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NEWS CONFERENCE

#540

AT THE WHITE HOUSE

WITH RON NESSEN

AT 11:53 A.M. EDT

JULY 21, 1976

WEDNESDAY

MR. NESSEN: You may remember about three weeks ago the President appointed Mrs. Hills as the Chairman of an interdepartmental and interagency committee to review the Government's major programs relating to urban areas, and this is the first meeting of that group since her appointment, and it is to review the progress they have made since then.

We have an addition to the schedule today at 2:30. I think we indicated to you -- I think we posted this -- that Governor Longley of Maine is coming in. The meeting is at 2:30. Governor Longley requested the meeting, and I don't know what the subject is. He was in town on some other event, and indicated he would like to see the President.

Q Wasn't he in town to come to the White House party last night?

MR. NESSEN: He was here last night, but I don't know if that is the only thing that brought him into town.

Q Longley is an Independent. Are we to read anything into that?

MR. NESSEN: What do you mean by that?

Q The President said he might look elsewhere outside the party.

MR. NESSEN: I haven't heard that discussed.

The Consumer Price Index came out today and showed that the Consumer Price Index had increased by one half of 1 percent between May and June. This is about what was expected. As you see, it works out to an annual rate of 6 percent, and it falls right into the forecast that inflation for the calendar year 1976 will be somewhere between 5-1/2 and 6 percent.

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The President today directed George Bush, the Director of the Central Intelligence Agency, to give an intelligence briefing to Jimmy Carter next Wednesday, a week from today, and to Walter Mondale, if Walter Mondale wants one.

Q On the same day?

MR. NESSEN: Yes.

Q Together?

Q Will these be regular and, if so, how periodic?

MR. NESSEN: This is a sort of basic background briefing, and then there will be others periodically, but I don't have the exact times.

Q Where will it be?

MR. NESSEN: I believe George plans to go to Plains, Georgia to give the briefing.

Q Is it the same briefing the President gets?

MR. NESSEN: No, this is just kind of a background briefing.

Q What fields does it cover?

MR. NESSEN: I can't get into the specifics of what he will be briefing on.

Q Is this foreign affairs, national security?

MR. NESSEN: Those are the general areas.

Q Does this mean the President accepted Carter's request that he be briefed by Bush rather than Kissinger?

MR. NESSEN: I don't know what request Carter made. This was the President's decision to do it this way.

Q Will Kissinger also brief him?

MR. NESSEN: There are no such plans, no.

Q Did they discuss that the other day on the telephone?

MR. NESSEN: Do you mean when the President called and congratulated him?

Q Yes.

MR. NESSEN: No, but you will recall there was a previous telephone call, and it was at that time the procedure began, and I think you also know George went up to Hershey, Pennsylvania one time to talk to -- I can't remember whether it was Carter or Carter's staff. Then George just went into the Oval Office about ten minutes ago and got final directions from the President to go down.

Q Will Bush take with him any Deputy Directors or national intelligence officers?

MR. NESSEN: It is possible he will take with him a couple of others from the CIA to deal with perhaps specific areas that may come up, but the President's desire is for George to give the briefing himself.

Q Will Carter and Mondale be able to get answers to the questions they have or is this a one-sided thing?

MR. NESSEN: No, the purpose of it is to begin to fill in Jimmy Carter on areas of national security and intelligence and foreign policy.

Q The point is you indicated it is not the same briefing the President gets. I am wondering if they have questions if Bush will give them answers to whatever questions they may have?

MR. NESSEN: I am sure he will.

Q Does the President plan to brief Carter on other aspects of Government, including the budget process as it goes along?

MR. NESSEN: I hadn't heard of any plans for that, Phil.

Let me say, to pick up Les' word, this is a tradition, as you know, for a Presidential candidate to be given an intelligence briefing by the incumbent Administration. It has happened in the past. I understand some Presidential candidates have not wanted one, but many have and have received them traditionally in the past.

