President Ford appeared last night before a joint session of the House and Senate to present his review of U.S. foreign policy. He called upon the North Vietnamese to halt military operations immediately and appealed to Congress to provide more appropriation for humanitarian aid and military aid in South Vietnam.

In the world, he said, the United States "will honor our commitments." He cited the following:

Mr. Speaker, Mr. President, distinguished guests, my good friends in the Congress and fellow Americans:

In my report on the State of the Union in January I concentrated on two subjects which were uppermost in the minds of the American people—actions for the recovery of our economy and a comprehensive program to make the United States independent of foreign sources of energy.

I thank Congress for the action it has taken thus far in response to my economic recommendations. I look forward to continued approval of my national energy program to meet our country's long-range and emergency needs.

Tonight I am reviewing our relations with the rest of the world, in the spirit of candor and confidence which I have sought to maintain with my former colleagues in our own countrymen from the time I took office. It is the first priority of my presidency to sustain and strengthen the mutual trust and respect which must exist among Americans and their government if we are to deal successfully with the challenges confronting us at home and abroad.

The leadership of the United States of America, since the end of World War II, has turned and advanced the security, well-being and freedom of millions of human beings besides ourselves. Despite some mistakes and setbacks, the United States has made a real prospect for us and for all mankind. I know firsthand that Congress has been a partner in the development and support of the American foreign policy which five Presidents before me have carried forward, with changes of course but not of direction.

In the best American tradition we have committed—often with striking success—our influence and good offices to help contain conflicts and settle disputes in many regions of the world. We have, for example, helped the parties in Vietnam to take the first steps toward living with one another in peace.

We have opened a new dialogue with Latin America looking toward a healthier hemispheric partnership. We are developing a new relationship with the nations of Africa. We have exercised international leadership on the great new issues of our interdependent world, such as energy, food, environment and the law of the sea.

The American people can be proud of what their nation has achieved and helped others to accomplish. But we have, from time to time, suffered setbacks and disappointments in foreign policy. Some were events over which we had no control; others were difficulties we imposed upon ourselves.

We live in a time of testing and a time of change. Our world—a world of economic uncertainty, political unrest, and threats to the peace—does not allow us the luxury of abstraction or domestic discord. I recall the words of President Truman to the Congress when the United States faced a far greater challenge at the end of the Second World War: "If we fall in our leadership, we may endanger the peace of the world—and we shall surely endanger the welfare of this nation.

President Truman's resolution must guide us today. Our purpose is not to point the finger of blame; but to build upon our many successes; to repair damage where we find it; to recover our balance; to move ahead as a united people; to stand as firm as straight as talk among friends about where we stand, and where we're going.

A vast human tragedy has befallen our friends in Vietnam and Cambodia.

Tonight I shall not talk only of obligations arising from legal documents, who can forget the enormous sacrifices in blood, dedication and treasure that we made in Vietnam? Under five Presidents and seven Congresses the United States was engaged in Indo-China. Millions of Americans served, thousands died, and many more were wounded, imprisoned, or lost. Over $150 billion have been appropriated for that war by the Congress of the United States. And after years of effort, we negotiated under the most difficult circumstances a settlement which made it possible for us to remove our military forces and bring home with pride our men and equipment. If its terms had been adhered to, permitted our South Vietnamese ally, with our material and moral support, to maintain its security and rebuild after two decades of war.

The chances for an enduring peace after the last American fighting man left Vietnam in 1973 rested on two publicly stated premises: First, that if necessary the United States would help support the terms of the Paris Accords it signed two years ago; and second, that the United States would provide adequate economic and military assistance to South Vietnam. Let us refresh our memories for a moment. The universal consensus in the United States at that time was that if we could end our own involvement and obtain the release of our prisoners we would provide adequate material support to South Vietnam.

The North Vietnamese, from the moment they signed the Paris accord, systematically violated the cease-fire and other provisions of the agreement. Fragrantly disregarding the ban on infiltration of troops into the South, they increased Communist forces to an unprecedented level of 350,000. In direct violation of the agreement, they sent in the most modern equipment in massive amounts. Meanwhile, they continued to receive large quantities of supplies and arms from their friends.

In the face of this situation, the United States—torn as it was by the emotions of a decade of war—was unable to respond. We deprived ourselves of the ability to enforce the agreement—especially by North Vietnam assurance that it could violate that agreement with impunity. Next we reduced our economic and arms aid to South Vietnam. Finally we signaled our increasing reluctance to give any support to that nation struggling for its survival.

Encouraged by these developments, the North Vietnamese in recent months began sending even their reserve divisions into South Vietnam. Eighteen divisions virtually their entire army, are now in South Vietnam.

The government of South Vietnam, uncertain of further American assistance, hastily ordered a strategic withdrawal to more defensible positions. This extremely difficult maneuver, decided upon without consultations, was poorly executed, hampered by floods of refugees, and thus led to panic. The results are painfully obvious and profoundly moving.

In my first public comment on this tragic development, I called for a new sense of national unity and purpose. I said I would not engage in recriminations or attempts to assess blame.

In the same spirit I welcomed the statement of the distinguished majority leader of the United States Senate earlier this week that "it is time for the Congress to give the President the subject to work together in the area of foreign as well as domestic policy."
The national security budget I have submitted is the minimum the United States needs in this critical hour. The Congress should review it carefully. But it is my considered judgment that any significant reduction would endanger our national security and thus jeopardize the peace.

Let no ally doubt our determination to maintain a defense second to none. Let no adversary be tempted to test our readiness or our resolve.

History is testing us today. We cannot afford indecision, disunity or disaster more needed for the future. For ray in the conduct of our foreign affairs.

You and I can resolve here and now that this nation shall move ahead with wisdom, assurance, and national unity. The world looks to us for the vigor and vision that we have demonstrated so often before at great moments in our history.

* I see a confident America, secure in its strength and values—and determined to maintain both.
* I see a conciliatory America, extending its hand to allies and adversaries alike, forming bonds of cooperation to deal with the vast problems facing us all.
* I see a compassionate America, its heart reaching out to orphans, to refugees and to our fellow human beings afflicted by war and tyranny and hunger.

As President, entrusted by the Constitution with primary responsibility for the conduct of our foreign affairs, I renew the pledge I made last August: To work cooperatively with the Congress.

I ask that the Congress help to keep America's word good throughout the world. We are one nation, one government, and we must have one foreign policy.

In an hour far darker than this, Abraham Lincoln told his fellow citizens: "We cannot escape history. We of this Congress and this administration will be remembered in spite of ourselves. No personal significance or insignificance can spare one or another of us."

We who are entrusted by the people with the great decisions that fashion their future can escape neither our responsibilities nor our consciences. By what we do now the world will know our courage, our constancy, and our compassion.

The spirit of America is good and the heart of America is strong. Let us be proud of what we have done and confident of what we can yet do. And may God ever guide us to do what is right.
I pledge the United States to a major effort for peace in the Middle East—an effort which I know has the solid support of the American people and their Congress. We are now examining how best to proceed. We have agreed in principle to reconvene the Geneva conference. We are prepared as well to explore other forums. The United States will move ahead on whatever course looks most promising, either toward an overall settlement or interim agreements, should the parties desire them. We will not accept stagnation or a stalemate, with all its attendant risks to peace and prosperity and to our relations in an interdependent world.

The national interest—and national security—require as well that we reduce the dangers of war. We shall strive to do so by continuing to improve relations with potential adversaries.

The United States and the Soviet Union share an interest in reducing tensions and building a more stable relationship. During this process we have never had any illusions. We know that we are dealing with a nation that reflects different principles and is our competitor in most respects. Through a combination of firmness and flexibility, the United States has in recent years laid the basis for a more reliable relationship founded on mutual interest and mutual restraint. But we cannot expect the Soviet Union to show restraint in the face of United States weakness or irresolution. As long as I am President, merica will maintain its strength, its alliances, and its principles—a prerequisite to a more peaceful planet. As long as I am President, we will not permit detente to become a license to fish in troubled waters. Detente must be a more stable relationship. During this process we will not accept stagnation or dangerous dangers of war. We intend to remain so.

Improvement of relations with potential adversaries does not mean abandonment of our national security. We are working to reduce the likelihood of war, but we must be prepared to meet it if we have to. Our defense posture is solid as a rock. The American people can be grateful for the sacrifices that have already been made to build this deterrent force.

As Congress oversees intelligence activities it must organize itself in a responsible way. It has been essential for the executive to convince the Congress through special methods that it has taken all possible steps to safeguard potential secrets. But recently it has been altered a program that makes the protection of information not impossible to work with the leaders of the Senate and to devise procedures that will meet the needs of the review and the needs of policy for an effective intelligence service.

