

Transcript of the President's News

Special to The New York Times

WASHINGTON, March 24—Following is the transcript of President Nixon's news conference today as released by the White House:

THE PRESIDENT: We will take your questions first.

1. Suspension of Peace Talks

Q. In view of the suspension of the Paris peace talks, can you tell us if the hopes are dimming for a negotiated peace settlement and what you assess the situation is?

A. What we are trying to do there, Miss Lewine, and this is being done under my direction, is to break the filibuster. There has been a three-and-a-half-year filibuster on the peace talks on the part of the North Vietnamese. They refuse to negotiate seriously and they use the talks for the purpose of propaganda while we have been trying to seek peace. Whenever the enemy is ready to negotiate seriously, we are ready to negotiate and I would emphasize we are ready to negotiate in public channels or in private channels.

As far as the hopes for a negotiated peace are concerned I would say that the way the talks were going, there was no hope whatever. I am not saying that this move is going to bring a negotiation. I do say, however, that it was necessary to do something to get the talks off dead center and to see whether the enemy continued to want to use the talks only for propaganda or whether they wanted to negotiate.

When they are ready, we are ready, but we are not going to continue to allow them to use this forum for the purpose of bullying the United States in a propaganda forum rather than in seriously negotiating peace, as we tried to do as exemplified by not only our private contacts in the 12 meetings that I discussed on Jan. 25, but also in my speech on Jan. 25, in which I made a very forthcoming offer.

2. I.T.T., G.O.P. and Kleindienst

Q. Was there any link between the I.T.T. antitrust settlement and the contribution to San Diego as a convention city and do you think Mr. Kleindienst will be confirmed as the Attorney General?

A. Well, I have noted that you ladies and gentlemen of the press have been pressing on this matter, and you should, because it is a matter of very great interest in the Senate and in the nation.

I will simply limit my remarks to those observations: First, Mr. Kleindienst is being considered for, as you have indicated, confirmation as Attorney General of the United States. That is the purpose of the hearings. I had confidence when I appointed him that he was qualified for this position. I still have that confidence. I believe that he should be confirmed and I believe that he will be confirmed.

Now, as far as the hearings are concerned, there is nothing that has happened in the hearings to date that has in one way shaken my confidence in Mr. Kleindienst as an able, honest man, fully qualified to be Attorney General of the United States.

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Conference on Foreign and

Domestic Matters

However, I am not going to comment on any aspect of the hearing or any aspects of the case while the Senate is still conducting them and while the Senate is still trying to determine the authenticity of some of the evidence that is before it. That is a matter for the Senate committee under the chairmanship of Mr. Eastland to continue to consider, but I would point out that Mr. Kleindienst asked for these hearings.

We want the whole record brought out because as far as he is concerned, he wants to go in as Attorney General with no cloud over him. He will not have any, in my opinion, once the hearings are concluded and what we are talking about will be proof, rather than simply charges which have not been substantiated.

3. Role of Liaison Aides

Q. On another aspect which I think is not directly related to the I.T.T. case, I wondered if you could give us your view on the proper role of the White House staff members in contact with the executive departments and regulatory agencies concerning matters that are before those departments or agencies.

My specific reference, of course, is to the involvement of Mr. Flanigan in some of these matters, but I wonder if you could give us, on a more general basis, what you consider the proper role and the limits of that role for the Presidential aides in dealing with law enforcement matters.

A. A Presidential aide must listen to all who come to the White House, as they do in great numbers on all sides of all cases with regard to conditions they have or causes that they may wish to work for, just as they go to members of the House and Senate and others in that connection.

What is improper is for a Presidential aide to use influence for personal gain, and to use influence in any way that would not be in the public interest. As far as Mr. Flanigan is concerned, Mr. Ziegler has responded to that charge at considerable length with my total authority and his views represent mine and I have nothing further to say.