Q Which ones haven't and is it traditional, also, to brief Vice Presidential candidates.

MR. NESSEN: There is precedent for that, yes.

Q Do you know of any Presidential nominees who have not?

MR. NESSEN: I am told -- and I have no way of checking this myself since I wasn't here -- that McGovern declined an intelligence briefing.

Q Is this periodic now, the first of a series?

MR. NESSEN: I think it will be periodic, but I can't give you what the period will be. I think it will be a question of when there are developments or something that need to be called to his attention.

Q It is not traditional for the CIA to brief the Presidential candidates.

MR. NESSEN: It has been done different ways in the past, Helen.

Q It has never been the CIA, and didn't Carter specifically request that?

MR. NESSEN: I don't know what the precise tradition has been. It has been done different ways. I am told Lyndon Johnson personally gave the briefing to Nixon. So, it is done by different people.

Q But it is at Carter's request that the CIA --

MR. NESSEN: No, it is at the President's direction that it be done by the CIA.

Q We know that it is at the President's direction, but Carter asked that the CIA do it, didn't he?

MR. NESSEN: Was it? Okay. But, the President decided this morning this was the way he wanted it done.

Q I ask this as a matter of information. Is there anything that will be considered too sensitive to talk to Carter about in this briefing? Would there be any question he might pose that might prove to be too sensitive that Bush might have to say, "I can't comment on that," or will this be a nothing held back situation?

MR. NESSEN: I don't know what George plans to pass on to him. I know that the President said he wanted him to be given a factual intelligence briefing.

Q You don't know if there are some subjects that just might be out of bounds?

MR. NESSEN: I don't know what subjects George plans to brief him on, actually.

Q What is your understanding, if any, of ground rules that apply to Carter's use of this information?

MR. NESSEN: I don't know the answer to that, Jim.

Q Are there any ground rules?

MR. NESSEN: Since George has had some preliminary discussions with Carter's staff, I don't know that they worked out.

Q Will you check that?

MR. NESSEN: Yes.

Q Will he get a daily or written report such as the type sent to former Presidents?

MR. NESSEN: I haven't heard of any plans for that.

Q Is there any problem about who would go where?

MR. NESSEN: In what?

Q In this briefing, whether Carter would come here or Bush would go there?

MR. NESSEN: I don't know. George had some discussions with Carter's staff and the President told George this morning to go down there and give him the briefing next Wednesday.

Q Who is paying for the trip?

MR. NESSEN: I will find out.

Q Other than the euphemism "tradition," did the President give any more elaborate details as to why he thinks Mr. Carter should have this briefing, other than it is tradition?

MR. NESSEN: No, that is the only reason.

Q Did the President call Mr. Carter this morning to tell him to stay home next Wednesday?

MR. NESSEN: No, I think that will be worked out.

George Bush has been in touch with a member of Carter's staff who has been designated his kind of liaison in this area.

Q Who is that?

MR. NESSEN: Eisenstat. Is that the guy's name? I don't know who it is.

Q Have you all talked yet about who will be present when Carter gets the briefing, who will be allowed in the briefing?

MR. NESSEN: Carter and Mondale, if he wishes.

Q Will there be key foreign policy advisers for Carter allowed in the briefings?

MR. NESSEN: I don't know that much detail about it.

Q Say, Dick Bejinsky, for example?

MR. NESSEN: I don't know that. I didn't hear that mentioned, but I don't know for sure.

I don't have any other announcements to make today.

Q Ron, have you got a clarification on Italian aid for us?

MR. NESSEN: No, I don't really have anything further on that.

Q Do you intend to leave that up in the air?

MR. NESSEN: I don't know what you mean by "up in the air."

Q Yesterday, you said the President would go along with what Chancellor Schmidt said. Ralph said, exactly what is your understanding of what Chancellor Schmidt said, and you said you would check on it.

