

Transcript of President's News

Special to The New York Times

WASHINGTON, March 2—Following is the White House transcript of President Nixon's news conference today:

OPENING STATEMENT

I have one announcement for those who are members of the traveling press:

We have now set the date for the San Clemente meeting with President Thieu, and it will be April 2nd and 3d. Those of you who desire to go should make your plans, if you could to leave on the Friday before, because I am going to California to attend a dinner on that occasion for John Ford on Saturday night and the meetings will start the following Tuesday and will be concluded that week.

I will take any other questions you have.

QUESTIONS

Laos and Cambodia

Q. Mr. President, there has been considerable speculation in the interpretation of the Laos cease-fire pact to the effect that the Communists gained more out of that than they did out of the Geneva accords, and also a situation in Cambodia that no one seems to be able to interpret. Originally you hinged your peace settlement on all of Indochina.

What is your expectation in these areas, and how much confidence do you have that stability will be maintained?

A. Mr. Sheldon, first with regard to Laos, the agreement there was made by the Royal Laotian Government, and it is an agreement which, of course, we supported and we accept. I have noted that various elements within Laos have questioned the decision by Souvanna Phouma to make the agreement that he did, but the key to that agreement, and what makes the cease-fire work is an unequivocal provision in the agreement we made; that is, for the withdrawal of all foreign forces from Laos. We expect that to be adhered to, and when that is adhered to, we believe that the chances for peace in Laos will be very considerable, and considerably more than after the '54 accords.

As I have pointed out, and as Dr. Kissinger has also pointed out, the situation in Cambodia is more complex because you don't have the governmental forces there that can negotiate with each other. However, there has been an attempt on the part of the Cambodian Government to have a unilateral cease-fire that has not been reciprocated on the part of the opposition forces in that area. Once a cease-fire is agreed to or adhered to, we will observe it. Until it is adhered to, we, of course, will provide support for the Cambodian Government.

I would want to indicate that the prospects in Cambodia are not as, shall we say, positive as those in Laos, but we do believe that there, too, the withdrawal of the North Vietnamese forces, which has been agreed to in our agreement with the North Vietnamese, from Cambodia is the key thing.

If those forces are out and if the Cambodians then can determine their own future, we believe the chances for a viable cease-fire in Cambodia will be very substantial.

NEW YORK TIMES, SATURDAY, MARCH 3, 1973

Conference on Foreign and Domestic Issues

2. Aid to Hanoi

Q. Mr. President, could I ask you whether aid to North Vietnam was a condition of the cease-fire agreement? There seems to be some confusion about that.

A. No, Mr. Lisagor, it was not. The provision for assistance to North Vietnam on the economic side is one that we believe is in the interest of creating lasting peace and stability in the area. That is a provision which we, of course, will have to have Congressional support for. We realize, as I pointed out previously in the meeting with you, ladies and gentlemen of the press, there is considerable opposition to aid to North Vietnam. It is rather reminiscent to me of what I went through when I first came to the congress and you, Mr. Lisagor, covered in the Congress.

The opposition to aiding Germany and aiding Japan—Japan being the most militaristic and most aggressive force in Asia and Germany being the most militaristic force in Europe at that time—the opposition was very substantial.

I remember at that time I polled my own district, that is when the Congress started polling their districts, and it was 68 per cent against aid for any of our former enemies.

I voted for it, even though it was submitted by a Democratic President, because I was convinced that the chances for having peace in Asia and the chance for having peace in Europe would be considerably increased if the Germans and the Japanese, the two strongest, most vigorous people in those two respective areas, were turned toward peaceful pursuits, rather than being left in a position of hopelessness, which would lead to frustration and another war or confrontation.

I think that that decision was right. I don't mean that the situation with regard to North Vietnam is on all fours with it but I do say that if the North Vietnamese, after 25 years of war, continue to think that their future will only be meaningful if they engage in continuing war, then we are going to continue to have war in that part of the world and it would not only threaten South Vietnam; Cambodia, Laos, Thailand, the Philippines, the whole area.