Underlying any successful policy is the strength and creativity of our defense posture. We are strong and we intend to remain so.
Let us put an end to self-inflicted wounds. Let us remember that our national unity is a most priceless asset. Let us deny our adversaries the satisfaction of using Vietnam to pit Americans against Americans.

At this moment, Mr. President, Mr. Speaker, I can see only present to the world a united front. Above all, let us keep events in Southeast Asia in their proper perspective. The security and progress of hundreds of millions of people everywhere depend on it.

Let no potential adversary believe that our difficulties or our debates mean a slackening of our national will. We will stand by our friends. We will honor our commitments. We will uphold our country's principles.

The American people know that our strength, our authority and our leadership have helped prevent a Third World War for more than a generation. We will not shrink from this duty in the decades ahead.

Let me now review with you the basic elements of our foreign policy, speaking candidly about our strengths and our difficulties.

We must first of all face the fact that what has happened in Indochina has disquieted many of our friends, especially in Asia. We must deal with this situation as we deal with any situation—calmly, directly and constructively.

This is why I have already scheduled meetings with the leaders of Australia, New Zealand, Singapore and Indonesia, and I expect to meet with leaders of other Asian countries as well.

A key country in this respect is Japan. The warm welcome I received in Japan last November vividly symbolized for both our peoples the friendship and solidarity of this extraordinary partnership. I look forward with very special pleasure to welcoming the emperor when he visits the United States later this year.

We consider our security treaty with Japan the cornerstone of stability in the vast reaches of Asia and the Pacific. Our relations are crucial to our mutual prosperity. Together we are engaged for the past year and a half in international multilateral agendas—in trade, energy and food. We will continue the process of strengthening our friendship, mutual security and prosperity.

Also of fundamental importance is our mutual security relationship with the Republic of Korea, which I reaffirmed on my recent visit. Our relations with Western Europe have never been stronger. There are no peoples with whom America's destiny has been more closely interwoven. Our friends need our help and we need their help. If there is any area where we can work together, it is in our policies toward the Soviet Union and at the gates to the Middle East. It is vital to the security of the eastern Mediterranean, the southern flank of Western Europe and the collective security to our own security as they are to the defense of NATO.

I therefore call upon the Congress to request the President to lift the American arms embargo against our Turkish ally to passing the bipartisan Mansion-Scott bill, now before Congress. I urge us to work with Greece and Turkey to resolve the differences between our two allies. I accept—and indeed welcome—the bill's requirement for monthly reports to the Congress on progress toward a Cyprus settlement. But unless this is done with dispatch, forces may be set in motion within and between the two nations which could not be reversed.

To pool our energies on the great new task of challenges that face us.

In addition to this traditional agenda, there are new problems, involving energy, raw materials, and the environment. The Atlantic nations face major new decisions. It is time to take stock, to consult on our future, to affirm once again our cohesion and our common destiny. I therefore expect to join with the other leaders of the Atlantic Alliance at a Western summit in the very near future.

Before this NATO meeting, I earnestly ask Congress to weigh the broader consequences of its past actions on the complex Greek and Turkish relationship of Cyprus. Our foreign policies cannot be simply a collection of special economic or ethnic or ideological interests. There must be a concern for the overall design of our international actions. To achieve this design for peace and to assure that our individual acts have coherence, the executive must have flexibility in the conduct of foreign policy.

United States military assistance to an oil and a friendly—Turkey—has been cut off by action of the Congress. This has imposed an embargo on military purchases by Turkey, extending to items already paid for—an unprecedented act against a friend. I know, were sincerely intended to influence Turkey in the Cyprus negotiations. I deeply share the concern of many citizens for the immense human suffering on Cyprus. I sympathize with the new democratic government in Greece. We are continuing our earnest efforts about equitable solutions to the problems which exist between Greece and Turkey. But the result of the congressional action has been:

• To block progress toward reconciliation, thereby prolonging the suffering on Cyprus.
• To complicate our ability to promote peaceful solutions.
• To increase the danger of a broader conflict.

Our long-standing relationship with Turkey is not simply a favor to Turkey; it is clear and essential mutual interest. Turkey lies on the front line of the Soviet Union and at the gates to the Middle East. It is vital to the security of the eastern Mediterranean, the southern flank of Western Europe and the collective security to our own security as they are to the defense of NATO.

I therefore ask the Congress to provide executive authority to waive those restrictions of the trade act that are incompatible with our national interest.

The interests of America as well as our allies are vitally affected by what happens in the Middle East. So long as the state of tension continues, it threatens military crisis, the weakening of our alliances, the stability of the world economy, and confrontation among the nuclear superpowers. These are intolerable risks.

Because we are in the unique position of being able to deal with all the parties, we have at their request been engaged for the past year and a half in a peace-making effort unparalleled in the history of the Middle East.

Our policy has brought remarkable successes on the road to peace. Last year two major disengagement agreements were negotiated and implemented with our help. For the first time in 30 years of negotiation on the basic political issues was begun—and is continuing.

Unfortunately, the latest efforts to reach a further interim agreement between Israel and Egypt have been suspended. The issues dividing the parties are vital to the amenability to easy or quick solutions. However, the United States will not be discouraged. The momentum toward peace that has been achieved over the last 18 months must and will be maintained.

At the same time, in order to strengthen the democratic government of Greece, and to rekindle our traditional ties with the people of Greece, we are actively discussing a program of economic and military assistance. We will shortly be submitting specific requests to the Congress.

A vital element of our foreign policy is our relationship with the developing countries—in America, Asia and Latin America. These countries must know that America is a true and concerned friend, reliable in word and deed.

As evidence of this friendship, I urge the Congress to reconsider one provision of the 1974 trade act which has had an unfortunate and unintended impact on our relations with Latin America, where we have such long ties of friendship and cooperation. Under this legislation all members of OPEC (the Organization of Petroleum Exporting Countries) were excluded from our generalized system of trade preferences used by both old South American friends, Ecuador and Venezuela, as well as other OPEC nations such as Nigeria and Indonesia, none of which participated in last year's oil embargo. This exclusion has complicated our dialogue with our friends in this hemisphere.

I therefore endorse the amendments which have been introduced in the Congress to provide executive authority to waive those restrictions of the trade act that are incompatible with our national interest.

The interests of America as well as our allies are vitally affected by what happens in the Middle East. So long as the state of tension continues, it threatens military crisis, the weakening of our alliances, the stability of the world economy, and confrontation among the nuclear superpowers. These are intolerable risks.
Let us start afresh.

I am here to work with the Congress. In the conduct of foreign affairs, I need your support and the ability to act swiftly in emergencies are essential to our national interest.

With respect to North Vietnam, I call upon Hanoi—and ask the Congress to join me in this call—to cease military operations immediately and to honor the terms of the Paris agreement. The United States is urgently requesting the signatories of the Paris agreement to meet their obligation to stop all fighting and enforced the Paris accords. Diplomatic notes to this effect have been sent to all members of the Paris conference, including the Soviet Union and the People’s Republic of China.

The situation in South Vietnam and Cambodia is reaching a critical phase requiring immediate and positive decisions by this government.

The options before us are few, and time is short.

- On the one hand, the United States could do nothing more; let the government of South Vietnam save itself and what is left of its territory if it can; let those South Vietnamese civilians who have worked with us for a decade save their lives and families if they can; in short, shut our eyes and wash our hands of the whole matter—if we can.

- On the other hand, I could ask Congress for authority to enforce the Paris accords with our troops and our tanks and our aircraft and our artillery, and to carry the war to the enemy.

There are two narrower options:

1. First, stick with my January request that the Congress appropriate $300 million for military assistance for South Vietnam and seek additional funds for economic and humanitarian purposes.

2. Or, increase my requests for both emergency military and humanitarian assistance to levels which will enable the South Vietnamese to stem the onrushing aggression, to stabilize the military situation, permit the chance of a negotiated political settlement between the North and South Vietnamese, and, if the very worst were to happen, at least allow the orderly evacuation of American and endangered South Vietnamese to places of safety.

Let me now state my considerations and conclusions.

I have received a full report from [Army Chief of Staff] Gen. [Fred] Weyand, whom I sent to Vietnam to assess the situation. He advises that the current military situation is critical, but that South Vietnam is continuing to defend itself with the resources available. However, he feels that there is to be any chance of success for their defense plan, South Vietnam needs urgently an additional $722 million in very specific military supplies from the United States. In my judgment, a stabilization of the military situation offers the best opportunity for a political solution.

