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N E W S C O N F E R E N C E

#398

AT THE WHITE HOUSE

WITH RON NESSEN

AT 11:25 A.M. EST

DECEMBER 22, 1975

MONDAY

MR. NESSEN: I think you know that we hope to have something for you shortly on the energy bill, and I would like to go ahead and start, however, and get some routine things out of the way while we are waiting for that.

Q Are waiting for the President? Is the President going to be out?

MR. NESSEN: You are waiting for something on the energy bill.

Q From the President?

MR. NESSEN: Well, I think you can wait. Be patient.

You have all got your schedules for Vail, I think, don't you?

Q No, we don't have the Vail schedule.

MR. NESSEN: You have a press check-in at 6:30 -- hasn't this been put out yet?

Q Yes.

MR. NESSEN: So, what are you missing? What we are going to do when we get there?

Q And who is going and what does he plan to do.

MR. NESSEN: The children are out there already and Mrs. Ford will go with him, and a very minimum amount of staff will go. The President will do some work every day, but essentially it is a chance for six or seven days to get away and take a little rest and spend Christmas with his family.

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Q Are all the kids out there?

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

Just to give you a little background on the kind of work the President has been doing before he goes to Vail, yesterday he came to the Oval Office at 10:30 and had a meeting with Dr. Kissinger for an hour.

Q Why weren't we told that?

MR. NESSEN: It was not scheduled before the weekend. He then went over to the Residence a little before noon and had lunch.

At 1:45 he came back to the Oval Office and met with George Bush for about 20 minutes.

At about 2:15 the President went to the Cabinet Room to have another meeting on the budget. That meeting lasted from approximately 2:15 to 5:25, three hours and ten minutes.

The President met, following that, in the Oval Office with Dick Cheney for about a half hour and then went over to the Residence at about 7:20.

Just to give you a compilation of the past week, beginning a week ago today and up through yesterday evening, the President spent 77 hours and 5 minutes in the office, 14 hours of which he worked on the budget, seven hours and 50 minutes of which he worked on domestic proposals and the State of the Union.

Q Is this justifying the trip to Vail?

MR. NESSEN: No, it isn't. It is not justifying the trip to Vail. It is an effort to show you what the President has been doing on the budget and the other matters.

Q When does this period start, the 77 hour and 5 minute period?

MR. NESSEN: A week ago today, last Monday.

Q What was the seven hours on?

MR. NESSEN: Seven hours and 50 minutes working on domestic proposals and State of the Union speech.

Q How many hours has he been home?

MR. NESSEN: Congressional consultations took six hours last week, including phone calls.

Q Who compiled this?

MR. NESSEN: It was compiled from the President's schedule for the week.

Q Does he punch a time clock when he comes in each morning, Ron?

MR. NESSEN: In addition to the time he spent in the office, he worked generally about an hour and a half in the Residence in the morning and an hour and a half in the Residence in the evening, not counting office time.

Q There is a lot of time left in the 77 hours that you have not filled. Can you?

MR. NESSEN: Staff appointments and things such as the -- well, you know, the daily appointments like Monday he had the National Minority Purchasing Committee, he had the Congressional hour on Tuesday, the Vice President on Tuesday, the Advisory Committee on Refugees on Wednesday, his press statement on Wednesday, the Governor's meeting on Thursday, the Stevens swearing-in on Friday, Golda Meir, the press conference on Saturday and so forth.

Q How many hours has he spent swimming and attending holiday parties?

Q The recreation room?

MR. NESSEN: I don't have a breakdown on that.

Q The 77 does not include three hours a day of work in the Residence?

MR. NESSEN: That is right, it does not include the three hours a day he spends at the Residence.

Q Could I just follow that up? You present this because it is unusual or is it sort of typical when he is here or what? Put it in context.

MR. NESSEN: I would say that the 77 hours is typical of when he is here, although he would not normally work quite as long a day as he did on Saturday if it were not budget and State of the Union season.

Q Why do you give it now and you don't give it the week before?

MR. NESSEN: I could give it any week, Phil, but I thought --

Q But you volunteered it this time.