If, on the other hand, the people in North Vietnam have a stake in peace, then it can be altogether different and so we believe that once the Congress, both Democrats and Republicans, considers this matter—we want them to consider it, give their judgment on it—that they will decide, as they did 25 years ago, based on that precedent and what happened then, that the interest of peace will be served by providing the aid.

The costs of peace are great, but the costs of war are much greater and, incidentally, with regard to costs, I know that some of you have raised a question that I would like to address myself to as to whether whatever assistance we eventually do agree to and that we do present to the Congress, whether or not that assistance will require a cutting back on domestic programs.



Associated Press

President Nixon replying to a reporter's question yesterday during his news conference at the White House

The answer is no. As far as any assistance program is concerned, it will be covered by the existing levels for the budget which we have in for national security purposes. It will not come out of the domestic side of the budget. By national security, I mean the whole area of defense and foreign assistance.

3. Source of Aid Funds

Q. Is the area that the money for North Vietnam will come out of, the defense budget?

A. It will come out of the national security budget, which will mean the area of foreign assistance and defense both. As you know, the two are interlocked because the Defense Department has some foreign aid programs, but the whole national security area will absorb all of the assistance programs which we may agree to:

Q. Can you say how much it will be? A. No, that is something to be negotiated. Mr. Alexander was on his feet.

4. Treatment of Blacks

Q. Mr. President, I apologize for this question before I ask it. A. Nobody else does. (Laughter)

Q. The only reason I do so is because I think you should have a chance to answer it, but I was in Richmond shortly after your re-election and a state Senator, who was a Negro, got up and asked me when is President Nixon going to stop kicking the blacks around.

A. Well, I could not stop unless I started it, and I have not, I believe.

I think it very important, Mr. Alexander, that the people who happen to be black Americans in this country understand that the President of this nation is one who first would not, of course, ever say, that he would ever admit, and I trust there would be nothing in the record to indicate that he had kicked any group in the population around and particularly one that deserved far better than that because of what they have been exposed to through the years.

The second point I would make is that there has been some speculation I know in some of the press and particularly in the black press to the effect that because I did not get a substantial number of black votes, although greater than in 1968, that therefore now we don't owe anything to them.

Let me say that is not the issue at all. The issue is doing what is right. This nation owes something to all of its people and it owes something particularly to those who have been disadvantaged.

We, I believe, have done a very effective job in that respect in terms of what we have done, maybe not in terms of what we have said so well, and we are going to continue to do well and we hope eventually that our citizens will recognize that we have done so.

5. Withdrawal of Troops

Mr. President, could you give us your own delineation of what really entered into the recent agreement of on the P.O.W. return and the resumption of troop withdrawal?

Well, Mr. Theis, I don't think that any useful purpose would be served by indicating what the content of the various messages were which went between the Governments involved at that time.

Just let me say that Mr. Ziegler covered that, after a consultation with me, when he was first asked that question.

As far as the P.O.W.'s are concerned that provision and the withdrawal provision cannot be linked to anything else. The suggestion, for example, that what brought about the P.O.W. return was some action on the part of the United States or some assurance on the part of the United States that we would do something with regard to getting better compliance with the cease-fire, that suggestion is completely wrong. That provision stands on its own, too.

It is in our interest and we are doing everything we can to get both parties, North and South, to comply with the ceasefire, but as far as the P.O.W.'s are concerned, the agreement clearly provides that in return for withdrawal, the P.O.W.'s will be returned. We expect that agreement to be complied with.

We made our position known publicly very clearly and privately very clearly. We accomplished our goal, and now to go into how we did it, I don't think, would be helpful.