MR. NESSEN: The reports have quoted Schmidt variously. I think, rather than premise my remarks on various reports of what Schmidt said, I think I would just like not to premise my remarks on what Schmidt said.

Q Tell us what the President said.

MR. NESSEN: The State Department covered this in tremendous detail yesterday and I think that is probably as good, or much better, really, than I could go through it.

Q Can you tell us what the President's travel plans are as they relate to Mississippi and whether he has had any phone conversations with Mississippi delegates or delegation leaders?

MR. NESSEN: On travel plans, the President is not going to Mississippi this weekend. There is a possibility that he would go later, but no decision has been made and I don't know what phone calls, if any, he has had with Mississippi delegations or delegates.

Q I want to go back to the Italian situation for a minute, because it is more than likely that most people in this room were not at the State Department briefing yesterday. I certainly was not.

You had told us, I felt fairly categorically, that you would try to find out what Schmidt said that we agreed with. Later, you were asked the direct question, would economic aid be cut off to Italy if the Communist Party took part in the government. You said also, if I remember correctly, you would try to get an answer to that more direct question leaving aside what Schmidt said.

I would like to ask again, do you have an answer to the direction question. That doesn't involve what Schmidt said at all. Just the direct question whether or not the United States has decided to cut off economic aid to Italy if the Communists come into the government.

MR. NESSEN: Jim, I would have to say on that one, that first of all, I am not aware of any proposed loans to Italy, nor are there any Communist members in the Italian Government. So, both halves of the question are hypothetical and I don't see how I can answer it because of those.

Q You don't consider the President of the Italian Senate to be part of the government?

MR. NESSEN: I think, in terms we have always discussed this, we have meant Communists in Cabinet positions, and so forth.

Q Ministers, all right. My second question on this, is this matter being held in abeyance, as far as an announcement is concerned, until after the election?

MR. NESSEN: Jim, as I say, since there are no proposed loans that I know of and no Communists in cabinet positions that I know of, the question is purely hypothetical.

Q I don't think the question is hypothetical. We could convey to the Italian Government what our future position will be towards future loans.

MR. NESSEN: The President's attitude toward the possibility of Communists holding cabinet positions in the Italian Government, I think, was spelled out in his news conference the other day. That is very clear.

The question of loans, as I say, to my knowledge, there are not any pending or proposed loans.

Q Has a decision been made as to what our attitude would be toward loans or any kind of advances from international lending agencies in which the United States is a member and frequently, the majority voter?

MR. NESSEN: Jim, I just can't take a question that is premised on an implied, "If there are Communist cabinet members in Italy," because all these questions are premised on that "if" and since there aren't any, I just can't take the question.

Q I can't speak for anyone else, but my question is premised not on the fact that there are no loans pending and no loan applications pending, but rather, on the basis of whether there is a policy toward future loans either directly by the United States or by international lending agencies?

MR. NESSEN: I don't know of any such policy.

Q Ron, were the discussions, the extended discussions in Puerto Rico about the super tranche purely hypothetical?

MR. NESSEN: To my knowledge, there was no formal agreement in this area in Puerto Rico.

Q So, it was just a hypothetical exercise?

MR. NESSEN: I think the State Department said yesterday, and I think you should get that transcript because there was really an extended conversation on this matter and all I am doing, really, is repeating what Funseth said yesterday.

He did indicate yesterday there was a discussion of the matter -- I don't know if he said at Puerto Rico -- there have been discussions of the matter and Bob said that yesterday.

Q Did Morrow sit in on those discussions?

MR. NESSEN: I don't know the full details of the discussions and you really ought to go back to Bob for those details.

Q Ron, has the United States concerted its policy, whatever that policy is, with Germany, France and England?

MR. NESSEN: As Bob said yesterday, there has been discussion but no agreement.

Q Does that mean there was disagreement?