4. Inflation Fight and Labor

Q. Mr. President, how do you expect the war on inflation to succeed without the cooperation of George Meany and his friends?

A. The war on inflation will succeed

with their cooperation, if possible, but without it, if necessary. I think the best indication of the fact that it is succeeding is that as far as that part of the Consumer Price Index which is made up of those items that are under control, as Mr. Stein pointed out in his briefings yesterday, the wage-price controls have been effective.

The only part of the Consumer Price Index or the major part of the Consumer Price Index which resulted in what we thought was a disappointing increase in prices, at least a one-month increase, was the food index.

The food index, as we know, is not controlled. Now, so far as that food index is concerned, we discussed that at considerable length at the Cost of Living Council yesterday. What we found is that it is a mistake and totally unfair to make the farmer the scapegoat for the high meat prices and the high food prices.

Approximately one-third of what the prices are that the consumer pays in the grocery store or the supermarket for food, approximately only a third of that amount is a result of what the farmer receives as farm income. The other two-thirds goes to middlemen, to retailers and others, and our preliminary investigation of this situation shows that the spread between what the farmer receives and what the consumer pays in the grocery store and the supermarket, has widened. It is too great.

That is the reason why the Price Commission is, on April 12, as you know—I think it was announced this morning—is going to conduct a hearing on this matter to determine whether or not the profit margins in this period have gone beyond the guidelines that have been laid down.

I will simply say that as far as we are concerned, we can say that on the one hand we are glad to see that, looking at a six-month period, the rate of inflation has decelerated. On the other hand, we are disappointed at even a one-month figure in which the rate of inflation is at the level it was this time.

We are particularly disappointed that the food component was a high as it was. That is why we welcome the reaction of the Price Commission looking into that component as it is, and then in the event those food prices do not start to move down, then another action will have to be taken. I am prepared to have such other action taken.

I have directed those who have responsibility in this field to see what action can be taken. I would simply conclude by point out that to feel that the action that will be effective is to control or move on the one-third, that which the farmer receives as income for what he sells, is not the most effective way to do it.

One little example that I can use that I think is quite graphic, and Secretary Connally was discussing this matter in the Cost of Living Council yesterday. He said he had been in Texas and talked to a rancher who raised chickens. He said he got 30 cents a dozen. A couple of days later he got breakfast at the Hotel Pierre in New York and ordered a couple of eggs. It was \$5 for two. That is at a rate of \$30 a dozen. Now, of course, the eggs also have to be transported, processed, cooked and served, but 30 cents a dozen to the farmer and \$30 a dozen to whoever buys those eggs in a restaurant, that is just too much, and we will have to get to that middleman one way or another.

5. Large Political Contributions

Q. Will you give us your views on the general proposition of large political contributions either by corporations or individuals in terms of possibly getting something back for it?

A. Nobody gets anything back as far as the general contributions are concerned in this administration. As a matter of fact, I think some of our major complaints have been that many of our business people have not received the consideration that perhaps they thought that an Administration that was supposed to be business-oriented would provide for it.

As far as such contributions are concerned, they should always, of course, comply with the law.

Second, as far as those who receive them are concerned, they must be accepted with no understandings, expressed or implied, that anything is to be done, or as a result of those contributions, that would not be done in the ordinary course of events.

Let me just say on that point that looking at I.T.T., which, as I understand, has been a contributor to a number of political causes over the years, it is significant to note—and I would hope that the members of the press would report this, because I have not seen this in many stories—it is significant to note that I.T.T. became the great conglomerate that it was in the two previous Administrations primarily, the Kennedy Administration and the Johnson Administration.

It grew and grew and grew, and nothing was done to stop it.

Proud of The Record

In this Administration we moved on I.T.T. We are proud of that record. We moved on it effectively. We required the greatest divestiture in the history of the antitrust law. We also, as a result of the consent decree, required that I.T.T. not have additional acquisitions, so that it became larger.