I want to say, too, that I have noted that in the morning press there was some concern expressed about the 30 P.O.W.'s that are held by the P.R.G. [Provisional Revolutionary Government]

I am not going to speculate about how that is to be accomplished, except to say that we had been assured that within 48 hours from yesterday that the P.O.W.'s held by the North, this particular group, and the segment by the P.R.G., would be released.

Now, where they will be released and how is something else again, but we expect them to be released with the time frame, and I will not comment about what we will do if they are not, because we expect that they will comply.

6. Amnesty for Evaders

Q. Mr. President. A. Yes, Mr. Deakin.

Q. After your last press conference, Senator Scott suggested to some of us that we ask you again about the question of amnesty for draft evaders, as opposed to those who deserted military service after being inducted. Have you something further to tell us on your stand on amnesty?

A. No. I think I made my position abundantly clear. I realize that many people disagree with it. I would suggest, incidentally, if members of the Senate and the House disagree with it that they should put it up for a vote in the House and Senate. I think that the members of the Senate and the House would overwhelmingly approve my position.

Let me say it is not said with any sense of VENGEANCE: it is not said with any lack of compassion. But I take this position because these men have broken the law, and if, at the end of the war, we broke every precedent that this country has had, this will be the first time in history that amnesty was provided for those who deserted or evaded the draft, broke the law rather than complied with it as conscientious objectors. If we did that, we could not have a viable force in the future.

I would also say I can think of no greater insult to the memories of those who have fought and died, to the memories of those who have served, and also to our P.O.W.'s, to say to them that we are now going to provide amnesty for those who deserted the country or refused to serve. We are not going to do so, and I do not intend to change my position.

Mission for Connally

Q. Mr. President, are you going to send John Connally on a mission around the world?

A. Well, he has been traveling around the world a great deal already, as you know, and I want you to know, Miss McClendon, seriously, that as Secretary Connally has traveled around the world, he, of course, has been traveling in his private capacity as an attorney, but he has, at my request, undertaken some informal discussions with leaders in various parts of the world.

Secretary Connally, as you know, is very knowledgeable in the field of energy, and without getting involved in anything involving his client-attorney relationship, he is studying the situation with regard to energy from the private sector, and is making recommendations to me and to our energy group.

As far as any future trips are concerned, there are none officially planned, but if he travels privately, and if I can prevail upon him to take a mission that would be semi-public in purpose, I can think of no better man to undertake it.

Q. Mr. President, O. Mr. President, Mr. Weinberger yesterday—I am sorry. A. Either one. You start.

Family Assistance Plan

Q. Mr. Weinberger said that the Administration was never comfortable about the Family Assistance Plan, and he seemed to include you in that. I wonder if you could give us your views on that, and why you introduced it in the first place if you were not comfortable with it.

A. Mr. Weinberger is expressing, I think, the views that we had after we ran into a situation in the Senate which clearly indicated that we were up against an impossible legislative problem.

First, with regard to family assistance, I thought at the time that I approved it — and this view has not changed—that it was the best solution to what I have termed, and many others have termed before me, the welfare mess. I believe that it is essential that we develop a new program and a new approach to welfare in which there is a bonus not for welfare but a bonus, if there is to be one, for work.

That may be over-simplifying, but basically, in our welfare system today, because of varying standards and be-

cause the amounts for food stamps and other fringes have gone up so much, we find in area after area of this country it is more profitable to go on welfare than to go to work. That is wrong. It is unfair to the working poor. The family assistance program I thought then, and I think now, is the best answer.

Now, there are many who object to it, and because of those objections there is no chance — and we have checked this out. I have made my own judgment of the political situation and I have talked to MacGregor and I have talked to Timmons and I have talked to Bryce Harlow about it. There is no chance that we can get it through the Senate because of the objections, on the one side, so my family assistance program at all, on principle, and to objections, on the other side, if we put up the program to raise the price tag so high that we could not possibly afford it.

