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NEWS CONFERENCE

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AT THE WHITE HOUSE

WITH RON NESSEN

AT 11:40 A.M. EDT

OCTOBER 24, 1975

FRIDAY

MR. NESSEN: Firstly, Steve Bell has been called into the big time and will be leaving us to become anchorman of the new ABC news program in the morning, and we are all going to miss him, and wish him all the best of luck.

Q What is the salary scale on that, Ron? (Laughter)

MR. NESSEN: It does not require Congressional confirmation. (Laughter)

Congratulations, Steve.

Q Does that count as a reduction in the White House staff? (Laughter)

MR. NESSEN: I understand that George Watson will be coming here from London to replace Steve, and in the interim, we will have Herb Kaplow with us.

Just to give you some idea of what the President has been up to today, he slept in a little bit and had breakfast at nine o'clock -- orange juice, English muffin, melon and tea.

Q Has he been making his own English muffins?

MR. NESSEN: No, he has not done that for a while.

Dr. Lukash reports he is doing fine in his recovery.

Q But how is the President doing? (Laughter)

MR. NESSEN: You have been just waiting for that, haven't you?

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Q What a good mood she is in now that Bell is leaving. (Laughter)

MR. NESSEN: He does have a little residual nasal congestion. His temperature was normal again today.

Q Is he anticipating doing any physical exercise, like swimming in his heated pool this weekend or playing tennis or anything like that?

MR. NESSEN: The President is not likely to swim in his heated pool today, but Dr. Lukash is encouraging him to take some walks outside the office.

Q In the rain? (Laughter)

MR. NESSEN: Whose side is Lukash on, anyhow?

Q Where will he walk to, Ron?

MR. NESSEN: Around the South Lawn.

Q He is not going to work the fence again, is he?

MR. NESSEN: No.

The President had a meeting in the Residence this morning with Don Rumsfeld and then came over to the office at 10:30, where he met with other staff members, including myself and Doug Bennett, the personnel officer.

At 11:30, the President began taping a Veteran's Day message on tape and on audio tape -- video tape and audio tape.

Q Is he hoarse?

MR. NESSEN: I think his voice may be just a little huskier than usual.

ABC was the pool network on this, and they will distribute it. This will be for release at six o'clock Sunday night, for Monday papers.

Q Are we getting a transcript on that?

MR. NESSEN: Yes, we will.

At 1:45, the President is meeting with his economic advisers. If you care to, we could have photographers in on that at the beginning of that, if you like. Those attending are Greenspan, Seidman, Dunlop, Morton and Rumsfeld. Secretary Simon is out of town.

Last evening, at a little before eight o'clock, the President placed a phone call to Sparky Anderson, the manager of the Cincinnati Reds baseball team, at the Terrace Hilton Hotel in Cincinnati. A party was going on at the time, and the President also spoke, on the same phone call, to three other members of the team; namely, Johnny Bench, Pete Rose and Joe Morgan. It was about a ten-minute call.

The President told them he watched at least a part of the games on TV. He thought it was a very exciting series. He congratulated them for winning and said he thought they played very well. He congratulated the four of them for their own particular performances. He said he thought that both Cincinnati and the Boston Red Sox had played excellent baseball throughout the series.

Q Has he called the Red Sox?

MR. NESSEN: As I understand it, there is something in the works about the Red Sox.

Q Does he consider himself a baseball fan? We have always known of Jerry Ford as the great football fan, but I never thought of him as much of a baseball fan.

MR. NESSEN: I think a lot of people watch the World Series who don't normally pay a lot of attention to baseball.

Q Does he fall in that category?

MR. NESSEN: Yes.

Q Does he miss the opportunity to go to football games? He has not been able to go to one this fall. Is he possibly planning to go to any, Ron? Is there a remote possibility?

MR. NESSEN: I don't have any games that I know of him going to.

The President also made a phone call to Dr. Robert Marston, who is President of the University of Florida. He told Dr. Marston that he was sorry that he could not come, as he had planned to, but that his cold has interfered in the plans, that he had really looked forward to making the trip, that he was glad that the Defense Secretary was going to be able to fill in for him.

He said he knew that Secretary Schlesinger would do a good job, and he wished them a good and successful homecoming weekend.

Q When was that call made?

MR. NESSEN: That was the night before last.

Q Why are you doing this?

MR. NESSEN: I was just doing a round-up of phone calls this morning and came up with that one.