MR. NESSEN: No, there have been discussions in a very general way. If you would get the transcript, you would see about 30 pages devoted to this subject by someone who pays closer attention to it than I do. All I am doing is really repeating what Bob said yesterday; that is, that there have been general discussions but no agreement.

Q Are you saying flatly, as far as the United States is concerned, there has been no decision?

MR. NESSEN: What I am saying is I am quoting Bob Funseth from yesterday's State Department briefing from the best of my memory and it would be far more accurate to get ahold of his transcript.

Q As far as you know, there have been no policy decisions by the United States?

MR. NESSEN: As far as I know, none.

Q Ron, is the President concerned about the evacuation out of Beirut?

MR. NESSEN: My understanding of it is that it has been postponed a couple of days because of, I believe, some insecurity along the highway route that was intended to be taken.

Q Has he given any thought to sending American troops in there?

MR. NESSEN: Again, as Funseth said yesterday, there have always been three options for the evacuation, road, sea and air, and at the moment, the present plan is to go ahead with the road evacuation in a day or so.

Q That is the plan?

MR. NESSEN: That is the plan at the moment, right.

Q Ron, since I understand the President feels the American people should decide regarding Senator Mondale's notable suggestion that he isn't bright enough to be President, I was wondering if the President feels such a statement as this might raise questions as to whether Mondale is bright enough to be Vice President?

MR. NESSEN: I don't think I will get into that whole area, Les.

Q Don't you like feeder questions?

Q Ron, yesterday after the President awarded the young bravery medals -- I don't believe this was anything on his public schedule. What did he do yesterday afternoon? What did he work on? There is nothing on his public schedule this afternoon. I would like to ask what he is doing afternoons these days. What is he working on?

MR. NESSEN: I will have to check.

Q There is nothing on his public schedule. Staff meetings are scheduled for the mornings, so that is two afternoons. Yesterday, there was an awful racket out there, so he couldn't have worked in the Oval Office.

MR. NESSEN: What was the racket?

Q The rehearsal for that silly dinner, that silly music club.

Q Maybe he was swimming.

Q I would like to know, did he swim in the afternoon? There was nothing on the public schedule. What is he doing this afternoon?

MR. NESSEN: I will have to check. I know he has some staff meetings this afternoon.

Q Getting back to Mondale, on another subject, it is very obvious the Democrats are really going to try to make the pardon an issue. Every day, there is a new press release from them on the pardon. I am aware of what the President said out here the other day, but are you all surprised about this? Are you going to do anything about it? Are you preparing any response we don't know about?

MR. NESSEN: I don't think I will say anything beyond what the President said the other day, Bob.

Q Would it be the Ford strategy to keep it just like it was, to let it go at that, the President saying, "I would do it again" --

MR. NESSEN: I think the President stated his views the other day and I don't have anything to add to it.

Q Are you surprised about that?

MR. NESSEN: I haven't thought about it one way or the other, Bob.

Q On the multimillion dollar housing bill for HUD that Mrs. Hills expressed some doubts about, can you tell us the Administration view of that? What the prospects are?

MR. NESSEN: We want to get the bill up here and study it before taking a position on it.

Q Ron, I understand the President feels reasonably sure that following the nomination in Kansas City, that the rating of the Republican nominee will go way up. About how far up does he think it will go? Do you have any estimation? He has predicted this and I seem to have missed how far up he thinks it is going to go. That is a very serious situation. How much of that gap does he think can be closed once the Republicans have drawn together in unity? (Laughter)

MR. NESSEN: Well, by November 2nd, it will have gone up far enough that he will be elected.

MORE

Q I wonder if you would focus on the southwest sewer project?

MR. NESSEN: I am not familiar with the southwest sewer project.

Q Was the President aware of it?

MR. NESSEN: I didn't ask him about the southwest sewer project.

Q As I understand, he is aware of it, that he received a ten-minute briefing. Is that incorrect?

MR. NESSEN: Is this the project that Mr. Selwink asked him about or informed him of?