I must, of course, consider the safety of some 6,000 Americans who remain in South Vietnam, and tens of thousands of South Vietnamese employees of the United States Government, of nearby agencies, of contractors and busi- nesses for many years whose lives, with their dependents, are in grave peril. There are tens of thousands of other South Vietnamese intellectuals, prisoners of war, teachers, editors and opinion-leaders who have supported the South Vietnamese cause and the alliance with the United States, to whom we have a profound moral obligation.

I have also mindful of our posture toward the world, and particularly on our future relations with the free nations of Asia. These nations must not think for a minute that the United States is pulling out on them or intends to abandon them to aggression.

I have therefore concluded that the national interests of the United States and the cause of world stability require that we continue to give both military and humanitarian assistance to the South Vietnamese.

Assistance to South Vietnam at this stage must be swift and adequate. Drift and indecision invite far deeper disaster. The sums I have requested are sufficient for the major North Vietnamese offensives and the sudden South Vietnamese retreat are obviously inadequate. Half-hearted action would be worse than none. We must act together and decisively.

I am asking the Congress to appropriate without delay $722 million for emergency military assistance and an initial sum of $550 million for economic and humanitarian aid for South Vietnam.

The situation in South Vietnam is changing rapidly and the need for emergency food, medicine and refugee relief is growing. I will work with the Congress in the days ahead to develop additional humanitarian assistance to meet these pressing needs.

Fundamental decency requires that we do everything in our power to ease the misery and pain of the monumental human crisis which has befallen the people of Vietnam. Millions have fallen in the face of Communism, slaughter and are now homeless and destitute. I hereby pledge in the name of the American people that the United States will make a maximum humanitarian effort to help care for and feed these people.

I ask Congress to clarify immediately its restrictions on the use of U.S. military forces in Southeast Asia for the limited purpose of protecting American lives by ensuring their evacuation, if this should become necessary. I also ask prompt revision of the law to cover these Vietnamese to whom we have a special obligation and whose lives may be endangered, should the worst come to pass.

I hope that the diplo- matic solution will never be used, but if it is needed there will be no time for congressional debate.

Because of the urgency of the situation, I urge the Congress to complete action on all these measures not later than April 12.

In Cambodia the situation is tragic. The United States and the Cambodian government have each made major efforts—over a long period and through many channels—to end that conflict. But because of their military successes, the Cambodian government and the American legislature restrictions, the Communist side has shown no interest in negotiation, compromise, or a political solution.

I hope yet, for the past three months the beleaguered people of Phnom Penh have fought on, hoping against hope that the United States would not desert them, but instead provide the arms and ammunition they so badly need.

I have received a moving letter from the new acting President of Cambodia, Sıautham Khyô.

"Dear Mr. President," he wrote, "As the American Congress recognizes to reconsider your urgent request for support for the Kingdom of Cambodia, I appeal to you to convey to the American legislators our plea not to deny these vital resources to us, if a nonmilitary solution is to emerge from this tragic five-year-old conflict.

"And in light of the conflict we need time. I do not know how much time, but we all fully realize that the agony of the Khmer people cannot and must not go on much longer. However, for the immediate future, we need rice and the hungy and the ammunition and weapons to defend ourselves against those who want to impose their will by force of arms. A denial by the American people of the means for us to carry on will leave us no alternative but inevitably aban- doning our search for a solution which will give our citizens some freedom of choice as to their future. For a number of years now the Cambodian people have placed their trust in America. I cannot believe that this confidence was misplaced and that suddenly America will deny us the means which might give us a chance to find an acceptable solution to our conflict."

This letter speaks for itself. In January, it expresses the need for food and ammunition for the brave Cambodians. I regret to say that as of this evening, it may be too late.

Members of the Congress, my fellow Americans, this moment of tragedy for Indochina is a time of trial for us. It is a time for national resolve.

It has been said that the United States is overextended; that we have too many commitments too far from home that we are examining what our truly vital interests are and shape our strategy to conform to them. I find no fault with as this theory, but in a real world such a course must be pur- sueed and in close coordination with solid programs and overall re- duction in worldwide tensions.

We cannot in the meantime abandon our friends while our adversaries support and encourage their. We cannot discontinue our diplomatic efforts or our intelligence capability while others increase and strengthen theirs.
Luxurious Vacation Milieu

Ford's Holiday Site a Favorite of the Very Rich

By Lou Cannon
Washington Post Staff Writer

PALM SPRINGS, Calif. — Few Presidents of the United States have ever enjoyed more lavish surroundings than those enjoyed this week by Gerald R. Ford.

Almost every neighbor of the President is a retired Hollywood-style or a Hollywood celebrity. The Palm Desert-Sunnydale neighborhood Mr. Ford is using as the base for his frequent golfing grays is as typical a villa in the nearby Thunderbird Heights development as a Beverly Hills home would be in Washington's suburban subdivision.

"There are no poor folks here, exactly," said a White House official with a smile. He described to a reporter the layout of the house Mr. Ford is renting for $100 a night. "There is no one on welfare or on food stamps."

The showy sights of the Palm Springs area are the $750,000 Walter Annenberg estate with its 18-hole golf course, the $7 million Frank Sinatra estate and the turned-out door of a million-dollar home that was being built for Bob Hope before the roof caught fire from a welder's torch.

Homes in the $100,000 to $500,000 class are commonplace and a local newspaper this week advertised: one 200,000 country home near where the President is staying as a bargain. A local real estate agent explained that the home had been "severely cut down or it would cost far more."

In this milieu of wealth, sunny skies and abundant golf courses, Mr. Ford feels at home. Among his friends are many of the industrialists with whom he is golfing this week since he became minority leader of the house in 1965.

For instance, the President's family and the family of Leon Panetta, a retired San Diego executive of Panayco Corp., have spent the last 11 months holidaying in a Palm Spring home. Both are ardent golfers.

Mr. Ford is appreciative, and has extended the invitation to play with him to local officials who will be there.

Speaking to a group of 100 at the President's Valley Republican Club, Mr. Ford said, "I've always been a great potential player, wherever you might be."

When Richard M. Nixon was in the White House, he was noted for his preference for privacy and the solitary company of a few million-dollar friends. Mr. Ford is known for his outgoing personality and his ability to socialize with anyone on equal footing.

Nevertheless, Mr. Nixon was rarely more isolated from workaday reality at San Clemente than Mr. Ford has been this week at Thunderbird Heights.

Normally the most accessible of men, President Ford this week instead has sought protection from reporters who seek to question him about the new droughts reported from Vietnam.

The embedded institutions of the presidency have worked just as well for Mr. Ford in this instance where secrecy and isolation are thought to be required as they did when reporters at San Clemente sought to question Mr. Nixon about Vietnam.

Secret Service officials who in the Ford administration usually have reflected the President's desire to al-low reporters to approach him have, in Palm Springs, politely instructed reporters to stay in the vehicles provided for them because the President "would go directly to the golf course and would have nothing to say."

The institutional tendency toward secrecy even has pursued Mr. Ford onto the links, where his golf scores have been treated as if they were classified information.

Conveniently, however, White House officials decided to go public with Mr. Ford's golfing achievements today when he shot at 86 after a series of poor rounds.

Mr. Ford's dream week in Palm Springs has turned into something of a nightmare for some of his staff, notably for press secretary Ron Nessen who advised him not to come here in the first place.

Nessen didn't want to be in the position of fielding questions from reporters about world events while the President was golfing in the sun without any apparent cares. The press secretary's arguments have been more than justified by events and they were compounded by his own mistake when he inadvertently announced to reporters the world a new American peace initiative that didn't exist.

But for other White House staffers, the trip has been an idyll, albeit a working one, in the desert.

White House chief of staff Donald Rumsfeld and his top aide, Richard Cheney, are ensconced in a villa near the President's that is rented by retired industrialist Jack McMahon. Robert T. Hartmann, an other top White House aide, is staying down the street at the home of actress Ginger Rogers.

Both of these homes are being rented for $100 a day. The White House also is renting a nearby staff home for $450 a week.

Additionally, the White House is renting living space for such top aides as economic adviser Alan Greenspan and speechwriter Milton Friedman.

Eleven rooms for Press Office officials at $40 a day have been rented at the International Hotel, which is the headquarters for the White House press corps.

White House officials say they have no compunction on the costs of the Ford vacation.

The President is staying in the home of retired insurance executive Fred C. Wilson, a longtime golfing friend.