Now, as Dean Griswold pointed out, that not only was a good settlement,

it was a very good settlement. I think under the circumstances that gives the lie to the suggestion that this Administration, in the handling of the I.T.T. case, just using one example, was doing a favor for I.T.T.

If . . . we wanted to do a favor for I.T.T., we could just continue to do what the two previous Administration had done, and that is nothing; let I.T.T. continue to grow. But we moved on it and moved effectively.

Mr. McLaren is justifiably very proud of that record, and Dean Griswold is very proud of that record, and they should be.

6. -Moratorium on Busing

Q. Mr. President, could we just ask about your speech the other night and your moves on the part of schools, particularly the blacks in our society? They are those who feel that in the combination of the constitutional issue that has been raised, in which you have asked that the courts have a moratorium, and at the same time by putting more money into black schools, what you are doing is, in effect, going back to the old doctrine of separate but equal facilities for blacks.

Could you comment on that?

A. Yes, I see that that charge has been made and I can see how that understanding or misunderstanding could develop.

Let me explain what we were trying to do and what I believe our proposals, if they are enacted by the Congress, will accomplish. In the first place, we have to analyze what the constitutional problem is. The Constitution under the 14th Amendment provides for equal protection of the law. The Constitution does not provide, as a remedy, busing or any other device. The Constitution in the 14th Amendment expressly grants power to the Congress to set up the remedies to accomplish the right of equal protection of the law.

Now, we turn now to busing. Let me relate this to *Brown v. the Board of Education*. *Brown v. the Board of Education*, as its name indicates, was about, primarily, education. *Brown v. the Board of Education* held, in effect, that legally segregated education was inherently inferior education. I agree with that.

On the other hand, how do we desegregate and thereby get better education? Here is where busing for the purpose of achieving racial balance not only does not produce superior education, it results in even more inferior education.

So what I was trying to do was to tackle the issue by saying we can and should have desegregation, but, we should not compound the evil of a dual school system, of legal segregation, by using a remedy which makes it even worse.

That is why I have concluded that first, a moratorium on busing for a year was the right move to make. I believe, incidentally, that the moratorium is constitutional. I believe it will be so held by the Supreme Court due to the fact that it deals with a remedy and not a right. That is the fundamental difference. Lawyers will disagree on that, but the Court will decide and I believe the Court will decide that the moratorium is constitutional.

Cities Central Cities

That is why I also moved in another field. When we talk about education, we must remember that if we had busing at the maximum degree suggested by the most extreme proponents of busing, it would still leave the vast majority of black schoolchildren living in central cities, going to what are basically inferior schools; a lost generation, as I described it.

I decided that we could not allow that situation to continue without trying to move on it. How we tried to move? We tried to move through a program which has not yet been fully tested. I am not sure that it will work, but we have to do something that is in the field of compensatory education; a program in which we, rather than doing it with a shotgun approach which has proved ineffective, that we use the critical mass approach, \$300 as has been described per pupil, for the purpose of improving education in those schools where no plan for desegregation that anybody has suggested will ever affect. We cannot leave those people, those students there without having some action and some attention paid to them. One other thought with regard to this whole matter of compensatory education.

I have noted on one of the networks, not yours, but N.B.C.'s, a very thoughtful series to the effect that compensatory education is a failure. We looked into that. As a matter of fact, on the basis in which it has been used up to this point of a shotgun approach where you have \$100, \$150, \$200 a student, it has not worked.

You have an example in the District of Columbia where over \$300 has not helped. But on the other hand, in California and in four other states which came to our attention, we have found that there is substantial evidence to indicate that if we can get \$300 a student or more into those schools, it will raise the level of education in those areas. That is why we are going down this road.

Another point I should cover, incidentally, since this subject has been raised, is the matter of new money. Let me say there is certainly a great deal of new money in this program. First, you must remember that the Congress has not yet passed and has not yet sent

to my desk a request for \$1-billion in emergency school aid funds that I have asked for. That \$1-billion will go into this program.

