

Transcript of News Conference by the

Special to The New York Times

SAN CLEMENTE, Calif., Aug. 29—

Following is the official White House transcript of President Nixon's news conference here today:

THE PRESIDENT. We will go right ahead with your questions, because I know you want to cover perhaps some international as well as domestic matters, including, I understand, for the first time, political matters.

1. Inquiry on Campaign Funds

Q. Mr. President, are you personally investigating the mishandling of some of your campaign funds, and do you agree with former Secretary Connally that these charges are harmful to your re-election?

A. Well, I commented upon this on other occasions, and I will repeat my position now.

With regard to the matter of the handling of campaign funds, we have a new law here in which technical violations have occurred and are occurring, apparently, on both sides. As far as we are concerned, we have in charge, in Secretary Stans, a man who is an honest man and one who is very meticulous—as I have learned from having him as my treasurer and finance chairman in two previous campaigns—in the handling of matters of this sort.

Whatever technical violations have occurred, certainly he will correct them and will thoroughly comply with the law. He is conducting an investigation on this matter, and conducting it very, very thoroughly, because he doesn't want any evidence at all to be outstanding, indicating that we have not complied with the law.

2. Special Prosecutor

Q. Mr. President, wouldn't it be a good idea for a special prosecutor, even from your standpoint, to be appointed to investigate the contribution situation and also the Watergate case?

A. With regard to who is investigating it now, I think it would be well to notice that the F.B.I. is conducting a full field investigation. The Department of Justice, of course, is in charge of the prosecution and presenting the matter to the grand jury. The Senate Banking and Currency Committee is conducting an investigation. The Government Accounting Office, an independent agency, is conducting an investigation of those aspects which involve the campaign spending law.

Now, with all of these investigations that are being conducted, I don't believe that adding another special prosecutor would serve any useful purpose.

The other point that I should make is that these investigations—the investigation by the G.A.O., the investigation by the F.B.I., by the Department of Justice—have, at my direction, had the total cooperation of the — not only the White House but also of all agencies of Government.

In addition to that, within our own staff, under my direction, counsel to the President, Mr. Dean, has conducted a complete investigation of all leads which might involve any present members of the White House staff or anybody in the Government. I can say categorically that his investigation indicates that no one in the White House staff, no one in this Administration, presently employed, was involved in this very bizarre incident.

WEDNESDAY, AUGUST 30, 1972

President on Political and

Other Matters

At the same time, the committee itself is conducting its own investigation, independent of the rest, because the committee desires to clear the air and to be sure that, as far as any people who have responsibility for this campaign are concerned, that there is nothing that hangs over them. Before Mr. Mitchell left as campaign chairman he had employed a very good law firm with investigatory experience to look into the matter. Mr. MacGregor has continued that investigation and is continuing it now.

I will say in that respect that anyone on the campaign committee, Mr. MacGregor has assured me, who does not cooperate with the investigation or anyone against whom charges are leveled where there is a prima facie case where those charges might indicate involvement, will be discharged immediately. That, also, is true of anybody in the Government. I think under these circumstances we are doing everything we can to take this incident and to investigate it and not to cover it up.

What really hurts in matters of this sort is not the fact that they occur, because overzealous people in campaigns do things that are wrong. What really hurts is if you try to cover it up. I would say that here we are, with control of the agencies of the Government and presumably with control of the investigatory agencies of the Government with the exception of G.A.O., which is independent. We have cooperated completely. We have indicated that we want all the facts brought out and that as far as any people who are guilty are concerned, they should be prosecuted.

This kind of activity, as I have often indicated, has no place whatever in our political process. We want the air cleared. We want it cleared as soon as possible.

3. Chance for Vietnam Accord

Q. Mr. President, in your last news conference, on July 27th, you said the chances for a settlement have never been better. Mr. Rogers in late August forecast early settlement and you were quoted by Stewart Alsop—you were quoted saying the war won't be hanging over us the second term. I want to know whether this is politics or is there any substance, any movement in negotiations or any other track toward peace?

A. Mr. Potter, as I also told Mr. Alsop in that interview, I did not indicate to him that any breakthrough had occurred in the negotiations that have been taking place between Dr. Kissinger and Mr. Le Duc Tho at this point. Now, let me divide the answer into its component parts, if I may.