Q Why did Schlesinger replace him?

MR. NESSEN: Very often, when the President can't make an appointment, either through a cancellation or simply it cannot be fit into his schedule, one or another of the Cabinet members or Administration people fill in.

For Monday, here are some thoughts about that.

The President is going to be placing a wreath at the Tomb of the Unknown Soldier at Arlington Cemetery at nine o'clock in the morning. This will be a wreath on behalf of the entire Nation to the veterans of all the wars. This year's ceremony is sponsored by the AMVETS.

The President will leave the South Grounds at 8:45 and arrive at Arlington Cemetery at 8:56. There will be a 21 gun salute. He will be met by the various military officials, the Veterans Administrator and the AMVETS Commander.

He will place the wreath there at 9:03 and will be leaving Arlington at 9:01 and arriving on the South Grounds at 9:20.

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Q Will there be a speech?

MR. NESSEN: No, there will not be a speech. His feelings on the day will be reflected in the statement that he has taped this morning. The travel pool, obviously, will follow.

Q Is there going to be a briefing on Monday?

MR. NESSEN: Well, we are going to work a full day. I have no feeling one way or the other. If you would like one we will be here.

Q Sooner or later we are going to need some information on California.

MR. NESSEN: You may not get it on Monday, though.

Q I know but it would be helpful if we could.

MR. NESSEN: Sadat is arriving Monday anyway so I think you will probably want to be here.

Q What time is he arriving?

MR. NESSEN: I am glad you asked that, Les.

Q I am glad that you are glad, Ron.

MR. NESSEN: President Sadat of Egypt begins his State visit to the United States on Sunday, October 26, when he arrives in Williamsburg, Virginia, and he will be in the United States through Wednesday, November 5. He will be accompanied by Mrs. Sadat and members of his family, including two daughters, married, and their husbands; an unmarried son; and an unmarried daughter.

Coming along in the party will be the Deputy Prime Minister and Foreign Minister Ismail Fahmy and the Minister of Economic Cooperation Zaki Shafei.

Q What is Shafei's title?

MR. NESSEN: Minister of Economic Cooperation.

There will also be other officials along from the Egyptian Government.

Q Did you say Fahmy was Deputy Prime Minister as well as Foreign Minister?

MR. NESSEN: Right.

The President and Mrs. Ford especially look forward to this visit. It is the first State visit ever by an Egyptian President. It will give the President time to renew his acquaintance with President Sadat, who, as you know, he met in Salzburg last June. This will be the first chance he has had to meet Mrs. Sadat. The visit should be seen against the background of developing relations between the United States and the Arab Republic of Egypt in the search for a just and durable settlement in the Middle East.

The President and Mrs. Sadat and their official party will arrive at Williamsburg, Virginia, as I say, on Sunday. They will come to Washington on Monday. Other stops in the United States include New York City --

Q Do you have dates on these?

MR. NESSEN: No.

Other stops are Illinois, Texas and Florida.

Q Is the President going to meet him in Florida?

MR. NESSEN: I don't have anything to announce other than what I am announcing today.

Q Can you wipe it out?

MR. NESSEN: I just don't have anything to announce, Fran.

Q Ron, it was reported previously he was going to Chicago and Houston. Now you are saying Illinois and Texas.

MR. NESSEN: Well, this is the schedule I have to announce today.

Q Well, it is Chicago and Houston?

MR. NESSEN: This is all I have to announce, Helen, and, in fact, it is all I know about.

Q Well, if it is Illinois, it is Chicago, isn't it?

MR. NESSEN: Oh, I see what you are saying. Chicago, Illinois, yes.

What was the other question?

Q Houston?

MR. NESSEN: Houston, Texas. That sounds right to me.

I thought you were saying in addition to these places was he going.

Q Chicago has been located in Illinois for quite some time. (Laughter)

MR. NESSEN: I didn't know that.

I will tell you a funny joke off the record except that Helen will tell me that I am making fun of New York City.

Q I will.

MR. NESSEN: I think I will save this for a speech some time.

The President and Mrs. Ford look forward to greeting President and Mrs. Sadat at the arrival ceremony on Monday.

Q What time?

MR. NESSEN: At 11:00 a.m. That will be on the South Lawn. It is a State visit so it will be a full arrival ceremony. Then President Ford and President Sadat will have their first meeting at 11:30 that morning and the President and Mrs. Ford will host a State Dinner at the White House that evening in honor of President and Mrs. Sadat.