\$2.5-Billion in New Money

Second, we have asked not only that that billion dollars come here, but that the program be four years, rather than simply a one-shot proposal for \$1.5-billion. So that means you have \$2.5-billion in new money.

I would say in conclusion, I would like to be able to assure everybody here that this program of compensatory education concentrating money in some of these areas of students who will never be helped by any program of busing at all, no matter how extreme, I would like to say that it will succeed. I am not sure, but I do know that we cannot go on with the present situation where we leave them there growing up in inferior schools with no change or hope.

I know Mr. Shultz believes and other experts that I have talked to that that critical mass approach will get at the problem. I want to say that as far as segregation and desegregation is concerned, this Administration has made great progress in desegregation. There are more black students that go to majority white schools in the South than in the North at the present time. The dual school system has been virtually eliminated.

What we were trying to get at is the problem of busing, busing which was a bad means because it compounds the evil which Brown vs. the Department of Education was trying to get at. Also it poisons relations between the races and creates racism and it was time for somebody to move on it in what I thought was a responsible way.

7. Testimony by Flanigan

Q. To go back to the I.T.T. case for a moment, since you have said that you see nothing improper in Mr. Flanigan's activities in the various cases you mentioned, will you permit him to testify before the Senate Judiciary Committee if he is invited to do so? A. Mr. Ziegler responded to that question and I will not respond further.

8. View of Ashbrook Drive

Q. Would you care to comment on the primaries and do you expect Congressman Ashbrook to go right down the wire to the convention and go for the nomination?

A. I realize that a lot of you have political questions. You may remember, as, I think, the first president of the Press Club that I ever introduced at one of your meetings many many years ago, that I stated several months ago that in Presidential press conferences I would not answer questions on partisan political matters until after the Republican convention. That includes the Republicans. That includes the Democrats. That includes those who may leave the Republicans or leave the Democrats.

9. Intentions on Campaigning

Q. And it is still your intention, Mr. President, not to campaign until after convention time?

A. It is. As a matter of fact, I will not be making any political speeches—well, you may call them political—but I will not be appearing, Mr. Warren, before any partisan political groups, making partisan political speeches, and I am not going to answer any partisan political questions one way or another in any Presidential conference or in any other forum of this kind.

Between now and the Republican convention, I shall continue to meet the responsibilities as President of the United States and I will answer all questions in that area. I will not answer political questions. I will have plenty of time to answer them after the Republican convention.

10. Troop Withdrawal Schedule

Q. Mr. President, how do you assess the military situation in Vietnam, Laos and Cambodia, and will you be able to follow your schedule for withdrawal of troops and perhaps tell us something more of it?

A. I will not tell you more about the withdrawal at this time because as you know, we make these announcements at the time they are scheduled and on the basis of the situation as it exists then. Another announcement will be made before the first of May.

Secondly, with regard to our program for withdrawal, it has gone well, as you know. The casualties again are low this week, still not zero, which is our goal, but it is better than 200 or 300, which is what it was when we came in. As far as the military situation is concerned, an ominous enemy build-up continues. The press has very well reported the threats in the Laotian base on Long Chen; there has been some sporadic mortar attacks in Cambodia and a considerable amount of action in South Vietnam. On the other hand, I received a report from General Abrams just a few days ago. He says that they still expect — he doesn't guarantee it — but he says they are still prepared for some attacks in this dry season. They have not come yet. He says if they do come he is confident that he South Vietnamese will be able to contain them. He is also confident that while the South Vietnamese lines, in the event the attacks are heavy, may bend, they will not break. If that proves to be the case it will be the final proof that Vietnamization has succeeded.

11. Inquiry on Contributions

Q. Mr. President, have you satisfied yourself, sir, that the Justice Department acted properly in quashing an investiga-

tion of campaign contributions in San Diego last year?