MR. NESSEN: I thought it would be interesting to see what the President's week looks like when he is preparing the budget or the State of the Union.

Q Sunday was not typical either, was it?

MR. NESSEN: It would not be typical except during the budget and the State of the Union season for him to work quite that long.

Q Is the State of the Union complete now?

MR. NESSEN: No.

Q When is he going to present it?

MR. NESSEN: The 19th of January.

Q A personal appearance?

MR. NESSEN: Yes.

Q Whose idea was it to present this today?

MR. NESSEN: Mine.

Q Ron, where is the State of the Union going to be given? Is it before the Joint Session?

MR. NESSEN: Yes.

Q And the budget, is that wrapped up today?

MR. NESSEN: This would be a final -- I think it would be fair to say that -- no, it is close to the final but it is not the final.

Q Who is paying for Bob Hartmann's trip to the Virgin Islands to work on the speeches?

MR. NESSEN: Bob Hartmann.

Q Is the Government picking up any of that tab?

MR. NESSEN: Bob Hartmann has an apartment in the Virgin Islands, and he has had it for many years.

Q Who pays for the transportation?

MR. NESSEN: As far as I know, Bob is.

Q The Government is not?

MR. NESSEN: As far as I know, it is not, Bill.

Q Wait a minute, Ron. Since you have volunteered this rundown for this one-week period, I am wondering if we can expect this on a regular basis, weekly, from now on.

MR. NESSEN: If you would like it, I can certainly do it.

Q Ron, it would certainly be helpful if when we are here on the days he is working that we get the information of what he was doing on that day.

MR. NESSEN: Let me tell you what he is doing today, then.

This morning he met at 9 o'clock with Henry Kissinger, Don Rumsfeld and Brent Scowcroft.

At 9:30 he went to a National Security Council meeting in the Cabinet Room.

Q On what?

MR. NESSEN: We never tell the subject of the National Security Council meetings.

Q This was not on the schedule Saturday?

MR. NESSEN: It was on the schedule for Saturday, but he had a number of other things on Saturday and so this was postponed until today.

Q Ron, what about the topics, if you can say that, at the meetings with Kissinger, Rumsfeld and Scowcroft.

MR. NESSEN: It is one of their regular meetings.

Q The meeting was advanced today, was it not, the National Security Council meeting?

MR. NESSEN: No, I say it was put off from Saturday.

At 12:30 the President will be meeting with the Apostolic Delegate, the Most Reverend Jean Jadot. He is the Apostolic Delegate to the United States. This is for the purpose of receiving a personal copy of Pope Paul's annual Day of Peace message. The Pope's message this year is entitled "The Weapons of Peace." It stresses the importance of people everywhere remaining aware of the moral and spiritual values which must be considered in establishing the foundation of a peaceful and humane international order.

Q Does that include covert operations?
(Laughter)

Q They still have the Jesuits.

Q Ron, is he doing anything today, having any meetings that are not already on the public schedule that we have?

MR. NESSEN: Perhaps. Let me run them down and see. I have not seen the public schedule.

John Warner is coming in at 12:45. As you know, he is the Administrator of the Bicentennial Administration. He is going to present the President with some Bicentennial medals.

Dr. Burns will be in for his regular periodic meeting. There will be some staff meetings.

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Q What time will Dr. Burns be here?

MR. NESSEN: Two o'clock.

Four o'clock is the budget meeting, scheduled to last for 90 minutes.

Q Is that with Lynn?

MR. NESSEN: With Jim Lynn, Paul O'Neill and Dale McOmber, as well as some people from the agencies whose budget appeals are being discussed.

Q Have you found replacements for Greener and Hushen?

MR. NESSEN: I don't have anything to announce today on a replacement for Bill Greener. Jack Hushen, as far as I know, still works in the Press Office.

Q Is that the end of the schedule?

MR. NESSEN: It is not quite.