The Wilson home boasts a 20-foot terraced swimming pool.

The living room has fireplaces. The living room has fireplaces at either end and a 20-foot-long bar.

The house is one of three lavish residences owned by Wilson, a successful San Francisco real estate broker, who founded the Trans World Insurance Co. Wilson describes himself as a personal friend who is doing his best to make sure the President has a relaxing vacation.

"He's just a real good guy," said Wilson. "I want to help him have a real good time and relax as much as possible."

A6 Thursday, April 3, 1975 THE WASHINGTON POST
'76 Campaign

challenge to Mr. Ford "is a possibility, but a challenge to Rockefeller is even more likely."

He suggests that one form this challenge might take is for conservatives to pressure the President to throw the vice presidential nomination open to the convention, presumably in return for conservative support for his own nomination.

It is precisely this prospect that alarms other Republican professionals, who see the conservative antipathy to Rockefeller as having a potential to undermine the President's political strategy.

"If I were them (at the White House), I would be far more worried about the right wing than I think they are," says one respected GOP professional. "It's not a serious challenge to Ford but it really is to his Vice President. And that's a threat to the unity of a party that only has 18 percent of the vote and can't afford to split. If I were them, I wouldn't waste any time getting a campaign together."
President Plans to Establish Committee for Ford

PRESIDENT, From A1

be a serious question whether he was the choice of the Republicans, let alone the country.

One Republican chairman in a major state thinks Mr. Ford risks the possibility of being "seriously embarrassed" by a challenge in the New Hampshire primary next March 2, especially if the economy recovers more slowly than the administration expects. The chairman compares the situation with the 1968 Democratic primary in New Hampshire, when the better-than-expected showing of Eugene McCarthy prompted President Johnson to decide against seeking reelection.

As matters now stand, the challenge in New Hampshire probably would be a water-testing effort by arch-conservative Gov. Meldrim Thomson rather than a direct Ford challenge.

Some conservatives think that Reagan would jump into subsequent primaries if Thomson made a strong showing. At the very least, they say, conservatives would be encouraged to challenge the nomination of Vice President Rockefeller at the Republican convention.

On Friday, New Hampshire state GOP chairman Norris Cotton said President Ford faces an "almost insurmountable job" in seeking reelection and will "almost have to run" in New Hampshire's primary.

Mr. Ford has said repeatedly, most recently at the Republican leadership conference in Washington on March 7, that he intends to seek reelection by working through the Republican National Committee rather than a nonparty organization.

It is generally agreed at the White House and at the national committee, however, that this would be possible, it at all, only after Mr. Ford's nomination by the convention.

National Committee political director Eddie Meah points out that the new campaign law and the "practical dictates of politics" make an outside committee a necessity.

But the scandals associated with the committee for the Re-election of the President in 1972 have prompted Mr. Ford to move extremely cautiously in setting up such a committee, according to a White House official.

"We need a committee and there's going to be one," said one high-ranking White House official. "But the memory of CREEP has introduced a certain paralysis into the situation.

This paralysis has alarmed a number of Republican officials, who point out that Mr. Ford says in speech after speech that he intends to run for a full term.

Then when we look around the state organizational level," says one party chairman, "the only people we find doing anything are conservatives who would prefer Reagan to Ford.

Most party officials do not believe that Reagan would seriously challenge the President in the GOP primaries. They are concerned, however, that Mr. Ford will become increasingly less credible as a candidate for election if he simply continues to reannounce his intention to run without doing anything visible about it.

Presidential intimates give essentially two reasons for Mr. Ford's reluctance to spend much of his time on political questions.

They say he has been preoccupied with the economy and with foreign developments in the Middle East, Europe and Southeast Asia. They say he also is convinced that Americans are fed up with conventional partisan politics and will judge him solely on his performance.

"He's just going to do the best job he can as President and hope that the best government also is the best politics," says Robert T. Hartmann, the presidential counselor who overseas political operations.

Nevertheless, Hartmann also says the President will gradually step up his political activity in the months ahead.

Among his probable plans, says Hartmann, are campaigns for Republican gubernatorial candidates in Kentucky and Mississippi. The President also will continue to make speeches at regional conventions, where he invariably meets with state and local officials from both parties.

"We're trying to find if the bully pulpit (as Theodore Roosevelt once called the presidency) can be moved around," Hartmann says.

Although Hartmann is designated as the presidential counselor with responsibility for political operations, he is under no illusion that he is the President's exclusive adviser.

"This whole place is full of political counselors," said Hartmann. "And he's his own best counselor."

Among Mr. Ford's closest advisers are two former Wisconsin members of Congress, Melvin R. Laird and John W. Byrnes. Both are members of the "Transition Group," which has met four times at the White House since Mr. Ford became President.

Other members of the group include White House chief of staff Donald Rumsfeld, Sen. Robert P. Griffin of Michigan, Interior Secretary Rogers C. B. Morton, former White House adviser Byron Harlow, former Pennsylvania Gov. William Scranton and a newcomer, former Deputy Defense Secretary David Packard.

Byrnes said the consultant group recommended to Mr. Ford that campaign money under the new law be raised by outside committees that could do it in a reasonable good way.

Some other Republicans suspect the conservatives to be challenging Rockefeller's nomination, however.

Mississippi GOP Chair Clarke Reed, who has been urging conservatives to conduct their campaigns of the Republican Party's out of it, believes it could happen.
Ford Set to Create Political Committee For '76 Campaign

By Lou Cannon 3-24-75
Washington Post Staff Writer

President Ford will organize a political committee outside the White House to run his 1976 campaign for a full term, according to presidential intimates. These intimates say such a committee is likely to be set up at least for fund-raising purposes by July 1 and announced before that date. The need for a new committee already has been discussed by Mr. Ford and members of his "Transition Group," a circle of friends and advisers that he periodically has met with since becoming President last August.

Some members of this group believe that a visible committee, at least to secure Mr. Ford's nomination, is necessary to head off preliminary organizational efforts in behalf of former Gov. Ronald Reagan of California.

Other presidential associates and various Republican officials are impatient for an overt campaign effort to get under way. They believe that Mr. Ford vastly underrates the complexities of forming a political organization under the new campaign law and that he also underestimates the prospects of a conservative challenge within his own party.

"The best thing that could happen to Ford would be a challenge and a campaign in the primaries," said one Republican official. "Otherwise, he's nominated, never having run for anything bigger than congressman from Grand Rapids. There would then..."
The Preening of the President—for Television

By ANDREW GLASS

WASHINGTON, D.C.

At the Presidential press conference scheduled for tomorrow evening on the Notre Dame campus in South Bend, Ind., TV viewers will discover Gerald Ford seated at the head of a rectangular conference table chatting in a relaxed and informal manner with about a dozen reporters seated along each side of the table. Behind them, reporters will occupy chairs placed in parallel rows facing the President. At least, as of this writing, that's the plan.

Ford was selected seven months ago. Ford hired Mead, sight unseen, mainly because Mead had earned a reputation as a savvy professional during the Nixon presidency in a five-year stint as White House producer for CBS News.

During 25 years in Congress, Ford was rated by the Sunday network interview shows as a bottom-of-the-barrel choice. He was passed over because producers thought his bland manner—which never varied, on camera or off—made for poor television. Moreover, as a politician who generally preferred quiet compromises to fiery controversies, Ford rarely made hot news.

Ford's TV exposure was therefore largely limited to hometown appearances on WOOD-TV and WZZM-TV the NBC and ABC affiliates in Grand Rapids, Mich., which is basically a two-station TV market. For some years, Ford also played deferential straight man to the flamboyant Everett McKinley Dirksen of Illinois, the late Senate Republican leader. Dirksen joined Ford in a weekly televised news conference from Capitol Hill popularly known as 'The Ev and Jerry Show.' When the film was edited for the network news, more often than not Jerry was left lying on the cutting room floor. The experience hardly prepared Ford for the relentless fervor with which television covers a President's every public move.

Ford aides say the President appreciates having a professional TV producer at hand and follows Mead's bid—Continued on Page 29.
8:00 P.M. speech, Mead pointed out, would be the best bet for the telecast if it were to be on Tuesday, Jan. 14, because that this slot would put Ford just before the 8:30 ABC and NBC movies. However, if telecast on Monday, the 13th, it would be better for the President to go on at 9 P.M.

because the Smothers Brothers were premiering their show at 8 P.M.

The President agreed to the 9 P.M. appearance on the 13th and suggested that he speak from the family sitting room on the second floor of the White House. But Mead objected because that would have means running cables up the stairs or show notice.

