

CIA(D)

PRESIDENT READY TO DEFY HOUSE BID FOR VIETNAM DATA

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He Says Intelligence Panel
Must First Act to Guard
Sensitive Materials

DEADLINE THIS MORNING

Pike Opposes Compromise —Confrontation Near on Constitutional Issue NYTimes

By PHILIP SHABECOFF
Special to The New York Times

WASHINGTON, Sept. 16— President Ford said today that he would defy a subpoena ordering him to turn over classified documents on the Vietnam War to the House Select Committee on Intelligence unless the committee adopted procedures to safeguard sensitive materials.

Mr. Ford said at a news conference in the Oval Office of the White House that he was "disappointed" with the way

Transcript of news conference
is printed on Page 26.

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the committee handled some highly classified material and added, "I am very concerned as to the damage to our intelligence sources" if the committee continues to operate under its old procedures.

"Until I find from the committee what their procedure is going to be, I will not give them the information," the President said. [Question 9, page 26.]

A well-placed White House official said today that the President was hoping to reach a compromise with the committee that would enable him to comply with the subpoena.

However, the chairman of the committee, Representative Otis G. Pike, Democrat of Suffolk, said after the President's news conference that he would oppose a compromise on either the right of Congress to declassify material classified by the executive branch or the right of Congress to subpoena and obtain Presidential documents.

Morning Deadline

The subpoena requires the President to turn the documents over to the committee by 10 A.M. tomorrow. If the President does not obey, Representative Pike told a reporter, "the only thing we can do is to go into court, and it will be my recommendation that we do."

Mr. Pike also said he would recommend that the committee not comply with a demand by President Ford that it return classified materials already sent over by the White House.

Thus the stage was apparently set for the most serious constitutional confrontation between the legislative and executive branches since the Watergate scandal, when President Nixon refused to turn over documents and tapes subpoenaed by the Senate Watergate Committee and the House Judiciary Committee.

Among other subjects touched on by President Ford at today's news conference

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were school busing, covert political activities by the Central Intelligence Agency, economic policy, Vice President Rockefeller's candidacy in 1976 and United States military assistance to Israel.

Informal Setting

Today's was the first general news conference that Mr. Ford has held in the Oval Office since becoming President. He perched on the edge of his massive desk, his highly polished shoes dangling several inches off the thick white carpet, while reporters stood around him in a tight semicircle firing questions.

Television cameras were excluded from the room for most of the conference, and there was a general air of relaxed informality to the exchanges between President and journalists.

On the issue of school integration, President Ford charged that the courts had been remiss in not trying other remedies to achieve quality education for children before ordering enforced busing to achieve racial balance. [Question 11.]

"The thing that bothers me about actions of some of the courts, where they are involved in the school busing controversy, is that they apparently have not taken into consideration the law that was passed and signed by me on Aug. 12, 1974, three days after I was sworn in," the President said.

Busing Alternatives

Amid laughter, Mr. Ford said that he just happened to have a copy of the law with him and proceeded to read some of the alternatives it provides for the courts to use "before they actually use the busing remedy."

These included, among others, assigning students to schools closest to their homes, creating new or revised attendance zones, creating high quality "magnet" schools and building new school facilities.

Mr. Ford made it clear that he regarded these remedies as superior to busing.

On covert C.I.A. political activities in foreign nations, the

President said that he planned to recommend some administrative changes on the basis of information uncovered by the Rockefeller Commission and other investigations. [Question 5.]

However, Mr. Ford said, "I would rule out necessary political activities by the United States if it involves our security." Q 6

On economic policy, Mr. Ford said that he had not yet decided on whether to extend the 1975 tax cut for another year. [Question 10.]

"We will, in a reasonably short period of time, make a recommendation," he said, adding, "If the economy needs any additional stimulant, we will, of course, recommend a continuation of the present tax cut."

He also said, however, that "if we find that the economy is continuing to come out of the recession, as it is, and there is no danger of added inflationary problems, we would probably not recommend a continuation of the tax cut."

Opposition to Controls

The President reiterated his firm opposition to wage and price controls or any other form of incomes policy.

Asked about avowals by Vice President Rockefeller that he is not a candidate for the Republican Vice-Presidential nomination next year, President Ford made it quite clear that he considered Mr. Rockefeller to be running. He said that the Vice President was making a favorable impression on the Republican groups he had been

appearing before with increasing frequency. [Question 19.]

Mr. Ford did duck one question. When asked, as an old Navy man, if the Navy should have disciplined the skipper of a submarine for allowing a topless dancer named Cat Futch to perform aboard his vessel, he replied, with a smile: "I think I ought to refer that to the Navy where the matter is being, I am sure, thoroughly and properly handled under the procedures of the navy code of conduct." [Question 23.]

The dispute between the President and the House Select Committee on Intelligence has been heating up since last week when Mr. Ford asked the panel to return classified documents after some material about intelligence operations in the Middle East, viewed as sensitive by the White House was made public.

Action Keld 'Capricious'

IM1 This well-placed White House official said today that the Administration had been upset by the "capricious and frenetic" way that Mr. Pike's committee declassified the material, which involved an assessment by the National Security Council of the likelihood of war in the Middle East in October, 1973.

Mr. Ford said today that some of the material released, relating to communications intelligence used by United States in the Middle East, was protected by law "and if a private citizen were to release that information involving communi-

cations intelligence, it would be a serious criminal offense."

The White House said later that Mr. Ford was referring to the Signal Intelligence Act under which a person can be fined up to \$10,000 or imprisoned up to 10 years for giving to an unauthorized person classified information about communications intelligence.

Mr. Ford also said that the committee now has all the information it needs for its investigations.

However, the White House official insisted today that "we're trying to avoid a major confrontation" with the committee, saying,

"We have never suggested that [Mr. Pike's] committee can't have information. The issue is what process will be used before that information can be made public."

(Transcript of
press conference
filed Ford Ad.
Story is based on
Question 9.)