At noon today the President is going to be taping and recording Christmas and New Year's messages to the country. They will be taped over at the Library in the Residence. ABC is the pool crew for both the video and the audio taping and ABC is the one who should be contacted to get copies. The phone number is 393-7700. The gentleman who is handling the TV requests is Mike Duffy, and the man who is handling radio requests is Ken Scott.

The Christmas Day message will be embargoed for release at 6:00 p.m. Eastern Time Wednesday, which is Christmas Eve. The New Year's message will be embargoed for release at 6:00 p.m. Wednesday, the 31st, which is New Year's Eve. Transcripts should be available later today here in the press room with the same embargos.

Q Ron, what time will the President deliver his State of the Union Message on January 19?

MR. NESSEN: I don't have the time.

Q Day or night, do you know that?

MR. NESSEN: I don't.

Q Ron, is your detailing of his work activities for the past week meant to show that he has been busy being President?

MR. NESSEN: I don't think I have to show that. I think you probably all know that.

Q Well, could I follow that up? Is it meant to counter an impression that some people have indicated that he is too busy doing other things?

MR. NESSEN: It is not meant to do anything, Ted, except to give you an idea of what the President has been doing the past week and it is not meant to counter anything. It is meant to provide you with some information which I thought you might want.

Q I would like to request the same thing at Vail.

MR. NESSEN: It already has been requested.

I told you Vail is the chance for the President to get away for six or seven days and relax with his family. He will be doing some work every day but he will primarily be relaxing.

Q Ron, will the President disclose his intentions on situs picketing before he goes to Vail?

MR. NESSEN: That really has not been decided, whether he will or not.

Q Has the bill arrived at the White House?

MR. NESSEN: It has not.

Q Are you going to announce a position today on it?

MR. NESSEN: I just don't know one way or the other, Helen.

Q Is he meeting with Mr. Zarb today?

MR. NESSEN: Frank is not on the schedule but I feel confident that he will see Frank during the day today.

Q Do you know whether the State of the Union is divided between or concentrated on domestic policy as is sometimes done, or will he discuss both domestic and foreign policy, or will there be a subsequent foreign policy speech?

MR. NESSEN: Well, basically the State of the Union will be a broad look at where the country is and where the President wants to lead it in the long-term future. It will not be so much the kind of shopping list of legislative proposals as some have been in the past.

There will be following the State of the Union a series of more than a dozen specific legislative proposals that will go up in separate messages, but the State of the Union will be a broad, more philosophical setting of national goals and pointing of the national direction in which the President wants to lead the country.

Q Yes, but will it be limited to domestic affairs only?

MR. NESSEN: No, I would expect there will be portions of it devoted to foreign policy also.

Q Did you say on a number of specific messages?

MR. NESSEN: More than a dozen.

Q On domestic --

MR. NESSEN: Yes, primarily on domestic.

Q Do you want to give us the 12?

MR. NESSEN: No.

Q Will you stand by, Ron, your earlier prediction that this State of the Union address will contain many new ideas?

MR. NESSEN: I don't recall saying that before but --

Q Would you like to say it now?

MR. NESSEN: I think I will just stick to my description of it.

Q Ron, I think what it was, I think it was en route to Milwaukee or in Milwaukee last fall, early September, as I recall, people asked you about critics of the President and said there was a lack of innovative ideas in this Administration, and you said there will be plenty of innovative ideas in the State of the Union address.

MR. NESSEN: Well, I think I will leave my description the way it was.

Q As it was in September or as it is today?

MR. NESSEN: I am not sure there is any conflict but I think I will stick with my description today.

Q Will there be a separate State of the World or foreign policy message?

MR. NESSEN: I don't really have an answer today for you, Fran.

Q Did Dr. Kissinger see the President on any specific crisis yesterday?

MR. NESSEN: No, not on any specific crisis.

Q Just on all of them?

Q Did it have anything to do with the OPEC situation, by any chance, in Vienna?

MR. NESSEN: I think it was before the terrorist episode.

Q Was the President in contact with Mr. Callaway at all this weekend or during that 77 hours and 5 minutes?

MR. NESSEN: I think he has probably talked to Bo on the phone, at least.

