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OFFICE OF THE WHITE HOUSE PRESS SECRETARY

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THE WHITE HOUSE  
PRESS CONFERENCE  
OF  
L. WILLIAM SEIDMAN  
EXECUTIVE DIRECTOR OF THE  
ECONOMIC SUMMIT CONFERENCE

THE BRIEFING ROOM

3:12 P.M. EDT

MR. HUSHEN: Ladies and gentlemen, we have L. William Seidman with us today. He is the Executive Director of the Economic Summit Conference. He will give you a brief scenario of what they have accomplished to date and then take your questions.

I think Jerry mentioned this morning that Mr. Seidman did address the Cabinet committee to explain what the summit conference was all about.

MR. SEIDMAN: Thank you.

The summit meeting, I am sure you have heard many times about, so I am not going to spend a lot of time talking about it. The general format is that there will be a series of summit meetings in various areas, and I will give those to you in a minute, which will be followed by the final summit conference on the 27th and 28th of September in Washington.

The meeting will begin on September 5, and the first meeting will involve economists from various sectors, and by that I mean labor, management and the academic world and others. And that meeting will be chaired by the President and Alan Greenspan, the new head of the Council of Economic Advisers, will be the principal man in charge of that meeting.

On September 11 there will be a meeting with various leaders in labor. That will also be chaired by the President and will be here in Washington. A number of the other meetings, which I will give you in a minute, which follow will not be in Washington. All the places are not yet set, so I will not try to guess at those at this moment, but there will be a number of them that will be outside of the Washington area.

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The first of those will be on September 12 and will involve State and local Government. Each of these meetings will be chaired by a Cabinet officer and the co-part of the steering committee will be eight Representatives from the Congress. These Representatives from the Congress will be designated by the leadership to work with the Cabinet officers in conducting the meeting.

On September 13, there will be one on agriculture and food, with Secretary Butz. On September 16, transportation, chaired by Secretary Brinegar. On September 17 and 18 there will be two meetings involving business and manufacturing, chaired by Secretary Dent.

On the 18th, also there will be one on housing and construction, chaired by Secretary Lynn. On the 19th, a meeting involving health problems, education, problems of the elderly, the young and so forth, and the effect of inflation, with Secretary Weinberger, and on September 20 on banking and finance, chaired by Secretary Simon.

I do not have the assignments from the Congress yet. They are making their own assignments to these meetings, and we expect to have those in a few days.

Q Who is chairing the one on the 12th, the State and local Government?

MR. SEIDMAN: Secretary Lynn.

Q And who has health problems and inflation and the elderly?

MR. SEIDMAN: Secretary Weinberger.

Q The 13th again?

MR. SEIDMAN: The 13th, agriculture and food, Secretary Butz. I can put these up here so you can recheck if you would like.

Q Do you have locations for these?

MR. SEIDMAN: We do not have the locations as yet. We are working on them, and we expect to have them by the end of this week, and we expect the invitations to the participants to go out by the end of this week.

Q You did say that State and local Government will also be one?

MR. SEIDMAN: Yes.

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Q Are all the meetings between the 12 and the 20 going to be held out of Washington?

MR. SEIDMAN: Not all of them, but some of them will be.

Q Will the meetings be open to the public?

MR. SEIDMAN: They will be open to the press. I think, because of the problems of finding a place and having an orderly meeting, it probably won't be possible to have a large group of the public. But they will be open to the press except for the planning meeting in which they will plan how they are going to conduct the meeting.

Q Mr. Seidman, many very well known expert economists have sharply different views on how to handle the economy. Some favor tax cuts, other tax increases, other a return to mandatory wage and price controls.

Is it realistic to expect this conference to be able to come up with any type of consensus?

MR. SEIDMAN: I don't think a broad consensus in a question as difficult as this is likely. I think there will be areas where there will be some substantial consensus, but that is what the conference is for, is to explore with the best brains in this country their thoughts on what should be done with our number one problem.

This is a worldwide problem. Obviously there is not an easy and quick solution or somebody would have had it a long time ago. This is a method jointly with the Congress and the Executive Branch to get the best information we can in this country to help in setting the program against inflation.

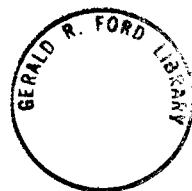
Q Are you prepared to assure somebody like Greenspan whose place in the economic spectrum is very well known, is going to get a representative sampling of economic opinion from left, center and right?

MR. SEIDMAN: I have looked at the list of economists that he is proposing for this meeting and I believe I can assure you that it will be a broad-gauged group of recognized leaders in all sections of the world of economists.

Q The final meeting you plan a plenary meeting in which decisions will be merging?

MR. SEIDMAN: No, I don't think that that is really a feasible way to go at this. I think we will have the views of the various people who have been involved. We will look for where there is consensus, we will look for where there are differences, where basic decisions have to be made.