So we have to find a different way. I have told Secretary Weinberger, therefore, to go back to the drawing board and also to go to the members of the Senate on both sides and to bring me back a program which will stop this unconscionable situation where people who go on welfare find it more profitable to go on welfare than to go to work, and I think we will find an answer. The family assistance may be part of that answer, but I know we are going to have to change it in order to get a vote; a proposition that will get the votes.

Now Mr. Mollenhoff.

*See Charles McCabe, SFChronicle 6 Mar 73, this file.

Controversy Over Gray

Q. Mr. President, Mr. Gray has been up before the Senate Judiciary Committee, and he has been under attack for political speeches in 1972, and there is a controversy about those that are or are not political speeches. I wonder if you have looked at those, whether you have a view on that, and it seemed to me the most vulnerable point was a memo from Patrick O'Donnell from the White House that was distributed to all the surrogates for the President that went to Pat Gray on the Cleveland situation, and it involved a setting out of how crucial Ohio was in the campaign in 1972, and I wonder if you felt that was a breach of your instructions relative to the politics of Pat Gray, and whether you had investigated this.

A. Well, Mr. Mollenhoff, that is a very proper question. I mean I would not suggest other questions are improper, but it is a very proper question because when I appointed Mr. Gray, as you remember, I said I was not going to send his name last year because I felt that we should wait until we got past the political campaign so that the Senate could consider it in a nonpolitical and nonpartisan atmosphere, and the Senate is now doing that.

As far as Mr. Gray is concerned—and not the individual, but the director of the F.B.I.—he must be, as Mr. Hoover was before him, a nonpartisan figure. He should not be involved in making political statements and that does not mean, if we look at Mr. Hoover's record, that he will not say some things that will not sound political at times, but it means that he must not become involved in partisan politics, supporting a candidate, opposing a candidate, and Mr. Gray, on the basis of what I have seen, had no intention of doing so. If there was anything indicating that during the campaign that we were trying to enlist him in that it certainly didn't have my support and would not have it now.

I would also say, too, that the current Senate investigation or hearing, I should say, of Mr. Gray, is altogether proper. They should ask him all these questions. I want the people of this country to have confidence in the director of the F.B.I. I had confidence in him when I nominated him.

I believe that the Senate will find, based on his record since he was nominated, that he has been fair, he has been efficient and that he will be a good, shall we say, lawman in the tradition of J. Edgar Hoover and I am sure that the Senate will overwhelmingly approve him.

10. F.B.I. and Mrs. Mitchell

Q. Mr. President, do you think it is fair and efficient for Mr. Gray and the F.B.I. not to question Mrs. Mitchell when they think there was cause to because her husband was a former Attorney General and campaign official of yours?

A. With regard to other questions on Mr. Gray, it has always been my practice, as you ladies and gentlemen know, not to comment on a hearing while it is in process. This is a matter that was brought up in the hearing.

I am sure that if the members of the Senate feel that that was an improper activity in his part, they will question him about it and he will answer it, but whether it is this hearing or any other hearing, I will not comment on a hearing while it is in process.

My answer to Mr. Mollenhoff stated a principle. Your question goes to a matter that the committee has a right to look into and the answer should come from the committee.

11. Crisis in the Sudan

Q. Mr. President, we have a crisis, of course, in the Sudan where the United States ambassador is being held hostage and one of the ransom demands is that Sirhan Surhan be released. I wonder if you have any comment on this, particularly on that demand?

A. Last night, I was sitting by the wife of Mr. Rabin and we were saying that the position of Ambassador, once so greatly sought after, now, in many places, becomes quite dangerous.

As you know, we had a problem in Latin America last year, we have one here this year. I don't mean to suggest it is that hazardous every place, but it is a problem and it is a risk that an Ambassador has to take.

As far as the United States as a Government giving in to blackmail demands, we cannot do so and we will not do so.

Now, as to what can be done to get these people released, Mr. Macomber is on his way there for discussions; the Sudanese Government is working on the problem. We will do everything that we can to get them released, but we will not pay blackmail.