Q Ron, does the President have any comments on the contradictions between the Harris and the Gallup Polls?

MR. NESSEN: You know, Ralph, I think the same answer applies to this poll that applied to the other poll, which is there are going to be ups and downs and there is only one poll that counts and that is next November. I just think it is a waste of all of our time to take time every day to comment on every new poll that comes out. The President, I think on Saturday, gave his own views on polls before this one came out.

Q But he does get polls and he gets them in advance and he does read them, does he not?

MR. NESSEN: Well, he read this in the newspaper.

Q You mean he does not get some advance preview?

MR. NESSEN: I think he may have had some advance word on this one.

Q I thought I would ask you that question because this latest one is much more favorable than the previous one.

MR. NESSEN: And you think we are going to claim credit for the good ones and ignore the bad ones?

Q I simply asked you if the President had any comments on it.

MR. NESSEN: No -- or the same comment that he gave on Saturday and the same one that Bill gave last week.

Yes, Jim.

Q I was going to ask you in view of your lengthy statistical rundown earlier, how many hours a week does the President spend reading the polls?

MR. NESSEN: Not very many.

Q How much of that 77 hours is spent on political activities?

MR. NESSEN: Very little, if any.

Q If any?

MR. NESSEN: Yes. I mean, the only thing I can think of that would qualify as for political activity is if he had any phone conversations with Bo, and I don't know if he did or not.

Q The Joint Economic Committee released a study over the weekend saying that the \$395 billion spending ceiling the President plans for fiscal 1977 would result in unemployment remaining at about 7.5 percent and also retarded economic recovery. Do you have any type of reaction to that?

MR. NESSEN: Yes, I do, but give me one minute to see.

I think what we ought to do here is to go until about noon, which is about another 10 minutes, if you want to stay that long, and then go file. I think maybe around 12:15 we will have something on energy.

The really detailed answer to what the Joint Economic Committee said will be contained in the President's own budget which will give his own views of, first of all, the state of the economy and the projected state of the economy, and his views on the level of Government spending needed to keep the recovery going.

But let me just say today in more general terms that what the Joint Economic Committee said was really based on an old economic philosophy which is increasingly becoming discredited. It is based on the theory that the bigger the deficit, the more prosperity you have, and I think over the years, especially in recent years, that has become an increasingly discredited philosophy and I think it would be fair to say that that philosophy as delivered by the Joint Economic Committee is brought to you by the same people who brought you the recession of 1975 with that philosophy.

Q Nixon? (Laughter)

Q When he ran up the biggest deficit in history.

Q Are you referring to former President Nixon or who are you referring to there, Ron?

MR. NESSEN: I am referring to the people in Congress who voted the programs that created the large deficits over the past few years. I think it is clearly accepted by a growing number of economists that this idea that the bigger the deficit the more prosperity there is just simply does not work and, in fact, works the opposite and that the large Government deficits were one of the causes of the recent recession.

Q But those were every bit as much Nixon deficits as they were Congressional deficits.

MR. NESSEN: Well, I am talking about not the personalities involved but I am talking about the philosophy involved because, after all, what we are really talking about here, it seems to me, in that document, and in what will really be the President's answer to that document which is his own budget, is not the question of personalities and so forth, it is a really clear cut historic difference in economic philosophy. And the people who present that philosophy now, this weekend, say that we can spend our way to prosperity with bigger and bigger deficits and that three or four years down the line that these big deficits will miraculously -- do you want to do the briefing, Jim?

Q No, I wondered if you were going to read the bond tables when you were through with this particular --

Q Excuse me. Would you repeat that?

MR. NESSEN: I thought I was answering a question that somebody had asked.

Q Yes, people who -- I am sorry.

MR. NESSEN: People who espouse the philosophy contained in this document put out over the weekend are saying that we can spend our way through bigger and bigger deficits to prosperity which has proved not to be the case. They also take the view, and say so explicitly, that bigger and bigger deficits will three or four years down the line result in budget surpluses or balanced budgets.