A second meeting between President Ford and President Sadat will be held on Tuesday at 10:30. That evening President Sadat will be the host at a Reciprocal Dinner for the President and Mrs. Ford at Anderson House, which is the Society of Cincinnati Guest House. That is that one up on Massachusetts Avenue next door to the Fairfax Hotel, or the Jockey Club, as some of you may know it by.

This afternoon or tomorrow we will have a fuller schedule of details of the Sadat visit.

Q Including a pool report?

MR. NESSEN: I don't know when we are going to have the specific details of his out-of-town travel.

Now in keeping with my policy of giving a brief educational lecture each day on the municipal bond situation --

Q Right out of the Washington Post, isn't it?

MR. NESSEN: No.

Today, in lieu of that, since everybody got all the information they needed yesterday, I was just going to have a recommended reading list today. I thought that would be enough.

I don't know how many of you have seen the Ken Auletta piece in this week's New York Magazine. New York Magazine and the Administration don't always see eye to eye, but this is called "Who's to Blame for the Fix We're In?" and it is an interesting historical tracing of how New York City got to where it is.

Somewhat along the same line and written in a little different tone and from a little different perspective is an article in the August 1975 issue of Fortune Magazine called "Going Broke the New York Way." It is a lengthy article. It also covers the historic steps that led New York to this.

My only reason for calling them to your attention is that it is a story that we talk a lot about each day. People in the White House have read both of these by way of providing some background for themselves on how the situation reached where it is, and I thought you might want to have the same information.

Q Does the President agree with the picture that illustrates that Ken Auletta article that shows a big finger pointing to Nelson Rockefeller? (Laughter) The caption says, "Who's to Blame for the Fix We're In?"

Q Which finger?

MR. NESSEN: The finger seems to be pointing to the title of the article "Twenty Critical Decisions that Broke New York City."

I get this magazine at home but the President actually called this to my attention so he located it very early.

Q Over and beyond the perspective of how they got there, does the President have any intention of helping New York?

Q I am sorry, Helen.

What is your answer to the question as to whether he agrees with the article?

MR. NESSEN: Well, I don't think the White House is vouching for either the presentation in terms of graphics or even any of the specific conclusions reached but it is a factual rundown of the events of the past 20 or 30 weeks.

Q Does that list as one of the reasons the ascension of Mr. Ford to the Presidency?

MR. NESSEN: Not that I saw, no.

Q Well, Ron, let's see if we can go at this a different way.

MR. NESSEN: No, they don't, but I will just check to make sure.

No, they don't. The finger, as I see it, is pointed -- here is something about the finger.

Q These people that point fingers, Ron --

Q To put the question another way, Ron, the fact of the matter is that Vice President Rockefeller was Governor of New York for 15 years. Does the President feel that the policies of Governor Rockefeller in any way contributed to the difficulties that New York City finds itself in now?

MR. NESSEN: I have never heard him really address that question, Jim.

Let me see what other goodies I have for you today.

Q Aside from knowing how they got there, does the President have any intention of helping New York City get out of its present plight?

MR. NESSEN: His position has not changed since we discussed it before, Helen.

Q Ron, Senator Buckley said yesterday at a press conference that he was writing the President to urge that the Justice Department investigate possible fraud by New York City officials. Any comment today on that?

MR. NESSEN: I am told that the Justice Department and the U.S. Attorney's Office in New York have the responsibility and the authority to initiate such action or investigation, as Senator Buckley called for, if they feel that a violation of Federal law was indicated by the data that was published by the New York State Comptroller, and the President is confident that the Attorney General will take what appears to the Attorney General to be appropriate action or what the Attorney General considers appropriate action.

Q The Attorney General, meaning the Justice Department, will take appropriate action?

MR. NESSEN: I say the President is confident that the Attorney General and the Justice Department will take whatever they consider to be appropriate action.

Q So they are looking into it now?

MR. NESSEN: You will have to ask them.

Is that it?

Q You started to give us something else there.

MR. NESSEN: Did I? I said I was going to look through here and see what other goodies I had.

Q Ron, the Ways and Means Committee yesterday approved a tax bill or a bill that would offset a tax increase in January. It does not as such connect it in any way with the spending ceiling. If that bill came to the President later this year, would he veto it?