12. Vietnam Cease-Fire

Q. Mr. President, are you disappointed or are you concerned that the cease-fire agreement in Vietnam has not been observed as scrupulously as you might have liked up to now?

A. Well, let's look at what has happened. A cease-fire agreement is always difficult. You may recall I have mentioned that on occasion, that it is particularly difficult in the case of a guerrilla war. I have often been, as some of you gentlemen and ladies have, at the demarcation line in Korea. Many people forget that 20 years after the Korean cease-fire where you have a demarcation line, a clear line between the one side and the other where they have no guerrilla war, there are still incidents, not many, but there are still incidents. They are running as high three years ago as 100 a month — mean 100 a year.

Now, in Vietnam, where you have a guerrilla war situation, where the lines are not so clearly drawn as to which is held by the P.R.G. and which side is held by the Vietnamese, there will continue to be violations until the situation becomes settled between the two sides.

What is important, however, is to note that the number of violations, the intensity of the fighting, has been reduced. It is not zero yet. I doubt if it will become zero in any time in the foreseeable future because of the fact that a guerrilla war having been fought for 25 years, off and on, is not going to be ended by one agreement, not in one month, not in two months, but the main point is it is going down and we expect adherence to the agreement from both sides. We will use our influence on both sides to get adherence to the agreement.

13. 5.5% Wage Guideline

Q. Mr. President, may I ask you about the 5.5 per cent wage settlement. The leaders of labor seem to feel that that 5.5 per cent ceiling is now more flexible in Phase 3 than it was in Phase 2, but Secretary Shultz, and the director of the Cost of Living Council, Mr. Dunlop, the other day told us it is not more flexible, that it is just as hard a ceiling as it was before. Could you straighten this out for us?

A. What we have here as most important is not the 5.5, but the bottom line, which is 2.5. Now on that there is unanimity. The leaders of labor, the leaders of management, this very prestigious and powerful committee representing strong elements in both areas, agreed to a goal toward which we would work in our wage-price discussions this year to achieve an inflation level at the consumer level, retail level, of 2.5.

Now, in order to get to that level, it is going to be necessary that wage demands be within the ball park which will reach that level. As far as the wage guidelines are concerned, and the price guidelines, the same guidelines are in effect now as were before January 11th. However, what we have done is to recognize what we found in Phase II.

In Phase II, actually the wage settlements in all of the various settlements, and I have examined them, a great number of them, you had very few that were 5.5. Some were as high as 7. Some were as low as 3. But what mattered was that in the end, the average worked out so that we almost achieved our goal of 3 per cent. We got to 3.4.

Now what we are concerned about is to see that in the negotiations in the year 1973 that those negotiations are undertaken with enough flexibility—some will go a little higher; some will go a little lower—but with enough flexibility so that we don't have a wage-price push which would destroy the goal that everybody unanimously agrees we should try to achieve of 2.5 at the end of the year at the retail level. I am sure that confuses you.

14. Stability of the Dollar

Q. Mr. President, what kind of trouble is the American dollar in in Europe, in your judgment?

A. Well, the American dollar, I think, is being attacked by international speculators. I know that when I use that term my sophisticates in the Treasury Department shudder, because they believe these great forces are not determined by speculation and unrest, but as I look at the American economy, as I look at the American rate of inflation, I would say that the dollar is a good bet in the world markets today.

The United States has the lowest rate of inflation of any major industrial country. The United States has certainly the strongest economy of the major industrial countries. The United States also has a program, which we believe is going to work, for continuing to con-

trol inflation. We have a very tight budget, or I should say, a responsible budget. Let me point out, it is not a budget which is cut; it is a budget, however, which does not go up as much as some would want it to go, and therefore, one that will continue to cool the inflationary fires.

And, of course, under these circumstances, we believe that the dollar is a sound currency and that this international attack upon it by people who make great sums of money by speculating—one time they make a run on the mark and the next time it is on the yen, and now it is on the dollar. We will survive it.