No longer, however, Mead did use the family quarters: an hour-long Presidential interview with NBC anchorman John Chancellor and Tom Brokaw, the network's White House correspondent.

As air time approached just prior to the Chancellor-Brokaw interview, the NBC producer asked permission to move the furniture around. Ford and Mead talked it over — while technicians were adjusting lights around them and the President's 17-year-old daughter, Susan, was padding through the room in her bathrobe. They decided that the viewing public should see the first family's living quarters as they really are, even if they make a poor stage.

A few minutes before each televised press conference, the President goes to a "holding room" where Mead gives a final check to the President's appearance: hair, straight, hair combed, etc. It is also Mead's job to grasp Ford by the arm, open the door and physically thrust him out just as the announcer says: "Ladies and gentlemen, the President of the United States."

The speech in the White House library, so painstakingly orchestrated by Mead, also marked something of a turning point in Mead's personal relationship with the President. But there is more to it than merely Ford's gratitude for Mead's technical prowess. A veteran White House reporter describes Mead as "quite a looney-goosey guy." The reporter means that Mead is the kind of fellow who stays cool in tense situations and can also be a good companion on a night out on the town. For his part, the President seemingly likes to have a few "looney-goosey" people around him, particularly when he relaxes.

Dan Rather, a CBS White House correspondent, during the Nixon years who has since moved to New York, says of Mead, "Bob knows everybody in the business from the janitors on up and this gives him a tremendous edge." (Last July, Rather was best man at Mead's wedding.)

As TV adviser to the President, Mead commands the fanciest TV set in the White House complex, an enormous state-of-the-art console that quite outshines the seven-inch Japanese model that his boss normally watches. It sits in the old Executive Office Building, displaying color bars that dissolve — on Mead's instructions — into videotaped repays of any news or public affairs program that engages his interest. (The President's smaller set, as well as those of a few top Ford aides, are also wired into the same special channel.) Military technicians assigned to the White House Communications Agency maintain this highly exclusive TV reference library.

They produce just about the only tapes being made in the White House these days — except for those that Mead himself records whenever he rehearses the President prior to a major TV appearance.

Behind Mead's desk, wedged between a standard government-issue American flag and a sign that proclaims Mead to be "TV Adviser to the Free World," are a bank of three black-and-white sets that continually monitor the Washington outlets of the major networks. "You never know when something big may pop," says Mead, an affable chain-smoker with the rugged good looks and easy manner of an ex-actor, which, in fact, he is. The daytime game shows and soap operas flicker away as Mead proceeds to tell a visitor how he goes about shaping the TV image of a professional politician who, before Watergate, never aspired to be President. In that, as in many things, Ford differs from his predecessor.

"Richard Nixon," says Mead, "knew just enough about the way television works to hurt him." To illustrate, Mead recalls the evening a gold drapery was hung behind Nixon's desk in the Oval Office in preparation for a TV speech. Evidently, the former president, ever cultivating his image, thought the golden backdrop would add a desirable touch
Mead, warmed up in the CBS newsroom, was able to keep his cool. He was able to reach Ron Ziegler to warn him of the impending disaster. It was then too late to remove the "meatball" right into Nixon's oval office. Unfortunately, the grid was off. Margaret "Pump" had turned on. Her people were working very little about TV production and were unwelcoming to trust outside experts. Whose really knew? Who could have been that awful? However, by the time Ford was able to reach Ron Ziegler, to warn him of the impending disaster, it was too late to remove the "meatball" right into Nixon's oval office.

Once Ford is about to go to Washington in 1964, he was able to see the White House as a produce. The president, who saw the need for Ford to be an executive, was given the job of being Ford as a producer. Ford went to work for the CBS newsroom as a producer.

In 1967, Ford got into television. He was already a producer. He took a job as a producer at NBC. Ford moved to CBS and then to ABC as a producer. He was making good money as a producer.

By 1969, Ford had moved to NBC and had moved into television. Ford was already a producer. He took a job as a producer at the White House. Ford was making good money as a producer.

In 1974, Ford moved to ABC and then to CBS as a producer. He was making good money as a producer.

Ford has also held an executive position in the White House. Ford has held an executive position in the White House. He was able to see the White House from a different point of view. Ford was able to see the White House from a different point of view.

Ford has also held an executive position in the White House. Ford has held an executive position in the White House. He was able to see the White House from a different point of view. Ford was able to see the White House from a different point of view.

Ford has also held an executive position in the White House. Ford has held an executive position in the White House. He was able to see the White House from a different point of view. Ford was able to see the White House from a different point of view.

Ford has also held an executive position in the White House. Ford has held an executive position in the White House. He was able to see the White House from a different point of view. Ford was able to see the White House from a different point of view.

Ford has also held an executive position in the White House. Ford has held an executive position in the White House. He was able to see the White House from a different point of view. Ford was able to see the White House from a different point of view.

Ford has also held an executive position in the White House. Ford has held an executive position in the White House. He was able to see the White House from a different point of view. Ford was able to see the White House from a different point of view.

Ford has also held an executive position in the White House. Ford has held an executive position in the White House. He was able to see the White House from a different point of view. Ford was able to see the White House from a different point of view.
NEW YORK, Feb. 13 — President Ford apparently scored points in Wall Street today, but they were more for himself than for his anti-recession and energy conservation programs.

Mr. Ford's appearance before the New York Society of Security Analysts — believed to be the first public appearance by a President in the financial community since the inauguration of George Washington in 1789 — brought cheers and applause from the 585 analysts crowded into the meeting room and nearly 1,000 others who watched on closed circuit television at the New York Stock Exchange.

After the speech, though, the analysts said the President had presented nothing new, although he did give the impression that he intended to fight for his programs.

Frances Stone of Merrill Lynch, Pierce, Fenner and Smith, Inc., said: "I thought he did a fine job of promoting himself. I found it interesting watching him handle the whole problem of his relation with Congress. But there wasn't anything new in the speech."

At several points in his speech, Mr. Ford urged the analysts to pressure their representatives in Congress to either support his recession and energy plans or come up with one of their own. At one point, he waved a copy of the four-page bill passed by the House and pending in the Senate, which would suspend the oil import tax increase for 90 days and said, "Our bill ran 167 pages. It would have been better if Congress had taken the five weeks [since the administration bill was proposed] to work on our bill or come up with something better."

Arthur E. Carlson of First National City Bank, president of the analysts group, said he was "delighted that he came." Carlson added, "He sounds very sincere, and I think he makes a good case, but I didn't see much new in the speech."

The same kind of reaction came from Ernest H. Eaton, who has his own firm. "He puts a lot more strength behind his points than I realized," Eaton said. "I think he feels more at home in his job."

There were only two points in the 20-minute address when Mr. Ford received applause from his audience. One was when he said unemployment is "the biggest concern of the 8.2 percent of the American workers temporarily out of work, but inflation is the universal enemy of 100 percent of our people."

The other applause came when he said, "We must not fight recessionary problems with inflationary cures." Inflation has long been regarded in Wall Street as the chief cause of the long market decline.

David Rockefeller, chairman of Chase Manhattan Bank, said after the speech "he thought it was "good" and that "it is terribly important that we have a package deal and not run helter-skelter with the three problems referred to with inflation, recession and energy." Rockefeller, who sat with dignitaries in the front row, added: "While I might quarrel with one or another measure, it is constructive."

At the other end, Bruce E. Cunningham, an analyst at the Ford Foundation, said he felt the speech was "basically a repeat." Cunningham said, "He's trying to put pressure on Congress. It was more political than anything else.""...

John Westergaard of Questor Corp., an investment counseling firm, said, "I happen to believe in the program. It makes sense."

Robert H. Stovall of Reynolds Securities, one of the pre-selected questioners, said, "I think he made a lot of friends. He has a nice way about him. He flattered the analysts by coming here. They haven't been flattered in a long time."

After a short question and answer session, Mr. Ford left to get ready for a dinner this evening. Alan Greenspan, chairman of the council of economic advisors, and Federal Energy Administrator Frank G. Zarb — both of them former members of the New York financial community — answered a number of technical questions from the analysts.
Metro: Ford Hit By Small Firms

The Washington-based National Small Business Association said yesterday that, while President Ford promised small business owners Tuesday that he would help them, his administration is "guilty of direct attacks on small business and favoritism to large, integrated chain stores and discount houses."

The group said the administration has called for repeal of three laws. Two permitting states to adopt fair trade regulations and one forbidding wholesalers to give arbitrary discounts to large retailers.