MR. NESSEN: Well, the President believes that the American people deserve and want a bigger tax cut than the House Ways and Means Committee approved.

The effect of what the 21 Democrats voted for was to reduce the size of the tax cut that the President proposed, and the President believes that the size of the tax cut, as approved by the Democrats on the Ways and Means Committee, is too small.

The President is convinced that the American people want a bigger tax cut. The President is also convinced that the American people will let the full Congress know that they do want a bigger tax cut and that once the Members of Congress who voted for the smaller tax cut or who share the view that the American people only deserve a smaller tax cut -- the President is confident that those Members will get the word from their constituents and will end up voting for the bigger tax cut that the President proposed.

I think it is interesting to point out a couple of things about the vote yesterday. All the Republicans on the committee voted for a bigger tax cut along with four Democrats and, in fact, the vote was a close vote because only a shift of three votes would have, of course, reversed the outcome. So there does seem to be sentiment on the Hill that reflects the President's sentiment that the American people want and deserve a bigger tax cut than the Democrats on the committee voted for.

Now, as for the question of tying it to the limitation on the growth of Government spending, my understanding is that actually the committee didn't take a vote directly on that, that the chairman felt that Ways and Means was not the proper place to put the ceiling on the growth of spending and that the committee, on a procedural vote, agreed that that should be done elsewhere in the legislative process.

Anyhow, the question of how do you put the ceiling on is a legislative matter, parliamentary matter. The White House does not have any particular view of what mechanism ought to be used and does not really care how it is done.

In answer to your question, two things; one, the whole tax cut-spending ceiling has a long way to go in the legislative process. The President is confident that the American people will make their wishes for a bigger tax cut known, as he said before. He has not changed. He would not hesitate to veto a tax cut that was not tied to a limitation on the growth of spending.

Q Does that mean he would veto it if --

MR. NESSEN: Would not hesitate to do it.

Q Does that mean he would?

Q Ron, why is it you tell us what he will do with respect to a veto of tax legislation and won't tell us what he will do with respect to a veto of New York legislation?

MR. NESSEN: You know, a foolish consistency is the hobgoblin of a small mind. (Laughter)

Q Ron, when you say he would not hesitate to do it, does that mean he would do it if it came to him? Is that the same thing that you are saying?

MR. NESSEN: Why won't you let me use the words that he prefers to use?

Q I am just asking you whether the word that he used means what I asked.

MR. NESSEN: The words he used are the words he wants to use.

Q Ron, I notice in that, though, that there is no mention of the specific numbers he proposed, \$28 billion.

MR. NESSEN: What? I want to know whether you want that on the record or not on the record.

Q No, I was just reflecting on some other things that I wish you had said.

Q I just wondered whether there was any possibility of a smaller tax cut, such as Ways and Means approved yesterday, being tied to the smaller cut in Federal spending. In other words, is there any room for compromise on the numbers?

MR. NESSEN: Why are we talking about compromise here? The President has made his proposal, he made it because after a lot of work, he concluded that that was the best way to do it and it is working its way through the process.

Q Because Congress obviously --

MR. NESSEN: Well, Congress obviously what? I mean, a change of three votes would have put it the other way. So, Congress obviously -- we don't know what Congress obviously is going to do except the President is confident that the American people will let Congress know what they obviously want it to do.

Q Is the President confident that while the American people want the bigger tax cut that they are also willing to accept a bigger cut in Government services?

MR. NESSEN: Do you mean a \$25 billion growth in Government spending? Was that the question?

Q There are going to have to be cutbacks or holddowns if he gets his way and gets the \$28 billion.

MR. NESSEN: Do you mean do they favor a 7 percent increase?

Q Ron, I asked the simple question. It was --

MR. NESSEN: The question was improper because there is no cutback in the Federal budget. There is a 7 percent increase by the President's budget, right?

Q Does that mean there will not be a reduction in Government services?

MR. NESSEN: There certainly will not be a reduction in the size of the budget. There will be a 7 percent increase in the size of the budget.

Q This was not my question. My question was-- the American people want the bigger taxes. Are they willing to accept the reduced Government services which will go along inevitably with what he is asking?

MR. NESSEN: The President is firmly convinced that the American people want to reduce the size and scope of Government and feels that he shares the American people's view that it is time to reverse the process and give the American people a greater choice of how they want their money to be spent by leaving them more of their own money.

Q Even if that means a cutback in Federal services, for example -- food stamps, welfare, holddown increases, that sort of thing?