A. I covered that question.

12. New Integration Programs

Q. Mr. President, you spoke in terms of busing a moment ago and that the patterns of living are the root cause of it. Have you then thought of some new programs to try to break up the patterns that keep the blacks in the inner city, to try to get at integration in that way?

A. It is very difficult to try to find new programs because so many have been suggested and I imagine there are not any that could be classified as new. The breaking up of these patterns is something that probably is going to occur over a period of time as economic considerations and educational considerations come into play. I am confident of this, that we cannot put, as I said, not in my statement on busing a few days ago, but in my original statement on the whole educational process last year, we cannot put the primary burden for breaking up these patterns on the educational system.

The purpose of education is to educate. Whenever a device is used to desegregate which results in inferior education, we are doing a grave disservice to the blacks who are supposed to be helped.

13. World Political Divisions

Q. Mr. President, is it a pragmatic observation to say that the world now is divided into three parts: the United States, China and the Soviet Union?

The President: Some would perhaps describe the world that way, but I think the world is much bigger and much more complicated. I don't think that you can rule out by such a simplistic observation the future of Latin America, the potential of Africa, the potential of South Asia and the rimland of Asia, the future of Japan, which is an economic giant, even though it is a mini-military power.

At the present time, it could be said that the United States and the Soviet Union are the two major superpowers from a military standpoint and that the Peoples Republic of China is the most populous nation in the world with the potential of becoming a super power, and therefore anyone who is interested in trying to build a structure of peace must deal with the relationships between these three great power centers now.

I think that is the key to the future. But we must also, at the same time, have policies that look to the future of Japan, the future of Western Europe, because it will play a major role, and of course the future of Latin America and Africa.

14. Possible Castro Meeting

Q. Mr. President, you have sort of a pattern of making peace with enemies around the world. Are you next going to see Fidel Castro?

A. No, I have not been invited.

15. Drug Panel Recommendation

Q. Mr. President, do you have a comment, sir, on the recommendation of your commission on drugs that the use of marijuana in the home be no longer considered a crime?

A. I met with Mr. Shafer. I have read the report. It is a report which deserves consideration and it will receive it. However, as to one aspect of the report, I am in disagreement. I was before. I read it and reading it did not change my mind. I oppose the legalization of marijuana and that includes its sale, its possession, and its use. I do not believe you can have effective criminal justice based on the philosophy that something is half legal and half illegal. That is my position, despite what the commission has recommended.

16. Plans for Canada Trip

Q. Mr. President, on your upcoming trip to Canada, do you intend to try to do something about getting us in a better trade position, and also, do you intend to take up the matter of the Great Lakes?

A. We are working out the agenda for our Canadian trip at the present time. I would have to say quite candidly that we have had very little success to date in our negotiations with our Canadian friends, which shows, incidentally, that sometimes you have more problems negotiating with your friends than you do with your adversaries. But that is as it should be. They have a right to their position and we have a right to ours. But we will discuss certainly trade and the great lakes and environment. I am sure we will also discuss the world situation in which Prime Minister Trudeau has some, based on my previous visits with him, some very constructive ideas to suggest.

In addition, on my trip to Canada, I will, of course, brief Prime Minister Trudeau personally on the results of my visit to China and also brief him prior to my going to the Soviet Union on my visit there.

I think it is very helpful that at this point we are meeting with our friends from Canada, although we will find that we have some very basic disagreements, probably, after the meeting as before.

17. China Trip and Ending War

Q. When you went to China there were a lot of people in this country who sincerely hoped that your trip would be helpful in terms of settling the Vietnam war in some fashion or another. Did you find that trip helpful in that respect and if so, can you tell us how?

A. At the time we went to China, I indicated that the purpose of that trip was to discuss relations between the

two countries, and that its purpose was not to discuss the situation with regard to other nations.

