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PRESIDENT OF THE UNITED STATES

11:03 A.M. PDT

August 29, 1972

Tuesday

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At La Casa Pacifica
San Clemente, California

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.

QUESTION: 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?

THE PRESIDENT: 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.

QUESTION: 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?

THE PRESIDENT: With regard to who is investigating it now, I think it would be well to notice that the FBI 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 GAO, the investigation by the FBI, 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.

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 the GAO, 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.

QUESTION: 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?

THE PRESIDENT: 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

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