MR. NESSEN: You know what his food stamp proposal is, so I don't need to tell you that one. You know that welfare reform is being considered in the Rockefeller town meetings, and will be addressed by the President at the end of this year.

Q Ron, maybe I missed it, but the only reason I heard for a larger tax cut was that the American people want that. Is that the basis in the White House for the President's economic proposal?

MR. NESSEN: Certainly not the sole basis. As you know, how that figure was arrived at was by, first of all, looking at the expenditure side first and determining what ceiling should be put on the growth of Federal spending, and then once that figure was determined, a tax cut of comparable size was decided upon. That is why the number came out 28.

Q Ron, does the President see any essential difference between the way New York is borrowing money to live on and the way the Federal Government is borrowing money to live on?

MR. NESSEN: That is precisely why he believes this process needs to start so that three years from now the Federal budget will be balanced because to go in the direction that Congress has been going over the years -- which is to make no connection whatever between income and outgo -- they are handled as separate processes.

Even in votes on expenditures, each little piece is voted on separately, until they passed the Budget Reform Act, without any reference to an overall total. He believes that it is time to turn that process around and have Congress link the amount you can spend with the amount you are taking in to avoid getting to the place where New York City is.

Q Ron, why cut the taxes to do that?

Q Does he think there is a serious prospect of that?

MR. NESSEN: Of what?

Q Of the Federal Government anytime soon coming to the status that New York is in now?

MR. NESSEN: You cannot come to the status in the sense of not having anybody to lend you money because the Government is always the first to the pot, but you have two budget deficits of \$70 billion, back to back, and --

Q I was just wondering about the way you phrased that.

MR. NESSEN: What?

Q To find your pot.

MR. NESSEN: The Government has first call on the capital market, and so it is not likely that --

Q Do you mean that literally?

MR. NESSEN: No, but the Government borrows first and everybody else gets what is left, and two budget deficits of \$70 billion back to back, totaling \$140 billion, what would that do to the interest rates, the ability of other borrowers to get money and to the rate of inflation?

Q Ron, the issue in New York is default on notes and bonds. Are you saying --

MR. NESSEN: Well, the issue in New York City is living --

Q Let me ask my question, if I might. Are you saying that if the present Federal deficits continue that there is a possibility or that the issue will become default on Federal bonds and notes?

MR. NESSEN: No, the issue will become inflation because the Government will always print enough money to pay its debts. New York City can't print money. The Federal Government can, and it will just further depreciate the value of money and lead to inflation.

The issue in New York is not the default on bonds and notes. The issue in New York City is Government officials who for 10 or 12 years have constantly spent a good deal more than they have taken in without ever looking to where that was going to lead, and the President is asking now that Congress look at where that can lead on the Federal level.

Some of the same arguments were made in favor of continuing to spend beyond their means in New York City that are being made for continuing to spend beyond the Federal Government's means.

Q Ron, the Federal Government last year spent \$3.1 billion for travel for all three branches of the Government according to Budget Bureau estimates. When an attempt was made to impose a ceiling on that to cut it back the appropriations committees received a deluge of mail from the Federal agencies warning them --

MR. NESSEN: Is this question to get information to write a news story or to argue about the President's proposal?

Q Some of us would like to hear the end of these questions.

MR. NESSEN: I would like to hear the question myself.

Q In the next sentence is the question.

MR. NESSEN: All right.

Q Would the President support on his own -- order a cut of that travel expenditure to meet his \$28 billion reduction?

MR. NESSEN: When you see the budget as it is presented to Congress in January, you will see where he proposes to reduce the growth in Government spending.

Q Is he holding his budget to \$395 billion?

MR. NESSEN: I have said it every day that I have been asked and I say it today --

Q Will the President sign this tax legislation assuming it comes through if the Congress approves a cut in spending of \$12.7 billion?

MR. NESSEN: No. The President believes in the numbers that he sent to Congress. There is a long way to go. There is obviously more support there than had been anticipated.

Q I am talking about principle, not numbers. I am talking about the principle of the thing. He said he wanted the cut in spending to match the taxes.

MR. NESSEN: I just don't think dealing with a hypothetical question gets us anywhere.

Q Ron, could I ask you, as a procedural point, why it is that you contend that certain questions asked by reporters are argumentative when you come out here every day, as you have for several weeks now, and argue the President's program to us?