The repeal of these laws would "cause havoc in the small business world and will result in the death of thousands of small businesses," the association said in a letter to the White House.
Ford, Working At It, Makes Veto Stand Up

Democrats in the House of Representatives lost a critical political battle—the most important of the year, according to the leaders of both parties—when they failed to override President Ford's veto of a $5.3-billion bill to create Government-financed jobs. The defeat, combined with the Democrats' earlier failure to fashion an energy program, has clearly strengthened Mr. Ford's position vis-a-vis Congress despite its heavy Democratic majorities.

On the face of it, the Democrats should have been able to pass a bill that provided money for 900,000 jobs at a time when almost 9,000,000 persons are unemployed. Democrats control the House 239 to 145, one less than the two-thirds necessary to override a veto, if everyone followed the party line. Usually they are aided by votes from liberal Republicans. In this instance, the legislation also had the strong support of the Speaker, Carl Albert. Yet the Democrats were five short of the necessary two-thirds vote.

What happened? Mostly, Mr. Ford behaved as if his prestige were at issue, though that was hardly the case, given the Democrats' numerical strength. He personally called Republicans and Southern Democrats, asking for votes.

The Administration also argued the merits: that the bill cost too much and that the public service jobs and construction programs it provided would not substantially reduce unemployment before the recession had run its course. Mr. Ford's economic advisors predicted two weeks ago that unemployment, which was 9.9 per cent in April, would "peak" by summer at a little above 9 per cent and then start heading down; they expect it to average 7.9 per cent in 1976—about twice the rate that, just a few years ago, was considered "acceptable."

The Democrats have argued that any further unemployment would only add to the Federal deficit. Their contention has been that a 1 per cent increase in unemployment costs the Government $2-billion in compensation and about $14-billion in potential income tax revenues.

However Mr. Ford's lobbying and arguments prevailed. When the bill was first passed, 48 Republicans voted for it. In the override vote, only 19 opposed the President; 22 Democrats rejected their leadership to vote with Mr. Ford.

There is some doubt that Mr. Ford would have prevailed had the White House not agreed to support a measure introduced by Republicans that will include several provisions from the Democrats' bill, most notably programs that cover summer youth jobs, public service employment and support for work-study programs for college students. The summer jobs program is expected to generate about 800,000 jobs, although only for a nine-week period. Excluded from the Republican legislation is $2.5-billion in funds for public works as well as programs covering loans to small businesses.

The Democrats will have to back the Republican measure or push separate bills of their own.
Energy Budget Steps Up Synthetic Fuel Research

By Thomas O'Toole
Washington Post Staff Writer

Nowhere in President Ford's first budget are the nation's problems and priorities clearer than they are in energy, where billions of dollars will be spent exploring new ways to beat the worldwide rise in oil prices.

In fact, the President specifically ordered that new federal programs for fiscal 1976 be restricted to energy. No federal agency was authorized a new start unless it was in energy—not even the space agency, the traditional leader in exploring new technologies and starting new programs to exploit them.

The space agency's single new trust is in finding ways to reduce aircraft weights, so the nation's fleet of 2,100 jetliners can fly on less fuel. The space agency is hopeful that by 1985 it can pare enough weight from the jetliner fleet that the nation can save as much as 350,000 barrels of oil a day, a saving that would mean $1.3 billion a year in today's dollars.

Almost all the new programs come under the aegis of the new Energy Research and Development Administration, whose first budget of $3.9 billion is $800 million more than was spent during the present fiscal year on similar energy projects.

ERDA, as the new agency is being called, is an amalgam of the Atomic Energy Commission, the Interior Department's Office of Coal Research and Bureau of Mines, the solar and geothermal energy projects of the National Science Foundation and the automotive research done previously by the Environmental Protection Agency.

Under ERDA, all the work done by these energy agencies is being stepped up. Nuclear research and development is going up to $3.44 billion, an increase of almost $600 million. Fossil fuels research goes to over $340 million, a jump of $130 million.

EPAs old task of improving auto engines moves up from $15 million to $8 million. The most dramatic increases go into work to produce energy from the sun and the earth's heat, one-time provinces of the NSF. Those will get $91 million from ERDA, a staggering $166 million, $91 million of it to come rise of 727 per cent.

Typical of the new emphasis on energy is the plan to construct a giant plant to demonstrate how the sulfur fumes can be removed from burning coal before they get out the smokestack. No site has been chosen for the plant, but the United States hopes to have the plant producing a sulfur-free heat from coal by late 1978. Its cost: $166 million, $91 million of it to come from federal funds.

While ERDA's priorities still reflect strong ties to the now defunct Atomic Energy Commission, its most persistent push will be to develop a synthetic fuel from coal. The program to produce a liquid fuel from coal gets $97 million next fiscal year, an increase of $43 million.

Programs to pry a synthetic type of natural gas from coal begin rising too, going up from $79 million to more than $94 million. The plan to heat and cool buildings using the sun's energy goes to $21.6 million from $4 million.

All solar programs leap from $8.7 million to $37.1 million, a jump of more than $28 per cent.

The development of atomic energy goes right under President Ford. His first budget requests $1.634 billion, an increase of $313 million. The program to produce power from thermonuclear fusion rises to $120 million from $85 million, despite forecasts that fusion will not contribute one kilowatt of power for at least 20 years.

"This budget reflects a judgment," said John Teem, associate administrator at ERDA, "that the fusion program is very much a part of the long-term energy goals of this country."

Despite the delays, it has encountered, atomic energy is being counted on for the future.

ERDA has been given more than $205 million this coming fiscal year to begin construction of new plants to enrich uranium to make electricity. The cost of these facilities eventually will be $780 million.

So clear is the sudden emphasis on energy that the new ERDA will spend almost 69 per cent of its money on energy research. The old AEC only in the last few years spent up to 50 per cent of its budget on energy, the rest going to nuclear weapons. In ERDA, 40 per cent is on weapons.
FORD WOULD SHIFT URANIUM INDUSTRY TO PRIVATE HANDS

Aides Say He Will Ask End to the Federal Monopoly of Enrichment Plants

3 FACILITIES TO BE KEPT

Staff Officials Foresee Wide Economic Effects, but Others Voice Fears

By PHILIP SHABECOFF Special to The New York Times

WASHINGTON, June 18—President Ford has decided to ask for legislation to allow the production and sale of enriched uranium by private industry, White House officials said today.

The production of enriched uranium, used to fuel nuclear reactors, is now, by law, a Government monopoly. Under Mr. Ford's plan, the only three existing production facilities would be kept in Government hands but all future enrichment plants would be built and operated by private owners.

The White House officials described the President's decision as momentous, saying that it had far-reaching economic implications.

Several nuclear policy experts on Capitol Hill, told about the decision, said that the transfer of enriched uranium production to private hands would raise disturbing questions about security and safety.

After some internal Administration debate, the President decided to propose retaining full Government control of the existing uranium enrichment facilities at Oak Ridge, Tenn., Paducah, Ky., and Portsmouth, Ohio, the White House aides reported.

Fully 'Booked'

But the total capacity of these facilities has been fully "booked" for the foreseeable future, and it is estimated by the White House that a capital investment of about $30-billion for new facilities will be needed to meet the growing demand for enriched uranium over the next 10 to 15 years.

Enriched uranium is created by increasing the proportion of the easily fissionable isotope U-235 in uranium. At a higher level of enrichment than is needed for reactor fuel, the metal can be used as the basis of nuclear weapons.

President Ford has determined, the officials said, that the capital investment for new facilities should be borne by private industry rather than by the Government. The President was also said to regard the entry of the private sector into nuclear fuel production as a way to reassert strong United States influence over world energy prices.

Now, as in all the years since World War II, the United States is by far the most dominant factor in the nuclear fuel field in the non-Communist world. But France and West Germany, among others, have developed their technology to the point where the United States no longer enjoys a monopoly.

Many instances of companies being unable to account for quantities of nuclear fuel have raised investor's fault. -Fears Voiced Officials.

The Energy Research Development Administration has reported that United States export sales of enriched uranium were $421-million last year and are expected to reach $5-billion over the next five years.

Domestic demand for nuclear fuel is also expected to rise, making enriched uranium production seemingly a major growth industry.

According to a White House source, at least one consortium, Uranium Enrichment Associates, which includes the Bechtel Corporation and the Goodyear Corporation, has expressed interest in building a plant for the production of enriched uranium by gaseous diffusion within the next eight years. Other companies are reportedly considering construction of plants for the more advanced technique of gas centrifuge production.