Well, they have said that every year for the past 30, 40 years -- that if we will only run up huge deficits for three or four years, then in a few years it will all turn around and we will have surpluses. Well, we keep getting the deficits and we never get the surpluses.

Q Ron, may I ask what your expertise is in this area of economics?

MR. NESSEN: I anticipated the question and I talked to the President's economic advisers about this.

Q And the President?

MR. NESSEN: And the President.

Q This represents his views, I take it.

MR. NESSEN: Yes.

Q You said a moment ago that this theory that you were talking about was increasingly discredited.

MR. NESSEN: Yes.

Q Can I ask you there -- they are essentially the same questions as a point of information -- who are the economists that you are citing who believe that this theory is discredited?

MR. NESSEN: Well, certainly the economists who advised the President as well as, I am told, a growing number of the economists who are not in the Government whose names I will obtain for you if you are interested.

Q Ron, I would like to pursue Walt's question. You did say that people responsible for the 1975 recession and I think you touched on the Congress, and Walt asked you whether this did not also include the President of the United States at that time, Richard Nixon.

MR. NESSEN: I said that I am not talking about personalities or blame-placing. I am talking about a philosophy of voting ever greater deficits as a way of bringing prosperity and it has not worked and, in fact, it is one of the reasons, as I say, that led to the recession we have just been through.

Q Isn't it historically correct, though, isn't it a fact that it was kinks in economics, including the running up of Federal deficits, that in fact sparked the 1960's longest consecutive run of economic growth in the history of the Nation?

MR. NESSEN: You know, I don't think it is quite the right place or time to have a debate. I was asked for the President's reaction, which I gave, and of his economic advisers, and if there are differences with that, I don't think we can talk each other out of our positions.

Q Does the President and his economic advisers also contest the specific conclusions of the JEC report that current policy will lead to a sputtering out of the recovery by 1977?

MR. NESSEN: Yes.

Q And that unemployment will remain in the mid-7's?

MR. NESSEN: Yes. The exact figures of projected unemployment, GNP and so forth will appear obviously in the budget.

Q Ron, you say this goes back to 30 or 40 years. You are going back to Herbert Hoover, then.

MR. NESSEN: I guess I am going back to --

Q This is the Hoover philosophy that you are explaining now.

MR. NESSEN: Let me count my years here.

Q 40 years would be 1933. That is when Hoover left.

MR. NESSEN: Yes, that is about when I think the period starts.

Q The end of Hoover?

Q Hoover balanced the budget in the depression, you know.

MR. NESSEN: You know, I say that if we have a difference of view here, it is not the place to try to argue each other out of it. But, in answer to Phil's question, the specifics of what the projections are will, of course, be in the budget, as they were last year.

As I say, the idea, Dick, of going back to something, it seems to the people here, is what this report is talking about -- going back to economic policies which for the last 40 years have not produced what they promised to produce.

So, if there is any going back, it is by the people who are advocating this view; that is, the going back, it seems to me.

Let me just, in response to Phil's question, say that the long-term answer, as you know, in the President's view is to have the private sector create meaningful, well-paying, permanent jobs. I think the President said something like that himself on Saturday.

As long as the Government is in there competing for the available capital to the extent of \$70 billion two years running now, it does hamper the growth of private enterprise, which after all is what does produce the permanent, long-range, well-paying jobs for people.

Now, that is the President's view of the world.

Q Ron, at one point during his Administration President Nixon said, "I am a Keynesian." Do your remarks today in fact have President Ford saying, "I am not a Keynesian"?

MR. NESSEN: I don't know. You will have to ask the President whether he is a Keynesian or not.

I hope I have spelled out for you his economic philosophy, which, it seems to me, Dick, is forward looking rather than backward looking.

Q Excuse me, Ron. The President is talking about a \$395 billion budget with a substantial deficit in it.

MR. NESSEN: But a \$25 or \$28 billion smaller deficit than what the folks on the Joint Economic Committee are calling for. I believe they used the figure 410, isn't it?

Q 420, I think.