MR. NESSEN: I am not arguing it to you, Jim. As I told you, my one and only job out here which I try to do is to reflect to you the President's views in response to questions.

Q On the assumption that we consider some of your presentations argumentative, would you acknowledge our right or duty to ask questions reflecting the other side of the argument or ask you about the other side of the argument?

MR. NESSEN: I don't understand the question. It does not sound like one that needs an answer.

John?

Q Ron, the House recently passed a bill revising the Hatch Act rules preventing Federal employees from participating in political activities. What is the White House stand on revising the Hatch Act?

MR. NESSEN: As proposed --

Q As proposed in that House bill.

MR. NESSEN: Is opposed to it.

Q Is he opposed to any change that would permit Federal workers to engage in political activities?

MR. NESSEN: I didn't ask him about any change, but he is opposed to that bill.

Q If this bill reaches here in that form, he will veto it?

MR. NESSEN: There is a long way to go yet.

Q What are his oppositions?

Q That is a simple question. If he is opposed to it and it reaches here in that form, would he veto it if it comes in that form?

MR. NESSEN: It is a question that starts with an "if" that I don't think I can answer.

Q What is he opposing?

MR. NESSEN: His opposition is based on going back and reading the original intention of the Hatch Act and believing that that original intention needs to be upheld -- continued, I should say.

Q Ron, would you be more specific? What is it that he thinks should be continued?

MR. NESSEN: I don't have the legislative history in front of me but you know what the general purposes of the Hatch Act were and he believes those need to be continued.

Q Could we go back to the tax bill for just a minute?

MR. NESSEN: Yes.

Q I believe there is a provision in that bill that would benefit large U.S. corporations that had big losses in previous years like Pan Am, Chrysler, W. T. Grant, that would cost the Treasury about \$1.4 billion. I am not quite clear how the Administration feels about that kind of proposal as part of the tax legislation.

MR. NESSEN: I am not sure that it is in that particular tax bill or whether it is in the reform bill, but wherever it is the White House is opposed to it.

I thought it was interesting, incidentally, talking about the tax cuts, that on the day that the Ways and Means Committee voted to in effect cut the size of the tax cut that the President proposed or voted for a smaller cut than he thinks is possible, that the Ways and Means Committee also voted to double the annual limit on tax deductions for Members of Congress for their Washington living expenses.

Q Ron, there is a newspaper report that the White House intends to give another Ambassadorship to the controversial former Ambassador to Nicaragua, Mr. Shelton, who is described in this report as a friend, close associate and confidant of Howard Hughes, Bebe Rebozo and Richard Nixon. Is there any truth to this? Maybe I missed the announcement but is the White House intending to do this?

MR. NESSEN: I don't know anything about it, Les.

Q You don't know anything about it?

Q Ron, is the President aware of concern which has been expressed at the United Nations about the ability of the UN force in the Sinai with its renewed mandate to protect the lives of the 200 Americans who will be stationed there?

MR. NESSEN: I had not heard that.

Q The background on this is that the Finnish commander in the Sinai is concerned because his 4,000 man force which is stationed there now protecting American lives will now have to guard with the Americans in the Sinai a much larger buffer zone, and he says he needs 1,100 replacements to safely protect the American lives, and the UN does not think it can come up with those.

Given that situation, does the President have any concern about the lives of those Americans? He has always said in the past that he thinks the UN can protect them and now people at the UN say they can't.

MR. NESSEN: I would like to read that statement. I was not aware of the statement until you just mentioned it to me.

Q I have the clipping downstairs if you would like to see it.

MR. NESSEN: I would like to see it.

Q Have you got any guidance on travel next week, by the way?

MR. NESSEN: No. I think the only travel next week is the travel you already know about.

Q Well, Ron, the Chief of Police of Milwaukee says the President is going to go there for a fund raiser Thursday night. Is that true?

MR. NESSEN: We have not announced anything other than Los Angeles and San Francisco. If we have anything else to announce before we go, we will.

Q Is the San Francisco fund raiser a luncheon?

MR. NESSEN: Yes.

Q When is it, then?

MR. NESSEN: Thursday noon.

Wait a minute. The 29th is when?

Q Wednesday.

MR. NESSEN: Okay, and the 30th is Thursday and that is right, it is a lunch.

Q Los Angeles Wednesday night and then San Francisco Thursday?

MR. NESSEN: Right.