The Bechtel-Goodyear consortium has reportedly taken an option on land near Dothan, Ala., and has taken steps toward acquiring the large supplies of electricity required for the gaseous diffusion process.

The White House source said that the consortium envisaged a large facility about the size of one of the three existing enrichment plants. Such a facility would cost close to $3-billion, the officials said.

Fears Voiced in Capital

Several staff officials on Capitol Hill said today that the entry of private industry into enriched uranium production could pose serious dangers.

One worry, they said, was the possibility that uranium of the grade needed to make weapons would fall into the wrong hands. They asserted that while it was difficult to enrich uranium to the point where it could be used to produce a nuclear fuel, once it reached that level it was not difficult to enrich it further to higher, weapons-grade levels.

These critics also said that the safety record of private industry in the nuclear field was questionable. They pointed out, for example, that there were many instances of companies being unable to account for quantities of nuclear fuel.

But the White House officials said that these concerns were not appropriate. The Government, they said, would still exercise control over the materials and impose safety standards. They pointed that the three existing facilities were operated under contract by private concerns that complied with Federal standards.

The Administration aides also insisted that the privately owned plants would not have the capacity to produce weapons-grade uranium.

"There is not real problem," said one official deeply involved in the issue.

Some Administration officials, including Secretary of State Kissinger, reportedly had expressed concern over the continued ability to meet commitments to foreign nations to supply enriched uranium should production be turned over to private industry. But these doubts were apparently resolved.

To attract private investment into the field and to assure continuity of the supply, President Ford reportedly is proposing governmental guarantees to private industry. If the enrichment operation owned by private business fails, the Government would buy the plant and meet all commitments for shipments under the President's plan, according to one official.

The plan would also assure that the investor recovers full equity if the operation fails for reasons that are not the investor's fault.
Override Defeated

Veto Upheld
By 5 Votes
In the House

By Richard L. Lyons
Washington Post Staff Writer

The House failed by a five-vote margin yesterday to override President Ford's veto of the $5.3 billion jobs bill—a clear sign that the 2-to-1 Democratic majority in the House hasn't produced a veto-proof Congress.

"If you can't win this one, you can't win any of them," Minority Whip Robert H. Michel (R-Ill.) told Democrats just before the vote.

It had been widely assumed that if the House were ever to be able to override the veto of a controversial bill it would be this one, which would have provided money for 900,000 jobs when $5 million are out of work and which was drafted by Rep. George H. Mahon (D-Tex.), the conservative chairman of the House Appropriations Committee, with the all-out backing of Speaker Carl Albert (D-Okla.).

But the vote yesterday was 277 to 145 to override, five short of the two-thirds vote required by the Constitution to force a bill into law over the President's opposition.

After the vote, the President was quoted as telling the Cabinet that it was "a very significant victory" against excessive government spending.

"Overriding the veto "would have opened the floodgates," Mr. Ford said.

He said "the next big one" will be next week's House attempt to override his veto of the bill imposing environmental curbs on stripmining of coal.

The job vote was a big win for the President, just back from his trip to Europe, and another frustrating loss for House Democrats, who seem to be getting their thing together despite their huge majority. A shrinking but still significant group of Southern conservative Democrats voted with Republicans against big spending.


"Maybe not," retorted Rep. Jim Wright (D-Tex.), "but unemployment creates deficits." It is estimated that each 1 percent increase in unemployment costs the U.S. Treasury $16 billion in lost revenue and increased welfare costs.

Speaker Albert made one of his rare speeches during debate, saying: "I plead with the House to show we are the legislative body of the nation." Those morning conferences to the public as of yesterday, heard Minority Leader John J. Rhodes (R-Ariz.) report that Mr. Ford had called him earlier from Air Force One on a flight to West Point commencement exercises to say he considered this "a most important vote."

If the veto were overridden, Rhodes warned, the administration's attempt to repair the economy would be damaged and the tiny band of House Republicans would lose momentum in their drive, backed by presidential vetoes, to stop Democratic spending.

"Real" jobs, he said, is through the private sector of the economy.

Rep. Parren J. Mitchell (D-Md.), black member from Baltimore, said: "The guys I talk to on the streets at night don't understand this gobbledygook about waiting a couple of years for the private sector to pick up."

Rep. Philip Burton (D-Calif.), chairman of the Democratic Caucus, warned Republicans that "If by November of next year our people are not put back to work, there will be a lot of jobless on the minority side of this House."

Rep. Donald W. Riegle Jr. Michigan Democrat who came to Congress eight years ago as a Republican protege of then-house Minority Leader Gerald R. Ford, called the President's action a "heartless, head-in-the-sand veto."

Democratic National Chairman Robert S. Strauss issued a statement saying, "President Ford and the Republican leadership have made their point—they think 1976 presidential politics comes ahead of putting people back to work. The economy may be getting better on Wall Street, but it is not getting better in the working-class neighborhoods of this nation."

WASHINGTON POST Thursday, June 5, 1975
Sen. Birch Bayh (who stopped active campaigning after poor showings in Massachusetts and New Hampshire), former Oklahoma Sen. Fred Harris, Idaho Sen. Frank Church (who will announce his candidacy next week) and West Virginia Sen. Robert C. Byrd (who has limited his campaigning to his home state.)

The outcome established Carter as the only Democrat who has been able to beat Wallace decisively in a Southern presidential primary. The tenacious Georgia peanut farmer campaigned in the state throughout 1975, but steered away from predictions of victory after Jackson showed strength here.

Crippled by an assailant's bullet two months after his strong victory in the 1972 Florida primary, Wallace, 56, drew disappointing crowds at first this year, but by late January, he picked up steam with old-fashioned rallies in packed halls.

He insisted that he was healthy enough to be President and warned his audiences: "They're trying to get rid of your voice"— which was to say, himself. "If your voice is gotten rid of," Wallace kept saying, "you're not going to have the influence that you otherwise would."

Wallace, however, was hampered by the lack of an issue as hot as the 1972 Florida controversy over school busing.

The state's political arithmetic also has changed considerably since 1972.

Then, Wallace got 41.7 per cent of the vote against 10 other candidates, most of whom campaigned actively in the state, fragmenting the anti-Wallace vote.

The primary was a winner-take-all proposition and the Aabamian captured all of the delegates to the Democratic National Convention except for the few in a lone congressional district that supported Sen. Hubert H. Humphrey (D-Minn.).

This year, of the 12 Democratic candidates on the Florida ballot, only Wallace, Carter, Jackson and dark-horse Shapp made serious bids. New Democratic Party rules also hurt Wallace's prospects by giving a proportional share of the state's 81 national convention delegates to each candidate getting 15 per cent or more of the primary vote.

Considerations such as these prompted Jackson to make a major effort in the state, committing close to $300,000 to a media-heavy campaign.

Said Jackson campaign manager Robert Keefe of the 15 per cent rule: "It's crazy and inequitable and we're trying to take all the advantage of it that we can."

Jackson had seemed destined at the outset to run a poor third, perhaps not even much better than in 1972 when he nailed down only 13.4 per cent of the statewide Democratic vote.

But his improved speaking style plus his victory in Massachusetts a week ago propelled him to a hard-driving, tough-talking finish here, taking particular aim at Carter.

He accused the former Georgia governor of talking out of both sides of his mouth on a number of issues, including the location of a proposed solar energy center that Cape Canaveral wants badly.
Ford and Carter Are Winners in Florida Primary

Wallace Second

By George Lardner Jr.
Washington Post Staff Writer

ORLANDO, Fla., March 9 - Jimmy Carter upset Alabama Gov. George C. Wallace to win Florida's Democratic presidential primary today and strengthen his claim to the party's nomination.

Carter, the former Georgia governor who promised the voters he would never tell a lie, took a solid lead in early returns and never lost it. He was beating his Alabama rival even in such traditional Wallace strongholds as Leon County (Tallahassee) and was holding his own in other areas such as Duval County (Jacksonville).

For the wheelchair-bound Wallace, the defeat could be devastating to his career of "shaking the eye teeth of the national Democratic Party." He won the Florida primary handily four years ago and had been widely expected to win again, albeit by a narrow margin.

With 94 percent of the state's precincts reporting, Carter was leading with 55 percent of the Democratic vote to 32 for Wallace.

Sen. Henry M. Jackson of Washington was running a strong third with 22 percent. The only other active candidate here, Pennsylvania Gov. Milton J. Shapp, and Rep. Morris K. Udall of Arizona got about 2 percent of the vote each, a worse showing than the "No Preference" line on the ballot.

