that is made here by the people who have studied this closely is that many, if not all, of the 400,000 would buy the homes without the mortgage subsidy.

Q Do you have any statistics on how many probably would, anyway?

MR. NESSEN: It is difficult to determine that.

Q Ron, then I assume by all of this the answer is yes, the President will veto it. It is that bad.

MR. NESSEN: I have not said that, Phil. I have only said ---

Q You said he hasn't read all the bill, but has he read all this stuff you have been feeding us today?

MR. NESSEN: He has kept up with the progress of the bill. (Laughter.)

Q Is he really going to read the bill?

MR. NESSEN: He is going to read an analysis of the bill, certainly.

Is that all the housing questions?

Q Ron, I would like very much to ask this one question.

MR. NESSEN: Incidentally, this is a historic day in the briefing, I think, because Les got his question answered about inflexibility of Israelis.

Q I did not, but that is all right.

MR. NESSEN: But you asked it. You did not get an answer, but you asked it.

Q The Non-Metallic Mining Review Board -- there has been enormous coverage of this and no little rage, and the guy has been listening to Beethoven records for four years. Now, I have called the OMB nine times and the ninth phone call finally concluded they told me it was the Department of the Interior's responsibility for a \$60,000 appropriation. The Department of Interior, after three more phone calls, said, "Oh, no, it is not ours; it is the President's."

Ron, this is \$60,000 to pay a guy to sit there and listen to Beethoven records. I tried both Interior and OMB.

Will the President take this out because he has the option to take it out of the budget? It is a small amount, but it is rather irritating.

Q Would you repeat the question?

Q Will the President do something about \$60,000 to listen to Beethoven?

MR. NESSEN: Would you let me look into it, Les? I have not done any research.

Q Will you, and get an answer?

MR. NESSEN: Yes.

Walt has a question.

Q Yesterday I asked you if the President has had any, I think it was moral indignation or concern, about the Rockefeller Commission report on the CIA, specifically as it applies to domestic spying. And you referred me to the President's press conference, and I can't find any implied or direct criticism of the domestic spying aspect in there.

Is the President concerned about this?

MR. NESSEN: I thought that his statement did have some remarks about that.

Q I have the press conference here, if you can find it. He was critical of the political assassination saying his Administration would never do that, but I don't see anything where the President says, "This is wrong. This is morally improper. This should never have happened. Americans' Constitutional rights were violated. We will see this never happens again."

MR. NESSEN: Well, Walt, one thing I suggest you do is take a look at these memos that he has sent.

Q Those are the ones today?

MR. NESSEN: Yes. Because he talks about it being important that "all activities strictly observe Constitutional guarantees against the violation of individual civil liberties" and so forth. I don't think his views on that subject are unknown.

Q Congressman Stanton apparently told the Cleveland Plain Dealer that he is aware that the CIA took part in the assassination of at least one foreign leader.

MR. NESSEN: I read that, yes.

Q Did that come from the Rockefeller report on assassination?

MR. NESSEN: I have no idea.

Q Is the President aware of the CIA taking part in the assassination of one foreign leader?

MR. NESSEN: He has read the material, Tom. I don't know what is in the material. I have not read the material.

Q Can we direct that question to you, to ask him if he is aware of one assassination?

Q That is a very serious charge on the part of a Congressman who is close to the investigation.

MR. NESSEN: I know that. I will ask him the question, of course, but I think the President will probably stand on what he said the other night in terms of making judgments about the past.

Q You mean he won't judge whether there has been a murder sponsored by the Government or not?

MR. NESSEN: I don't think he is going to want to respond to one isolated remark by a Congressman.

Q Would you ask him, then, about the violation of the civil rights of 7,200 American citizens?

Q It is not an inconsequential Congressman.

MR. NESSEN: I understand that, Tom, but I think the President's position on the incomplete report of the Rockefeller Commission on assassinations, that he is not going to sit in judgment until all the investigation is completed by both the Attorney General ---

Q This is not a question of judgment. It is a question of fact. Did the Rockefeller Commission turn up substantial evidence that the CIA knocked off a foreign leader?

MR. NESSEN: Tom, I just don't see the President giving a yes or no answer to that question.

Q Is this what the President meant when he talked about Congress should treat all of this evidence with utmost prudence? Does he see this as irresponsible on the part of the Congress?

MR. NESSEN: I have not asked him about Congressman Stanton's statement, but he laid out his views the other night in terms of the sensitivity of this, in terms of not sitting in judgment on people who have served in previous Administrations.

MORE

Q We don't want his judgment, Ron. That is not what you are being asked. You are merely being asked whether this is true or not true, according to the President's knowledge.

MR. NESSEN: I will ask him, but I don't believe I am going to be able to answer one way or the other from here.

Q Do you expect the President will issue some sort of statement of his own on the subject of assassinations at some point?

MR. NESSEN: My feeling is that, once he has reviewed the comments that will come back from the departments and agencies to whom he is sending this memo, today, that he will then, as I said, take both administrative action and propose legislation where warranted, and at that time, I would expect he would have more to say on the matter.

Q But will that statement include something on assassinations?

MR. NESSEN: I don't know.