Q Ron, is it right that Reagan is not going to be at either one of those functions? Is that your understanding?

MR. NESSEN: I don't know from here. I have heard --

Q Has he been asked, Ron?

MR. NESSEN: The President is an invited guest and I think you would have to contact the organizing committee.

Q Ron, why would you hesitate on that? Do you know something?

MR. NESSEN: I have heard some things but, you know, just floating --

Q Do you know it officially?

MR. NESSEN: No. The fact of the matter is I only know kind of skuttle-butt and I don't think you want to hear that.

Q Oh, I am fascinated with skuttle-butt, Ron. I think skuttle-butt is delightful. (Laughter) I mean, from you I am delighted to hear skuttle-butt.

Q Ron, has Reagan refused?

MR. NESSEN: Helen, the answer to that is, since the White House is not organizing either event I just don't think it is -- first of all, I don't know how the events are organized or who is coming.

Q We were told that Reagan would be on the platform and now you say that --

MR. NESSEN: Well, you were not told that from the White House.

Q No responses.

Q Ron, Secretary Kissinger is due to testify next week before the House Intelligence Committee. Has the White House taken any position supporting him that would be of a Boyatt question, that this should not be released?
Boyatt question

MR. NESSEN: Well, the Boyatt memorandum question at this point really is a matter involving a Cabinet member's management of his department and so it really has been handled as a matter between the committee and the Secretary, and his response was based on his judgment as to how he needed to manage his department and it has really not come to the White House for any decision.

Q Well, is the White House pleased by the committee vote not to take this matter to the Floor of the House for a contempt citation?

MR. NESSEN: I don't know that you need the President to be pleased or displeased with everything that everybody does, Jim.

Q Ron, when is the President going to see Dr. Kissinger? What are the plans?

MR. NESSEN: When does Henry get back?

Q Four o'clock.

MR. NESSEN: This afternoon?

Q Between 5:00 and 6:00.

MR. NESSEN: 6:00. Is he going to see the President at 6:00? Is he coming back at 6:00?

MR. GREENER: I think it is tomorrow.

MR. NESSEN: Is this a game of charades?

Q Do you have tomorrow's schedule?

MR. NESSEN: There is no tomorrow's schedule. The President will be in the White House. Some staff meetings will be in the morning and we will find out if and when he has a meeting with Dr. Kissinger -- I am sure he does.

Q Yesterday you were going to give us some figures on the so-called Executive agencies, whether they are up and down -- OMB --

MR. NESSEN: Wasn't that posted at about 5:30 yesterday?

Q Yes.

MR. NESSEN: Aldo, I didn't see you back there. Is Mayor Beame back there with you? (Laughter)

Q Is the China trip to be announced tomorrow?

MR. NESSEN: I just don't have anything to announce on China now.

Q I have one other question.

Senator Scott has broken with the Administration on the food stamp matter and votes for a much higher poverty level, and so forth. Is the White House presently disturbed that the leader in the Senate of his party is opposing his position?

MR. NESSEN: He does not have any particular reaction to that.

Henry gets back, I am told, at 4 o'clock this afternoon and has a scheduled appointment with the President at 9:30 in the morning although he may see the President later today or this evening.

Aldo?

Q You said there was no travel next week except what we know about?

MR. NESSEN: Yes.

Q Are you ruling out -- if he goes to Florida, it would not be on Saturday then, is that right? I heard it might be Saturday.

MR. NESSEN: Well, I don't have anything to announce beyond the one trip.

Q I understand, but you seem to rule out anything outside Washington beyond California. Is that an oversight?

MR. NESSEN: I don't have anything to announce.

Q Is he going to stay overnight Thursday?

MR. NESSEN: Thursday night as opposed to Wednesday night? He will be there Wednesday night.

Q Wednesday night is L.A., and Thursday night will he stay in San Francisco?

MR. NESSEN: No, he will be back.

Q After the lunch he leaves?

MR. NESSEN: Right.

Q Ron, what is the President's reaction to the spokesman for the Reagan Committee that he should not be considered as the titular head of the parties elected to office?

MR. NESSEN: Well, he does not consider him --

Q Finances?

MR. NESSEN: Well, two parts to that. The titular head question, titular usually applies to the leader of a party out of power. The President considers himself to be the leader of the Republican Party.