First, with regard to negotiations, I will not comment on past negotiations. I will not comment upon any negotiations that may take place in the future. By agreement of both sides we are not

going to comment, either the other side or we, on our part, on the substance of negotiations or whether or when or what will happen in the future. All that we will do is to announce, after negotiations do take place, if they do—and I do not suggest that more will occur—we will announce the fact that those have taken place.

Secondly, with regard to what the prospects are, I think what we are all referring to is that this long and difficult war—long and difficult and costly for both sides—has reached a point where it should be brought to an end. We are being very reasonable in the proposals that we have made in our various discussions with the other side. Also, with regard to the battlefield, it is significant to note that the South Vietnamese, by heroic efforts, have stopped the invasion from the north on the ground and they have done that without our assistance on the ground.

It is also significant to note that the enemy at this point, while it is able to launch a spurt here and there, does not have the capability or has not demonstrated the capability to overrun South Vietnam.

Now, under these circumstances, we believe that this is the time for a negotiated settlement. If the enemy does not feel that way, then we are prepared to go on as we have indicated, to continue the training of the South Vietnamese. We have completed virtually the ground training because they are undertaking the ground fighting entirely themselves, but we will continue the training in the air and on the sea so that they, by themselves, can defend their country against the Communist invaders from the north.

4. Vietnam Force Levels

Q. Mr. President, you announced today another reduction in the force levels in Vietnam, and it was unclear from the announcement whether this is your last announcement. Do you see this residual force in Vietnam as a necessary bargaining lever?

A. I can't imagine that Mr. Ziegler didn't make everything perfectly clear. But I shall try to, under those circumstances.

The announcement of 27,500 (27,000) does not indicate that 27,500 (27,000) is the force that is going to remain in South Vietnam indefinitely. We are going to look at the situation again before the first of December—after the election, incidentally—because we are not going to play election politics with this next withdrawal—or announcement, I should say—because I am not suggesting that there will be another withdrawal.

We will look at the situation and the three principles I have always applied with regard to withdrawals will in this

case control it: the status of our P.O.W. and M.I.A. situation, the status with regard to negotiations, and the status of enemy activity. At that time we will determine what the American force level should be. It should be noted that the present force level of 39,000, and the level that we will reach of 27,500 (27,000) involves no ground combat personnel. It involves only advisory and training personnel and, of course, air support personnel. It is entirely a volunteer force.

I will add something that perhaps everyone here is quite aware of. That as far as any so-called residual force is concerned, our offer is for a total withdrawal. We want to withdraw all American forces, but that offer is conditioned on what I laid down on May 8th, and one of those conditions is the situation with regard to our P.O.W.'s and M.I.A.'s. As long as there is one P.O.W. in North Vietnam, or one missing in action not accounted for, there will be an American volunteer force in South Vietnam.

5. Promise to End the War

Q. Mr. President, how do you reconcile your 1968 campaign promise to end the war with the massive bombing of North Vietnam that is now going on?

A. Well, in terms of what I said in 1968, all you who were following me will remember that I said that we would seek an honorable end to the war. We have come a long way in reaching that. We have reduced our casualties by 98 per cent; we have withdrawn over half a million men from the forces that we found that were there; we have completely finished the American ground-combat role.

Only volunteers will be serving in Vietnam in the future. What is left now simply is to complete the long-term involvement of the United States in a way that does not destroy respect, trust and, if I may use the term, honor for the United States around the world. I think that we have come—it seems to me made very significant progress in this respect and we expect to make more.

On the negotiating front, we have gone very far, as far as any reasonable person, I think, would suggest, and under the circumstances I believe the record is good.

As far as what can happen in the future, I know that there are those who believe—I noted some report out of the Air Force to the effect that we probably would be bombing in North Vietnam two or three years from now. That, of course, is quite ridiculous.

As far as the future is concerned, we believe that our training program for the South Vietnamese not only on the ground but in the air, has gone forward so successfully that if the enemy still refuses to negotiate, as we have asked them to negotiate, then the South Vietnamese will be able to undertake the total defense of their country.

At the present time, let the record show that while we hear a lot about what the Americans are doing in terms of undertaking bombing activities, that now approximately 50 per cent of all ground support air sorties are being made by the South Vietnamese air force, which is a good air force and which is growing in strength.