Q That is the one. I wondered, is there any new development?

MR. NESSEN: Not that I know of.

Q Ron, there was some talk a few weeks ago that the President might go out to the convention and be there for the start. Do you have anything new on that?

MR. NESSEN: I don't have anything on the President's schedule for attending the convention. There has been no decision on when he will go. He will certainly be there Thursday night to accept the nomination.

Q When will you have that legislative message, Ron?

MR. NESSEN: We are hoping for later this week.

Q Ron, what time is the New York delegation coming in tomorrow, and how many are you expecting?

MR. NESSEN: Late afternoon. All have been invited.

Q Ron, you say the President won't be surprised by a request coming in at the last minute. Would you give us a day's notice? We would like to have an opportunity to film the delegates coming in someplace around the White House grounds.

MR. NESSEN: I have seen pictures of the buses going in.

Q We would like to see inside as they walk in a door, something like that.

MR. NESSEN: I will take your request under consideration.

Q The President indicated the other day he only learned about it at the last minute. So, we don't surprise him, I am making a formal request.

MR. NESSEN: Okay.

Q As long as we are on the subject of covering these delegates as they come, the President said in his press conference he only learned a few minutes before the press conference of the fact that we were not permitted to cover the New Jersey delegates. If he only learned of it a few minutes before the press conference, who made the decision?

MR. NESSEN: The decision was made.

Q There is an area of agreement on that, we agree on that. Now, who made it?

MR. NESSEN: I don't know that we pinpoint staff decisions.

Q Did Cheney make it? It was a staff decision?

Q Ron, according to the Post, the Pentagon has decided to fly MIA families to Washington at taxpayer expense, although the GAO ruled it was improper use of Government funds. Is the President aware of that, and does he agree that should be done?

MR. NESSEN: I have not asked about that today, Roger. I saw the story in the paper, and I know that there is a meeting schedule of the MIA families and it is in conjunction with that meeting that they are flying here, but I don't know the full details of it. Greener could probably give them to you.

Q Roger asked, does the President believe that is a proper use of funds. If you don't have the answer today, could we have it tomorrow?

MR. NESSEN: I can check it for you.

Q We would like the decision on the delegates tomorrow morning, too.

MR. NESSEN: Phil, I think I can probably give you the decision now so you don't have to wait until tomorrow morning for it.

Q What is it?

MR. NESSEN: The decision is there will not be any press coverage of the President's meeting with the --

Q You have decided that?

MR. NESSEN: I think it is a general matter that has been decided previously.

Q Has the President invited Governor Carter to stop in and confer with him the next time he is in Washington?

MR. NESSEN: I am not aware of any such invitation.

Q Ron, do you think by the end of the week you will be able to announce that the President has 1130 delegates?

MR. NESSEN: I am not in the delegate counting business. Jim Baker is and perhaps he can answer that question for you.

Q Could you give us some idea of the thinking that went into the decision made by the staff that there would be no press coverage of meetings with delegates?

MR. NESSEN: I can't right now go into the thinking that went into that decision.

Q Presumably since you are the Press Secretary, you were involved in some of the discussion of this, weren't you?

MR. NESSEN: Yes.

Q Why can't you tell us what sort of pros and cons were discussed?

Q It makes it appear kind of clandestine, Ron, something to be ashamed of. You certainly are not ashamed of the --

Q Would you answer my question?

MR. NESSEN: I can't shed any light on that for you.

Q What controlled the decision not to go to Jackson?

MR. NESSEN: I wasn't involved in that decision, and I don't know what the considerations were that went into it, Helen.

Q Is the President upset to learn from the press from his chief delegate hunter that some delegates have tried to get jobs in return for their commitment to him?

MR. NESSEN: I am aware that Jim Baker was asked some questions about that. I am not clear about what his answer was.