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Q Who will be participating in that final meeting?

MR. SEIDMAN: All of the people who have been to the preliminary meetings will be invited to the final meeting. However, they will have spokesmen for their areas since it obviously will not be possible to have them all speak in the meeting.

Q Are you going to hear from consumer groups, the poor, any input like that?

MR. SEIDMAN: We expect consumer groups to be represented in many of the meetings. I would like to say a word about the meetings. They are not going to be just farmers in the farm meeting. It is going to be the food industry, all the people who are concerned in this very big problem of rise of food costs, and it will involve, we will expect, the unions that are involved in that area, the consumers that are involved in that area, and others who are part of this area of our economy.

Q Have the economists told you whether you can wait until the end of September to get moving on this?

MR. SEIDMAN: Well, to the extent that the President sees things that need to be done, he is going forward with them. You have already seen that in our new monitoring agency and in some of his statements with respect to what he thinks the Federal expenditures should be for the current year, under \$300 billion, and anything else that he believes needs action before that time will be taken.

Q Mr. Seidman, can you tell us who the head of the new monitoring agency will be, and a little bit about its scope? How do you expect it to go in holding public hearings and using moral suasion?

MR. SEIDMAN: No, I can't tell you. I don't know.

Q Will you be the new head of the Cost of Living Council?

MR. SEIDMAN: I do not expect to be.

Q In a briefing this morning, the Press Secretary said in his words that President Ford should not be expected to achieve a miracle. Are you trying to say right now that he is not going to be able to cope with this?

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MR. SEIDMAN: Dealing with the economy is a very difficult question. I don't think anybody is expecting a miracle at this point. And all we are saying, particularly with respect to this conference, it is not supposed to nor do we expect it to create a miracle.

We do think it will be a substantive effort to get at a very difficult problem in which all of us are together, and all of us need to be involved.

Q Could you tell us something about the shape of this final summit? You say invitations have gone out to all participants. Does this mean there will be several hundred people there; that there will be just set statements and no debates, or no indication from the Administration by that time which views it favors and which views it doesn't favor?

MR. SEIDMAN: We are still studying that and I will have comments on that later, but I don't at this time.

Q Will there be reports from each of these meetings relayed to the final meeting?

MR. SEIDMAN: Yes, that much we do have set.

Q Someone interested in the housing industry, for example, say a buyer of a house or a construction worker would get his input into one of these meetings, how would we do it?

MR. SEIDMAN: Everyone in these meetings will be representing obviously vast numbers of people. The construction worker will be represented presumably by his union that will be there. The consumer groups will be represented.

Q You are inviting them?

MR. SEIDMAN: We are inviting various people from these various sectors to the meetings, that is correct.

Q How active a role do you expect the President to play and when there is a final package, will he make the last decision on what he proposes?

MR. SEIDMAN: Well, I think the President certainly will be making his decisions on the direction that he thinks we ought to proceed in fighting inflation. And this conference will be a part of helping him in this very difficult area.

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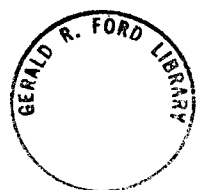
Q How much of a role does he play? Will he be presiding?

MR. SEIDMAN: He is going to be attending the summit conference for a substantial part of the time that it is going on. He will be attending some of these preliminary meetings and as his schedule allows, may attend one or two others.

Q Let me try the same question again that has been put to you. Do you expect the summit at its conclusion to offer up a series of recommendations or shall we look for decisions that will be followed through?

MR. SEIDMAN: No, I don't think the summit is designed to be a decision-making apparatus. It is designed to give to the President and to the people of the country the best thinking that we can assemble from all sectors on what we should do about our problem in the economy and inflation.

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Q Any particular reason why the President rather than Secretary Brennan will chair the labor meeting?

MR. SEIDMAN: Well, I think the labor meeting is one meeting, as you can see, and we couldn't get business all into one meeting, obviously, because of the many sectors.

Q You have spoken of the worldwide inflation and it is an international problem, but you have no meeting to tackle that aspect of the problem.

MR. SEIDMAN: We are asking all of the participants to come prepared to answer a series of questions which deal with these fundamentals and as well as specific things in their areas. One of those questions is the international area. We expect the economists and others who are dealing in that area to give us their suggestions in that area.

Q Picking up the other question, it is not a decision-making process but the best thinking that could be presented to the President and the Congress. How long after that series of recommendations are put to the President and the Congress should we look for some decisions?

MR. SEIDMAN: That is up to the President. I can't give you an answer.

Q Is this designed more to educate the public on the problems of inflation as opposed to a decision-making function?

MR. SEIDMAN: I wouldn't put it quite that way. I say I think it is basically to get the best people in this country who are involved in all these various areas of our economy to bring to one place their views of what we should do about the problem that we have in inflation.