6. Halt in the Bombing

Q. Is there a possibility that you would call off the bombing or slacken it even if there is no all-inclusive agreement on Indochina?

A. Absolutely not. I have noted some press speculation to the effect that since 1968, the bombing halt seemed to have a rather dramatic effect on the elec-

tion chances of Senator Humphrey—Vice President Humphrey, now a Senator—that people have suggested that as a gimmick, or more or less as an election eve tactic that we would call a bombing halt even though our prisoners of war are not accounted for. No progress has been made there, and even though the enemy continued its activities and was still stonewalling us in the negotiations, unless there is progress on the negotiating front, which is substantial, there will be no reduction of the bombing of North Vietnam and there will be no lifting of the mining.

7. Defense of Asian Policy

Q. Mr. President, I would like to ask about a 1968 statement you made and find out whether you still agree with it. It is: "Those who have had a chance for four years and could not produce peace should not be given another chance."

A. I think that the answer I gave to the other question is as responsive as I can make it. We always, of course, set our goals high. We do our very best to reach those goals. I think there are those who have faulted this Administration on its efforts to seek peace, but those who fault it, I would respectfully suggest, are ones that would have the United States seek peace at the cost of sur-

render, dishonor and the destruction of the ability of the United States to conduct foreign policy in a responsible way.

That I did not pledge in 1968. I do not pledge it now. We will seek peace. We will seek better relations with our adversaries, but we are going to keep the United States strong. We are going to resist the efforts of those who would cut our defense budget to make us second to any power in the world, and second particularly to the Soviet Union; and in order to do that, it means that we have to continue the responsible policy that we have carried out.

8. Time Limit on Bombing

Q. Mr. President, if it is, as you say, "quite ridiculous" that we will be bombing two or three years from now—by the way, I don't know if you mean North Vietnam or all of Vietnam—then how about a year from now is it likely that bombing would no longer be necessary in your present plan or thinking?

A. No. I would not comment on what the situation will be a year from now because, with the fact that we have had negotiating proposals made—I am not indicating progress; I am simply indicating they have been made—and with also the progress that is being made by the South Vietnamese, the very outstanding progress in their ability to defend themselves, and also to undertake the air effort as well as the ground effort, I am not going to put any limitation on when the U.S. activities in the air would stop.

Also, I am not going to indicate they are going to continue for any length of time. We are going to continue to watch the situation month by month. We will do what is necessary to protect our interests. We will do what is necessary to assure the return of our P.O.W.'s and accounting for our missing in action. We will do what is necessary to prevent the imposition, against their will, of a Communist government on the people of South Vietnam.

All this we will do, but on the other hand, we are not there for the purpose of staying any moment that is longer than is necessary.

9. Close Race Expected

Q. Mr. President, the confidence expressed at the Republican convention suggested that many Republicans, perhaps yourself included, consider the election a mere formality. Yet you have said at your last press conference that you expected this election to be a close one that goes right down to the wire. Do you still feel that way?

A. Yes, I do. That has always been my theory. I recall the year I ran for the first time for Congress in 1946. I was somewhat of a neophyte, never having run for public office before.

I talked to someone who had had great experience in running for office. He gave me very good advice that has been my guiding principle in campaigns since. He said, "Pay no attention to the polls. Pay no attention to what your friends say about your chances, or your opponents." He said, "Always run as if you are one million votes behind, and then you might win by one vote."

In 1960 I learned what he meant because elections can be very, very close in this country.

I am conducting this campaign, and I have urged on my colleagues in the campaign to conduct it without regard to the polls. I am not going to comment on the polls one way or the other, when they are good or bad. We are running on the basis of the great issues before the country.

We are presenting, I think, a very clear choice before the country. We are seeking in this election something that no President has had since 1956, with the exception of President Johnson in '64 after his landslide, and that is a majority, because there was none in 1960 and there was none in 1968 be-

cause of third party candidates.

I think what we need now is a clear majority of the American people. That means a clear mandate, mandate for what I have described as change that works, for progress. Because, when I see what has happened to, for example, revenue sharing, Government reorganization, our health plan, our welfare reform, and all of our programs—there are 12 different bills on the environment that are still stuck in the mud of Senate and House controversy—when I see that, I think that the country needs to speak out.