Let me say there will not be another devaluation. I would say, second, we are going to continue our program of fiscal responsibility so that the dollar will be sound at home and, we trust as well, abroad, and we also are going to continue our efforts to get the other major countries to participate more with us in the goal that we believe we should all achieve, which we set out at the time of the Smithsonian and the other agreements, and that is of getting an international monetary system which is flexible enough to take care of these, what I believe are, temporary attacks on one currency or another.

15. Speculator Controls

Q. Can we do anything to bring the speculators under control?

A. We cannot, because I would say for the most part they are operating in the international area, and all that we can do is to keep our dollar as sound as we can at home, to keep our economy as sound as we can, to be as responsible as we can so that the run on the dollar does not mean a weakness of the American economy or of the dollar, in fact, that we spend here at home.

16. Rent Control Revival

Q. Mr. President, are you possibly giving any thought to reviving the Rent Control Board?

A. No, we are not. Rent controls have an enormous public appeal, particularly when you see some of the gouging that goes on in individual cases. The difficulty with rent control, however, and any of you who have visited Paris or some of the other major cities which have had rent control almost since World War II and see what has happened to rents, particularly of new dwellings, know what I am talking about.

The difficulty with rent control. If you put a rent control ceiling on that is not economically viable so that the builders and those who will rent apartments and so forth cannot and will not make their investment, all that happens is that you get a shortage of housing, the pressures go up, and also you find that the landlords don't keep up the places.

NO, I do not think that rent controls is the right answer. I think the answer to the problem of rents is production of housing which will deal with it.

17. Watergate Implications

Q. Mr. President, now that the Watergate case is over, the trial is over, can you give us your view on the verdict and what implications you see in the verdict on public confidence in the political system?

A. No, it would not be proper for me to comment on the case when it not only is not over, but particularly when it is also on appeal.

I will simply say with regard to the Watergate case what I have said previously that the investigation conducted by Mr. Dean, the White House counsel, in which, incidentally, he had access to the F.B.I. records on this particular matter because I directed him to conduct this investigation, indicates that no one on the White House staff, at the time he conducted the investigation—that was last July and August—was involved or had knowledge of the Watergate matter and, as far as the balance of the case is concerned, it is now under investigation by a Congressional committee and that committee should go forward, conduct its investigation in an even-handed way, going into charges made against both candidates, both political parties, and if it does, as Senator Ervin has indicated it will, we will, of course cooperate with the committee just as we cooperated with the grand jury.

18. Executive Privilege

Q. Mr. President, yesterday at the Gray hearings, Senator Tunney suggested he might ask the committee to ask for John Dean to appear before that hearing to talk about the Watergate case and the F.B.I.-White House relationship. Would you object to that?

A. Of course.

Q. Why? A. Well, because it is executive privilege. I mean you can't—I, of course—no President could ever agree to allow the counsel to the President to go down and testify before a committee.

On the other hand, as far as any committee of the Congress is concerned, where information is requested that a member of the White House staff may have, we will make arrangements to provide that information, but members of the White House staff, in that position at least, cannot be brought before a Congressional committee in a formal hearing for testimony. I stand on the same position every President has stood on.

Q. Thank you, Mr. President.

Q. Mr. President, on that particular point, if the counsel was involved—

A. He also gets two.

Q. If the counsel was involved in an illegal or improper act and the prima facie case came to light, then would you change the rules relative to the White House counsel?

A. I do not expect that to happen and if it should happen I would have to answer that question at that point.

Let me say, too, that I know that since you are on your feet, Clark, that you had asked about the executive privilege statement and we will have that available toward the end of next week or the first of the following week, for sure, because obviously the Ervin committee is interested in that statement and that will answer, I think, some of the questions with regard to how information can be obtained from a member of the White House staff, but consistent with executive privilege.

Q. Thank you again.