Q Jim Baker disclosed yesterday that some delegates had tried to get jobs in return for their support of the President. Mr. Baker had not told the White House about this because he considered it illegal, improper and everything else bad; therefore, we assume Mr. Ford didn't know about it. It has now been in the press. He has obviously learned about it. Was he upset about it?

MR. NESSEN: As I said yesterday on a somewhat related question, the President is appealing to the delegates to support him on the basis of his policies, his record and his future prospects and does not want or expect delegates to -- and will not, in fact, offer any quid pro quo for delegate support.

Q Has he instructed his chief delegate hunter to, the next time anyone tries to get a job for a vote, to report this to the Justice Department?

MR. NESSEN: First of all, I am not sure exactly what Jim Baker's description of that was. I will check what the President's action is although, as I have said before, from the very beginning he has indicated that there certainly is no quid pro quo on his part.

Q Would you run that by him and ask him for his reaction?

Q Does the President have any reaction to Mr. Sears' statement and apparently Mr. White's agreement --

MR. NESSEN: Which Mr. White?

Q Cliff White. -- that there are indeed a group of promised Reagan supporters who are being counted as Ford delegates?

MR. NESSEN: You will have to ask Jim Baker, who is the delegate counter for the campaign.

Q Can you explain something? The last time there was an evacuation from Beirut, there was a crisis situation here. The President cancelled a scheduled campaign trip. What is different about this situation? Why is this not a crisis?

MR. NESSEN: As I indicated at the time that this was announced in Beirut, the first evacuation from Beirut was caused by a rapidly deteriorating situation concerning people's safety and so forth, and the present evacuation is brought about by the decision to really cut back drastically on Embassy services because of the lack of water, electricity, fuel, food and the living conditions there are becoming rapidly more difficult.

So, almost all the American Embassy employees are being pulled out because of living conditions. Therefore, the Embassy can no longer offer the services and protection to the American citizens remaining there so they are urged to leave because the Embassy is being closed down.

Q Will Ambassador Seelye remain?

MR. NESSEN: There has been no decision on whether he will remain or not.

Q Any report, Ron, on what has happened -- there are reports the PLO had gotten a hold of the alleged murderers of Ambassador Meloy. I was wondering, any report as to what has been done with these people?

MR. NESSEN: Not that I am aware of.

Q The White House is concerned about this, I presume, are they?

MR. NESSEN: I think we said that at the time.

Q Is the President aware of the assassination in Dublin?

MR. NESSEN: Yes.

Q Has he said anything?

MR. NESSEN: I am going to check and find out whether a condolence letter will be sent to the family.

Q Ron, will the President sign the extension of tax cuts through 1977 that the Senate voted for yesterday, and the House has already voted for?

MR. NESSEN: My understanding is that it has a very long way to go in the legislative process and this was really tacked on at the last minute on the floor.

Q Both the Senate and the House agree that the tax cuts of 1975 should be extended throughout 1977.

MR. NESSEN: That is the \$18 billion tax cut, and the President believes it should be \$28 billion, that Congress should give an extra \$10 billion to the people. What this decision means is that Congress, even though it is not final, seems to have decided it wants the \$10 billion to spend as it wants to instead of letting the American people get an extra \$10 billion to spend as they want to.

The President still believes the Congress ought to increase the tax cut, not simply extend it, increase it and let the people decide how they want to spend their own money. That is the Administration's position.

Q Will he accept the \$18 billion?

MR. NESSEN: He has a long way to go before it gets here for his decision. Before it gets here, he thinks it should be increased to \$28 billion.

Q Is the President aware of assertions made last week by a group of black Republicans that there will be as many as 40 black Republicans going to the convention who will be uncommitted and since the race for the delegates is so close, they say they will be able to control the balance of power and decide who the nominee will be. Is the President aware of that, and does he consider it a real possibility?

MR. NESSEN: I haven't heard it before, but I will check, or you can talk to Jim Baker, who is in charge of delegates.

THE PRESS: Thank you.

END (AT 12:22 P.M. EDT)