Q He has decided for this time that this material should be kept secret? That is what he said the other day.

MR. NESSEN: Partly because it is incomplete.

Q And we know that the Counsel's Office is doing some investigating along with the Church Committee. Now, when the Counsel's Office feels it has all the information in hand that is available, will the President make a decision as to whether this stuff should be released? I am talking about the assassination part, and will he make a statement of his own putting this in whatever context he deems appropriate?

MR. NESSEN: I don't know, Mort. It is too far down the line.

Q Has it been discussed?

MR. NESSEN: I have not heard it discussed.

Q Does the President feel offended by the talk that he is passing off this problem to the Congressional committees and to the Attorney General and trying to get rid of a hot potato?

MR. NESSEN: I have not heard him say he is offended. I think he believes he has handled it in the proper manner, as he sees it.

Q Ron, do you have anything to add to what Kissinger said about the talks with Rabin? Any personal feelings on the President's part -- how he feels?

MR. NESSEN: No.

Q Ron, President Park, in an interview, said he would go nuclear. He said he has the capability if the United States should decide eventually to withdraw its troops. And I don't think they are there into infinity. What does the United States think of this?

MR. NESSEN: I have not heard of that until you just mentioned it.

I will have to look into it. I have not heard of it until just now.

Q North Vietnam is saying, if we want to go look for our MIAs, we are going to have to give postwar aid. Does the White House have any reaction to this?

MR. NESSEN: You probably couldn't print it if I told you the word that comes to mind.

Q What do you mean?

MR. NESSEN: Well --

Q Can you give us any more guidance as to when the President is going to make his election announcement?

MR. NESSEN: No, I can't.

Q Let me go back to my question --

MR. NESSEN: Phil, the President, I think, and the White House have denounced the North Vietnamese continually for refusing to live up to the provisions of the Paris Accord, which allowed inspection teams to go and look for the graves or remains of missing American service men, and this is just another cruelty that North Vietnam is inflicting on the families of these missing servicemen, just toying with their emotions and their memories.

The reason I said that is, I just can't think of a usable word that is strong enough to express the kind of feeling the United States has about that kind of cruelty on the families.

Q One of the provisions, as I recall, was the United States would help North Vietnam in rebuilding after the postwar period?

MR. NESSEN: There were many provisions that depended on other circumstances being in place, and I don't have the exact Accords in front of me.

Q Does that mean that the United States now considers the Paris Peace Agreement moot and by the board?

MR. NESSEN: I don't know what exact word the diplomats would use, but I think it is fairly obvious, isn't it?

Q Fairly obvious that it is scrapped?

MR. NESSEN: (Laughter)

Q The State Department says that the Paris Agreements are still operational wherein they apply.

MR. NESSEN: I think that is probably the proper statement.

Q I don't know what it means.

Q Has the President ordered his people to go back to the drawing boards and try to come up with some plan to get an accounting of the MIA's, or has he now given up hope?

MR. NESSEN: No, the President has not given up hope and does not intend to give up hope. You know, there was a meeting here two or three Saturdays ago that I think you know about. The United States is doing everything it can to get an accounting of the MIA's. There is no hard evidence that there are any MIA's left alive, but still the families deserve an accounting and the President -- and there are people assigned to this -- are doing what they can, but it is the North Vietnamese who are preventing even a search for the gravesites.

Q You are not saying we have closed the door on possible future relations with all of Indochina, are you?

MR. NESSEN: I didn't think I had.

Q Now, is there room for some sort of a reconciliation?

MR. NESSEN: I think you have to refer back to what Dr. Kissinger said at one of his news conferences, that there needs to be some time to see what sort of government is set up there. My understanding is there is not a government in Saigon. There is a military administration but no government, and they have to wait and see what emerges.

Q Ron, with another veto expected and one that probably will be sustained, is the President concerned? Does he believe that the country is being hurt by this deadlock between the President and Congress, by this stalemate?

MR. NESSEN: Is the President ---

Q Does he believe the country is being hurt by this continued deadlock and stalemate on any number of legislative matters that are passed by Congress, vetoed by the President, and sustained, and so forth?

MR. NESSEN: In the case of the energy bill, he certainly believes that every day that passes simply continues and increases dependence on foreign sources of oil. But some of the other matters, quite the contrary.

The strip mining bill, by vetoing and sustaining that he avoided a great loss of coal production and jobs in the coal industry.

The jobs bill -- obviously he has a very large proposed jobs bill up there and it now appears that Congress has gotten rid of the Christmas tree aspects of the other bill and is settling down to pass the needed legislation which is over \$1-1/2 billion for public service jobs and over \$400 million for summer jobs.

Q Is he concerned that he seems to be governing by veto?

MR. NESSEN: No, he is preventing what he considers unsound legislation from getting on the books, and in most of these cases Congress has gone back and passed sound legislation, after he has stopped the unsound legislation.

Q Ron, does the President have any reaction to Mrs. Ghandi's little Watergate problem in India? (Laughter.)

MR. NESSEN: I don't think we would comment on the internal affairs of another country.

THE PRESS: Thank you, Ron.

END

(AT 1:42 P.M. EDT) #245