I would also suggest, Mr. Lisagor, because I know that you, like myself, have sort of followed campaigns over the years, and we go back this far, at least I do—I believe that if we can get a clear majority, if we can get a new majority at the Presidential level in this country, and crossing all the lines of various age groups and religious groups and ethnic groups, et cetera, that we could have a legislative record in the first six months in the next Congress which could equal in excitement, in reform, the 100 days of 1933. It will be very different from the 100 days but we have it all there, and my State

of the Union Message summed it up early this year.

What we are not only seeking here is a majority for the President but we are seeking a new majority, of course, in the House and Senate which will support the President in terms of his domestic policies, and we trust continue to support us on national defense, and foreign policy.

10. Debate With McGovern

Q. Mr. President, how are you going to conduct the campaign personally in terms of your travel plans, and would you be willing to debate with Senator McGovern over national television?

A. Mr. Schecter, let me turn to the debate question first, because it is one which I know many of you have speculated about, and we might as well set the speculation to rest.

Mr. MacGregor, and before him Mr. Mitchell, both indicated it would be not in the national interest for the President to debate. I did not share that view in 1964. Quite candidly, you may remember when Senator Goldwater was a candidate I said that having been Vice President and having debated and knowing all of the information that the President debated, I saw no reason why the President shouldn't debate.

Frankly, I think I was wrong. I was wrong, in that President Johnson was right, Senator Mansfield was right, and even Senator Pastore, who supported Amendment 315 but who said that even in supporting the 315 amendment he said he had serious doubt about whether a President of the United States should debate.

Now just to say why. The reason does not have so much to do with confidential information that a President has, because such information can be made available to the other candidate, if he desires to obtain it. What really is involved is that when a President speaks, as distinguished from a Vice President, even, he makes policy every time he opens his mouth. For example, just as I spoke a moment ago with regard to our plans in Vietnam, what is going to happen, that is policy.

Now, when we are involved—even though it is the concluding phase—but when we are involved in a war, for a President in the heat of partisan debate to make policy would not be in the national interest. So I have decided there will be no debates between the President and the challenger in this year, 1972.

Now with regard to my own plans—You have often heard me describe that a President wears two hats. Well, he wears three, actually, but we put the commander-in-chief off here. We have already discussed those questions. The other two hats that he wears are that as President of the United States and as

leader of his party, and as candidate after the nomination.

Now, I am a candidate in the one sense and the President in the other. What comes first? Putting priorities where they belong, I shall always have to put my responsibilities to conduct the Presidency first. I had hoped that the Congress would be out of here with a record, which they have not yet made. Incidentally, this Congress, in order to avoid being called a very inept Congress, one that never talked as much and did less—to avoid that, is going to have to do four months work in four weeks and it will be a real issue in this campaign, the fact that the Congress has not acted on revenue sharing and on Government reorganization and on health and on welfare.

But, since the Congress is going to be in, I understand, until Oct. 10th, or the 15th, or maybe the 1st, or whatever it is, as long as the Congress is there, my responsibilities as President will require that I stay in Washington except for perhaps an occasional trip through the country, but only for a day. I could perhaps over a weekend, I haven't figured it out yet, but we will, of course, inform you so you can pack your bags. None of these will be overnight trips, you will be glad to know.

After the Congress adjourns, I still, of course, have my responsibility as President, and I cannot go out and spend six to seven days a week. I realize that some Presidents have done that. Harry Truman did in 1948. But the problems that we had then, great as they were, are not as great as those we have now.

It will be necessary for me to continue to spend a great deal of time in Washington, but I don't want to leave the impression that the one-day trips that I will make between now and the time Congress adjourns, and then the time I will be able to devote to campaigning in the last three weeks, means that it will be leisurely, complacent, take-it-easy campaign.

As I have indicated in my answer to Mr. Lisagor, I consider this campaign enormously important. It provides the clearest choice that certainly I have seen in my political lifetime. I believe we have to hit hard on the issues; in other words, hit hard on the problems, and not on the personalities. And we are going to do that, and I would assume that the other side would do likewise.

In order to do that, we are going to cover the whole country. We are not going to take any state for granted. We are not going to concede any state, and more than that, we are going to cover all groups.