On the finances question, as you know some people have written to the FEC on behalf of Governor Reagan and have made their points. The RNC has written to them making its views known. The President Ford Committee has written making its views known. It is in the decision-making process by the FEC. Obviously, the President feels that the way it has been done, is being done, is perfectly proper within the spirit and letter of the law.

Q Could you tell us what the meeting this afternoon is about, the one at 1:45?

MR. NESSEN: The economic meeting will deal with kind of a report on where the tax cut proposal stands in Congress, and a review of where the New York City situation stands.

Q Ron, when the President was photographed right after he was ill he said he had some briefing papers or received some communications from Henry. On a trip like that, does he send back instructions to the Secretary of State; that is to say, does he advise Henry what policy should be or does Henry just have a stand on something like that? In other words, understanding that the Secretary of State sends in communiquees to the President reporting back on the China trip, in the course of the Secretary's talks in China, did the President send back messages and give advice to Secretary Kissinger?

MR. NESSEN: I didn't read all the cables going back, but just as a general matter the President makes foreign policy and the Secretary of State provides him with information and carries out his instructions.

Q I know that as a general matter the President does, but I want to know if President Ford in this case, when the Secretary was in China, gave instructions to the Secretary of State in any way? Did he just receive reports or was it two-way communiquees and was it that the President said I think you should do this, this and this, or would you please send the information of this?

MR. NESSEN: Yes.

Q He did?

Q Ron, I am going to preface this with a one-sentence statement and then I will ask the question.

MR. NESSEN: All right.

Q The Federal Election Commission has taken quite a pasting up in Congress and has been called a monster and a number of other descriptions. I wonder if the President shares the feeling in Congress that this agency is not doing its job?

MR. NESSEN: I have not heard him say anything like that.

Q Ron, I am puzzled by your earlier answer to my question when you said the White House said it didn't have any reaction to the Pike Committee vote. It may strike some people as unusual that the President is not pleased when a committee of Congress votes not to recommend a contempt citation against a senior member of his Cabinet.

Do you mean to leave it there? Does he just have no reaction to this?

MR. NESSEN: No, I meant to leave it the way it is, Jim, which is that this matter has been handled between the committee and the Secretary and deals with the way he manages his department, and it has not come here for any kind of White House decision.

Q I understand that. I was not really talking about the Boyatt controversy itself but rather the action of a committee in which there was a move within the committee that would have sent a recommendation to the Floor of the House for a contempt citation against the senior member of the President's Cabinet and this move was defeated and the President has no reaction to that?

MR. NESSEN: Well, as I say, it is not just that he does not have a reaction to that but I don't know why you need a Presidential expression of pleasure or displeasure with every --

Q I was not aware there was one.

MR. NESSEN: -- committee or subcommittee action or anything else that happens in town.

Q Ron, has the President received the option papers yet and when is he going to make his decision on the handling of the volunteers for the Sinai?

MR. NESSEN: Well, I have not looked into that one for a while. I will have to check. I don't know.

Q Ron, I would like to follow the question on the FEC. Has the President expressed himself, to your knowledge, on the independence of the FEC, the continuation of its independence?

MR. NESSEN: As opposed to --

Q As opposed to chipping away and diluting some of its activities in the House and Senate, as Mr. Hays wants to?

MR. NESSEN: I have not heard him comment on the FEC along those lines.

Q Ron, with so many high-ups in the Chinese Government either ill or on the point of death, what does the President hope to accomplish on this trip?

MR. NESSEN: Well, this is just another step in the process of following the Shanghai communique in terms of normalizing relations with China.

Q Ron, is the President concerned with Franco's health?

MR. NESSEN: I don't think that is a matter that we should comment on.

Q I didn't hear the question.

MR. NESSEN: Is the President concerned about Franco's health?

Q Ron, the Foreign Minister of the People's Republic was quoted in a news conference right after his meeting with Kissinger as saying there would be no alteration in U.S.-Chinese relations as a result of the upcoming meeting. Is that a view shared by the White House?

MR. NESSEN: I think Dr. Kissinger said he was pleased with his visit to China, and I think the very fact that the President is going to China is itself another step in the process of carrying out the Shanghai communique.

Q Then there may be an alteration in the present relations between the two countries?

MR. NESSEN: Well, it is very difficult to say before Henry has returned and before the President's visit has taken place.

Q Does the President hope to make contact with lower ranking officials who may be in line?

MR. NESSEN: I don't have the details of who he is going to see on the trip, Dick.

THE PRESS: Thank you.

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