MR. NESSEN: 420, I am sorry. 420, that is right. The President adds the same numbers up and gets \$423, but basically they are talking about a budget of \$420 billion, the President is talking about a \$395 billion budget, so it is those folks who are asking for an even greater budget.

Q I think the point I am trying to make is I understand that he is rejecting their suggestions or their philosophy, but I don't really see how he is departing from it very substantially.

MR. NESSEN: There has to be a place where you start, Dick, and this is the year the President believes the start needs to be made and Congress the other day, in imposing upon itself the commitment to reduce spending for every dollar of tax cuts, apparently has agreed.

Q Ron, would it not be consistent with this philosophy to -- or putting it another way, isn't it inconsistent to recommend a \$28 billion tax cut, which is larger than almost anyone had proposed, which calls for an increase in the budget quite apart from how low you can hold spending? Would it not have been more consistent to call for little or no tax cut?

MR. NESSEN: No, because you see, you really do touch on a very fundamental part of this disagreement, Dick. The view of the Joint Economic Committee and of those in Congress who agree with the Joint Economic Committee is that that extra money that you are talking about, which amounts to I guess \$11 billion, ought to be taken and spent by Congress, that they know how to spend your money best.

The President's view is that the \$11 billion ought to be left with or returned to the people to spend for the cars and the TV sets and the houses and the college educations or however they want to spend their money. He feels that is where the economic stimulation ought to come from, is by letting the people keep that extra \$11 billion, put it into the economy the way they want to instead of taking it away from them, and bringing it down here and letting Congress spend their money the way it wants to.

THE PRESS: Thank you, Ron.

END (AT 12:03 P.M. EST)

AT THE WHITE HOUSE

WITH RON NESSEN

AT 2:28 P.M. EST

DECEMBER 22, 1975

MONDAY

MR. NESSEN: The story is this: The President will come down between 2:45 and 3:00 to tell you his decision on the energy bill, briefly. Then, we will give you some paper which consists of a fairly long statement by the President--a written statement, from which his verbal statement has been drawn--a fact sheet and then Frank Zarb and Alan Greenspan. They will then answer your questions about his decision, which you can film if you would like to.

Q They will argue it back and forth? (Laughter)

MR. NESSEN: No, I think they are on the same side.

Then you can go and file. I think we better hold up on the filing until the whole sequence is completed.

Q You mean we can't file after the President speaks?

MR. NESSEN: No.

Q Why not?

MR. NESSEN: Because we will not have handed out the paper and you will not know all the facts involved.

Q Why can't we do what we have done before when the President comes out -- file the President and then --

MR. NESSEN: You know, we are only talking about 15 or 20 minutes, Walt.

Q But the briefing is apt to go half an hour or three-quarters of an hour, especially with the people here interested in the technical details, so what you are talking about is us sitting on it --

MR. NESSEN: The President's statement is so short and contains none of the details, so I think you better wait and hear it all.

Q How about giving us the paper first and letting us file after the President's statement?

MR. NESSEN: No, I think we will do it that way, Fran.

Q Will we have any questions of the President?

MR. NESSEN: No -- with Frank and Alan.

Q No filing until the whole thing is over?

MR. NESSEN: Right.

Q Ron, I understand that the situs bill is either here or en route. Will there be anything today on that?

MR. NESSEN: Let me check. I have been working on this, and I have not checked that.

Q That is more important.

Q Are you waiting for the stockmarket to close?

MR. NESSEN: No, we are waiting for all the paper to get prepared and so forth.

Q What was the question?

MR. NESSEN: The question from Phil was, what is the outlook on common situs picketing today? I said I will check.

The question here was were we waiting for the stockmarket to close, and the answer is no.

Q You still don't have the bill on common situs, do you?

MR. NESSEN: Phil says he thinks it is here or on the way down, and I will have to check on it.

Q You don't think the President will announce that at the same time he announces the energy bill?

MR. NESSEN: I will check. I don't know.

Q Will you expect anything on that today, assuming the bill gets here today?

MR. NESSEN: Let me go check.

THE PRESS: Thank you.

END (AT 2:30 P.M. EST)

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