One thing I should mention when I speak of the new majority, I reject the idea of a new coalition. A coalition is not a healthy thing in a free society. Coalition automatically adds up the young against the old, the black against the whites, the Catholic against the Protestants, the city people against the country people, et cetera, et cetera.

What we are doing is to make our appeal across the board and try to build a new majority on the basis of people from all the groups supporting us on the basis of what we believe.

11. Agnew-Shriver Debate

Q. Mr. President, you have objected and given your reasons for not entering a debate with your opponent. Would you entertain the possibility of a debate on a lower level, between the Vice-Presidential candidates?

A. I would be very confident as to the results on that, because I think Vice President Agnew's four years of experience, his coolness, his lawyer's back-

ground, would serve him in good stead in a debate. I do not believe, however, that a debate at the Vice-Presidential level would serve any useful purpose, but I don't rule it out. I don't think it would serve any useful purpose.

12. Japanese Economic Matters

Q. Mr. President, may I ask a question concerning your meeting with Mr. Tanaka? A. Sure.

Q. Mr. Tanaka has made his intention clear that he would like to discuss further with you China and discuss less economic problems. But I am also told that the United States wants to discuss the economic problems as widely and deeply as the other issues, and it can be said that it is an open secret that the United States is asking Japan for another reevaluation of the yen in the near future. Could you tell me to what extent are you going to discuss with Tanaka the economic issues?

A. Our meeting with Mr. Tanaka is, first, very important because it is the first chance I will have to meet him as Prime Minister, although I did meet him here, you will recall, when he came with Premier Sato, and I have known him for many years and have great respect for him as one of the new leaders of Japan. So it will first provide an opportunity for establishing a dialogue between these two countries, both of whom are economic superpowers.

Second, we will naturally cover the whole range of problems of the Pacific. Both Japan and the United States are tremendously interested in peace in the Pacific.

On the economic side, I think both sides will be prepared to discuss the fact that there is now an unfavorable balance of trade between Japan and the United States of three and four-tenths billion dollars a year. Naturally, that is not healthy for the United States, but responsible Japanese leaders do not believe it is healthy for Japan, because what will happen if that kind of imbalance continues? It will inevitably feed the fire of those in this country who would want to set up quotas and other restrictions, and the interest of Japan and the United States will better be served by freer trade rather than more restrictive trade.

I believe that out of this meeting will come some progress in trying to reduce that unfavorable balance between Japan and the United States.

Now, with regard to the devaluation of the yen and that sort of thing, I won't comment on that. I have no expectation that that kind of technical international monetary matter will be one that we will discuss.

I say that for the reason that saying anything else is likely to have the stock markets in Tokyo and New York go up and down, so I will categorically say that revaluation of the yen is not on the agenda, but the other matters of how we can adjust this trade balance so that it is less unfavorable to the United States is, of course, in order.

One final thing that I would say from a symbolic standpoint: Since World War II, Presidents of the United States have welcomed Prime Ministers of Japan to Washington on several occasions. I welcomed, as you know, the Emperor in the United States, in Anchorage, and we have met here with Prime Minister Sato.

It seems to me that we could have no better proof of the fact that the war is over, not only the shooting, but also the emnity, than the fact that we are having this meeting between the leader of Japan and the leader of the United States in Hawaii, where the war began, and I am very glad that the Prime Minister and I mutually agreed that we should have it in Hawaii, because we talk about the initiatives towards the People's Republic of China and towards the Soviet Union and the rest. As I have often said, and I repeat

—again, Japan being an economic giant with great potentials for political and other leadership in the Pacific plays an indispensable role if we are going to have peace in the Pacific.

As I have said, Japanese-American friendship and cooperation is the linchpin of peace in the Pacific and we are going to try to strengthen that linchpin in these meetings.

13. Democratic Campaign Funds

Q. Mr. President, back to the campaign financing. You said that there had been technical violations of the law on both sides. I was just wondering what Democratic violations you had in mind?

A. I think that will come out in the balance of this week. I will let the political people talk about that, but I understand there have been on both sides.

14. Amnesty for Draft Evaders

Q. Mr. President, you have touched on the question of amnesty before, but since it is obviously a campaign issue, I wonder if you could spell out what you perceive to be the differences between your thoughts on amnesty and those of your opponent?