Now, as far as the discussions that did take place, the agenda did include the whole range of problems in the world in which the People's Republic of China is interested, as we are interested.

As far as Vietnam is concerned, I don't think it would be helpful to indicate what was discussed or what was not discussed. Only time will tell what is going to happen there.

18. Confidence in Watson

Q. Mr. President, there has been some question raised about Ambassador Watson's qualifications to negotiate with the Chinese in Paris. Do you still have confidence in his ability to negotiate exchange agreements with the Chinese?

A. Mr. Lisagor, the best test of that—and I should know—is how the negotiations are going. They are going very well. Mr. Watson is conducting them with great competence and, I understand, total sobriety.

I realize that there are those who raise questions about the personal conduct of an Ambassador when he travels to his post. I see that some members of the House and Senate are raising such questions about that. I would say that people in glass houses should not throw stones.

19. Plans for Meeting Meany

Q. Do you plan to have any more breakfasts with George Meany, or do you consider that a political question?

A. Not at \$30 a dozen for eggs.

Seriously, Paul Healy, I do want to say that I respect Mr. Meany not only as a patriotic American who, at a time when many of his weak-spined business colleagues were ready to throw in the sponge with regard to the security of the United States and what was best for this country in dealing with its adversaries abroad, stood firm.

On the other hand, in this particular area, I think Mr. Meany, I respectfully say, has overstepped. In the latter part of the 19th century this country determined that no business leader could take the attitude "the public be damned." In the latter part of the 20th century that applies to both business leaders and labor leaders.

Mr. Meany, in this case, I am sure, thinks he is acting in the best interest of his members, but I would respectfully suggest that I believe that a great number of his members, possibly a majority, realize that wage increases that are eaten up by price increases are no wage increases at all.

They will also remember, as they look at their income, that in the past six months since Phase Two began, we have had an increase in real wages, something that we have not had for five years before that time in any significant degree, and while we have had this one month of bad figures—and believe me I am not satisfied with bad figures; I want these food prices down—nevertheless, our wage-price controls are working. We are going to reach our goal, in my opinion, or are going to come very close to it, cutting the rate of inflation in half.

Even though Mr. Meany is not with us, I think what we do is in the best interest of his members, and I hope in the end, maybe he will invite me to breakfast.

20. View of Agnew Candidacy

Q. With respect to Mr. Agnew, do you still not feel like breaking up the winning combination? A. I covered that question in a rather lengthy discussion with Mr. Rather, sitting in this room, a few months ago. My views are the same as they were then.

21. SALT Talks and Moscow Trip

Q. Mr. President, I would like to ask one question on the forthcoming Moscow trip. Are you still hopeful of having a strategic arms limitation agreement not only to discuss, but hopefully to sign? A. Mr. Semple, I realize that there are many of you here, I hope, who will be able to go on that trip who went to the P.R.C. [People's Republic of China], who did not go to the P.R.C. can also go.

The Moscow trip, at the present time, will be very different from the P.R.C. trip in the sense that it will be primarily devoted to a number of substantive issues of very great importance. One of them may be SALT, if SALT is not completed before Moscow. It does not appear now likely that they can complete SALT before Moscow, because in my conversations with Ambassador Smith before he left, I doubt that while we are agreed in principle on the limitation of offensive and defensive weapons, that we are still very far apart of some fundamental issues — well, whether or not S.L.B.M.'s [Submarine Launched Ballistic Missiles] should be included, matters of that sort.

Mr. Smith went back to the meetings, this time in Helsinki, with very full instructions from me, both written and oral, to do everything he could to attempt to narrow those differences. I believe that there is a good chance at this point, particularly in view of Mr. Brezhnev's quite constructive remarks in his speech the other day, that we may reach an agreement on SALT in Moscow on defense and offensive limitations, and also agreements in a number of other areas.

This is our goal, and I would say that at this time the prospects for the success of this summit trip are very good.

Q. Thank you, Mr. President.