Q Mr. Seidman, the West German Chancellor said the other day that the United States ought not to take any deflationary actions without consulting our allies and our trading partners. What mechanism do you have here for doing that kind of consultation?

MR. SEIDMAN: Well, the State Department is fully informed of what we are doing, and I am sure they will be in contact with the appropriate people.

Q Mr. Seidman, is the President prepared to be openminded about this? For example, if he hears persuasive arguments for a different kind of monetary and fiscal policy, is he open to changing his own thoughts?

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MR. SEIDMAN: You really would have to talk to the President about that, but certainly the objective is to get before everyone, the Congress, the President and the people, any new ideas that need to be explored in connection with this very serious problem.

Q Is wage price controls a dead issue as far as this summit? The President says he is unalterably opposed to it, that he won't alter his position.

MR. SEIDMAN: The people who come to this summit are people of stature, who have opinions, and I expect they will discuss their opinions in that regard.

Q But he would only take it with a grain of salt?

MR. SEIDMAN: I think those people with their stature will be listened to.

Q Is there any way for anyone who is not on your list of invitees to get his or her opinions directly before these sub-summit meetings, through presenting their testimony or appearing?

MR. SEIDMAN: Yes, we will have a means for them to submit their testimony or their suggestions in writing to the committees. Obviously, it is impossible to have everybody, but we will have a means of getting those suggestions and reviewing them.

Q In all, how many people do you expect to invite to the series of meetings and the summit? Do you have a number?

MR. SEIDMAN: It is not set yet, but it will be somewhere in the area of 600 or 700, I would say, before we get done.

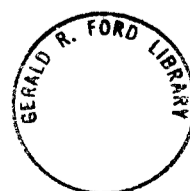
Q In view of the fact that the final summit meeting takes place the day before the International Monetary Fund's annual meeting, will a lot of foreign finance ministers also be invited to the summit or will their views be solicited at that meeting, seeing as they will be in Washington anyhow?

MR. SEIDMAN: I am sure if they would like to come to the meeting they will have an opportunity to see it.

Q Where physically is the economic summit itself going to be held?

MR. SEIDMAN: That has not been set yet.

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Q Will it be in Washington?

MR. SEIDMAN: It will be in Washington, yes.

Q Who will attend the final, the actual summit?

MR. SEIDMAN: The people who have attended the preliminary meetings.

Q You mean all these groups will come together?

MR. SEIDMAN: They will be there, but they will have spokesmen for each of these groups, since obviously all 600 or 700 can't speak.

Q Mr. Seidman, since you are encouraging news coverage, including television, these are going to have a definite public opinion factor; therefore, will the Administration make sure that spokesmen of its own views are part of the program so that you get advantage of any of this public opinion?

MR. SEIDMAN: I think all opinions will have an opportunity to be expressed at the summit within the limitations of time available.

Q But the question is, is the Administration putting together its own team to present essentially an Administration position at these meetings?

MR. SEIDMAN: There will be Administration spokesmen there, and to the extent they think it is desirable, they will be expressing their opinions.

Q Are you worried about the fact that some people, including those who deal in the stock market, will say of this whole arrangement that the President doesn't know what to do about the economy and is sort of floundering around expecting a lot of other people to come up with answers and what does that do to the confidence factor?

MR. SEIDMAN: Well, I think we are always worried about what the people are saying, but I think this is one of our gravest problems. I think it is clear that there is no simple and easy answer. There is controversy among well-informed people, and I should think the people would take confidence in the fact that we are making a real effort to get the best people in this country to put their ideas forward and that we are going to move with all due speed with that as a background.

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Q You say it is one of our gravest problems. Do you think we are risking here either a serious recession or even a depression?

MR. SEIDMAN: Well, I am not going to really comment on the economic situation. That is not my role.

Q Other than to say it was our gravest problem?

MR. SEIDMAN: I think yes, without a question it is a very serious problem. I don't have any doubts about that.

Q Is there a danger here of building up great expectations that you will not be able to fill afterwards? A long series of meetings each out in the public forum and then you have to come up with decisions afterward. Are you worried about the problem of --

MR. SEIDMAN: I think there is always a risk in having a session of this type. We think the risk is worth taking to get the best people involved, getting the Congress and the Executive branch in a true effort to find the best course to go.

Q Mr. Seidman, on goal number five, it is to define hardship areas and decide what immediate action should be taken. Are there any hardship areas that need action before September 28?

MR. SEIDMAN: There may well be. We are studying some of those now. Housing is certainly one that is a key area, and is being studied now, and it may be some things will need to be done before the summit.

Q Will Mr. Ralph Nadar be invited?

MR. SEIDMAN: I don't know particularly, but certainly the consumer group will be represented.

THE PRESS: Thank you, sir.

END (AT 3:31 P.M. EDT)