A. Mr. Semple, the Vice President made a very responsible statement on that and I read it before he made it. That statement totally reflects my views and I back it, in other words, the speech he made just a few days ago. Insofar as my own views are concerned, without going into that statement, because as you know it involves legal matters and a lot of other things, it is my view, and I hold it very strongly, that those who chose to desert the United States or to break the law by dodging the draft have to pay the penalty for breaking the law and deserting the United States before they can obtain amnesty and pardon, or whatever you want to call it. Where we

disagree, apparently, is that the other side does not share that view. I say: Pay a penalty; others paid with their lives.

15. The New Majority

Q. Mr. President, the majority you talked about a minute ago, what kind of majority will it be, a Nixon majority or a Republican majority, and will it bring a Congress along with it?

A. First, with regard to the majority, the thrust of our campaign, I have tried to emphasize to our campaign people to make it a positive majority rather than a negative majority. There has been a great deal of talk with regard to why people should be against the challenger in this respect, mainly because his views, as I pointed out in the acceptance speech, departed from the bipartisan policy of his predecessor and departed from their economic philosophy and some of their basic views.

Now, what we want, however, is a positive mandate; in other words, what we are for, not simply what we might be against or what the country is against. Now that means that this majority will be one that we would hope would send us in with a clear mandate to keep the United States strong and not to go along with a \$30-billion defense cut which would make the United States second in the air, the second strongest navy, the second strongest missiles, as well as the second on the ground, which we already are with the Soviet Union, and completely destroy the chance for arms limitation and completely, in my view, destroy the ability of the United States to be a peacemaker of the world as the major free world power.

At home—and here are the areas we don't often get into in these conferences—that we could have at home the kind of a mandate where the country would say we want change, but we want change that works. It is not a question of whether it is radical or not. My trip to China was radical; it was bold, radical and different. What really matters is: Does it work, or has it been thought through or is it a half-baked scheme where you have one today and

one tomorrow and then you check the P.M.'s to see whether or not there is a new one?

As far as we are concerned, what we are saying is that we need a mandate for revenue sharing, we need a mandate for welfare reform, we need a mandate for our programs in the environment, for our new health programs, a mandate to continue progress without raising taxes, a mandate to continue to help those who are poor, without having an enormous increase in the welfare rolls.

Finally, we believe that we need support in this country—and this is something that is rather hard to put your finger on, it is an intangible attitude—there has been a subtle shift over the last four years. Some may not have seen

it. I think I have. Four years ago the country was torn apart, torn apart physically and torn apart inside. It has changed very subtly, but very definitely. What we need in this country is a new sense of mission, a new sense of confidence, a new sense of purpose as to where we are going.

The fact is that abroad this country does not follow Hitlerite policies; the President of the United States is not the number one war-maker of the world, but as a matter of fact, the United States, with its great power, is using it well and the world is fortunate to have the United States as the most powerful of the free world nations.

At home, the United States is not a country where we are repressive to the poor and play always to the rich; pointing out the fact, for example, that when we look at our tax laws that we provided the biggest individual tax reduction in history in 1969 and at the same time increased the burden for corporations by \$4-billion; that we moved against the auto companies, for example, to have them roll back a price increase; that we moved against the other companies that have been polluting. In other words, this is not a pro-business or pro-labor Administration. It is an Administration that calls it right down the middle. When labor is wrong we say so, as I did when I was in Miami with Mr. Meany. When business is wrong we say so.

Now, I have digressed a bit, but let me come back to the point. We need a mandate, therefore, in which the President receives a clear majority. We are going to work for a clear majority and as big a one as we can get. Although, as I say, we don't assume that it is going to be big but it will be clear because there is not a third-party candidate of significance.

Secondly, we need a new Congress. Now, on the Congress, I am as sophisticated enough, as all of you are because I have read some of your columns, to know that in both the House and Senate it is tough for us to elect a Republican majority. Also, I am honest enough to say that there are enough Democrats in the House and several Senators without whose support I could not have conducted the foreign policy of the United States over these past four years.

When I speak of a new Congress, I mean a Congress—and I would hope it would be a Republican Congress because then at least we could have responsibility for leadership—but if it is not, I hope there is a new majority in Congress made up of Republicans and Democrats who support what the President believes in. Then we can get action on some of these things rather than being stuck in the mud as we have been these past three years, particularly since we have offered our new initiatives.

Q. Thank you, Mr. President.