With 94 percent of the 3,420 precincts reported, the totals were:

CARTER 419,256 or 35 percent
WALLACE 381,154 or 32 percent
JACKSON 271,008 or 22 percent
NO PREFERENCE 35,959 or 3 percent
SHAPP 24,563 or 2 percent
UDALL 24,689 or 2 percent

Thanks to the proportional representation required by Democratic Party rules, Jackson was running very close to Wallace in number of delegates to the July Democratic National Convention.

Projections indicated that Carter would get 33 of Florida's 81 Democratic delegates; Wallace, 26; and Jackson 20.

"I think it's obvious that our success here in Florida against Gov. Wallace, who carried the state in 1972, is a major step forward for us," he said. But he didn't think the Florida results took Wallace out of the presidential race.

Keeping a stiff upper lip, Wallace told a crowd of about 2,000 at a union hall in Countryside, Ill., a Chicago suburb, that he considered the second-place showing a "significant vote." He predicted he would pick up "a flock of delegates" in Illinois next Tuesday.

Wallace had publicly predicted victory here. His press secretary, Billy Joe Camp, told reporters in Illinois that the governor was obviously disappointed at the outcome.

At a press conference after his Illinois rally, Wallace protested that the press was constantly trying to write his political obituary. He noted that he has come out ahead of Carter in other head-to-head contests this year — at precinct caucuses in Mississippi and South Carolina and in last week's Massachusetts primary — and discounted any notion that he was slipping.

"So far, we're garnering a good block of delegates," Wallace said. He acknowledged, however, that he thought his confinement to a wheelchair has had an adverse effect on his campaign.

Jackson then invited Carter to another showdown, this time in New York where the senator is making the biggest effort of his campaign.

"I'm going to do it in New York," Jackson said. "I never predicted a victory for Florida."

Jackson's national campaign director, Bob Keeffe, said that he thought Carter would now be lucky to get a third place in the Democratic convention delegates. He predicted the south instead of the 50 percent most political professionals had been thinking the Alabamian would win.

Less than 10 percent of the vote going to the nine other candidates shared.

Running behind Shapp and Udall, Sargent Shriver, anti-abortion cannibal, Ellen McCormack, the Rev. Arthur Blessitt (an evangelist who carried a pound cross through Manchester in the New Hampshire primary), In...
President Ford has given a round of applause as he is introduced to the New York Society of Securities Analysts.

Ford Decided to Meet With Connally

By Jules Witcover
Washington Post Staff Writer

President Ford’s decision to meet in Houston Monday night with indicted former Secretary of the Treasury John B. Connally was no spur-of-the-moment thing but was thoroughly discussed with Mr. Ford well in advance.

According to White House and Texas Republican sources, Connally’s name was on a list of 16 Texas GOP leaders submitted to and approved by the President late last week.

Several presidential aides, including Donald Rumsfeld, his chief assistant, councilor Robert T. Hartmann, and political aides Gwen Anderson and John Calkins, raised questions of propriety with Mr. Ford, according to some of these sources.

Aides did not argue against the meeting as much as they pointed out to the President that a meeting of the nation’s chief executive with a man indicted on federal charges of bribery, perjury and conspiracy to obstruct justice could generate public criticism, these sources said. Connally goes on trial April 1.

In the end, they said, the President decided that Connally though indicted had not been convicted and Mr. Ford could not go to Houston and not invite him along with other state party leaders. Connally had expertise the President could use (in the economy and energy fields) and also the President is a loyal man, and Connally has been his friend for a number of years,” one White House aide said.

Both the White House and Texas party sources stressed that the invitation to Connally was as part of the state GOP group. The private 45-minute meeting came about, they said, when Connally, arriving late on a plane from Canada, caught only the end of the group meeting and stayed on.

Hartmann, discussing the matter with a group of reporters at breakfast yesterday, said Connally had hung around and the rest left,” and the President said he would see him alone.

Jack Warren, Texas Republican Chairman, said he personally recommended to the White House that Connally be invited, and he personally had extended the invitation last Friday after several telephone conversations with White House political aides.

Warren said Connally had nothing to do with initiating the meeting and had said only that he would be “delighted” to attend when the invitation was extended.

About 10 days earlier, Warren said, a list of 60 or 70 Texas Republicans was submitted to the White House as possible guests. The White House itself pared down the list to 16 and went over it with the President Friday.

Hartman defended the President’s meeting with Connally, charged with taking $10,000 in payoffs from a dairy lobby for his role in securing then-President Nixon’s approval of a controversial increase in milk price supports in 1971.

He said that Connally, who could not be reached for comment yesterday, has been “accused but nothing proved.”

Asked whether the President’s action did not put Justice Department prosecutors in a difficult position, Hartmann said: “Suppose the name had been stricken from the list. There would have been a lot in the papers about that.”

The White House aides who raised the prospect that there would be public questioning of the meeting were right. At his press conference in Topeka, Kan., Tuesday night, Mr. Ford was asked directly about the propriety of the meeting. The President said he had not discussed Connally’s legal troubles with him and saw “no conflict whatsoever.”

In Congress

SENATE
Committees:
Committee on Banking and Currency: Chairman: Sen. Gold, Other:
Joint Economic Committee:

HOUSE
Committees: None.

Friday, Feb. 14, 1975
THE WASHINGTON POST

1 Congress Post

Constitute Act
Coping With America's Self-Image

As a former resident of Grand Rapids and a political protege of the late Senator Arthur Vandenberg, President Ford finds it natural to invoke the doctrine of bipartisanship in foreign policy, which Vandenberg came to symbolize 30 years ago.

It is, in fact, useful for the President to take on this task as he attempts to lead the country through a wrenching readjustment of our self-image as a world power, in the wake of the collapse of our Indochina policy.

There is no point in minimizing the difficulties of that readjustment. A number of old friends of the United States—particularly such European voices as Willy Brandt and the London Economist—are saying consulting things to us, trying to ward off what the latter called "the temptation to generalize despair" about the efficacy of worldwide American policy. Their comments are as common sense as they are comforting. Indochina is not the whole world; it is not even an inherently significant slice of the globe. And our policy failure there does not necessarily mean that our policy is misguided everywhere.

Yet we cannot blind ourselves to certain facts. The decision to make Indochina an additional theater of operations in the Indochina war—a decision which seemed "dumbfool" even to a rank amateur like this reporter—has been vouched for by the Secretary of State who remains enormously influential in the design of our new policies.

Our Cambodian policy has failed. And the policy in Vietnam, which six administrations supported, seems far from collapse either.

It is natural that President Ford seeks bipartisan backing as he attempts to put the pieces back together. It is not only natural, but prudent, for history suggests that the combination of foreign reverses and domestic political weakness in the American government may tempt the Russians or the Chinese to test a novice President in some area of the world where our national interest is far greater than in Indochina.

The difficulty is that one cannot create bipartisan support merely by asking for it. It takes special political and intellectual conditions for that to happen and, so far, both are lacking.

The political problem can be solved if Mr. Ford can only discipline his own instincts. So far, he has been unable to decide whether he wants bipartisan support or partisan advantage in putting the Indochina failure behind us.

On Mondays, Wednesdays and Fridays Mr. Ford is all for joining hands with Congress to rebuild the foundations of American foreign policy. But on Tuesdays, Thursdays and Saturdays he is imputing blame to Congress for supposedly sacrificing Indochina in order to save the measly few hundred million dollars.

He cannot have it both ways. But even if he opted clearly for reconciliation, rather than recrimination, he would have to supply a fresh concept of America's national interest as a basis for a new bipartisan policy. Vandenberg knew that, and he strictly limited his own bipartisanism to Europe, where such a doctrine existed. He excluded Asia from bipartisan policy, because Republicans and Democrats had very different ideas, even before the Korean war, about the right stance for America to take.

Unfortunately, Mr. Ford's State of the World speech was laced with evidence of unresolved issues in his own thinking. In discussing Indochina, for example, the Communist powers were described as "adversaries" who showed "no interest in negotiation." In the section on Europe and the Middle East, they became "potential adversaries." But in discussing bilateral talks with Russia and China, those countries were transformed, as if by magic, into nations interested in "lessening tensions" and building "constructive relations."

This kind of conceptual and strategic confusion must be clarified by the President. Congress will not do the job. Congress' approach to serious issues of foreign policy is symbolized by the resolution, passed by the House two days before Mr. Ford's speech, proclaiming April 24 a "National Day of Remembrance of Man's Inhumanity to Man."

This piece of work turns out to be the product of some vigorous lobbying of key House Democrats by Armenian-American constituents who wanted to take note of the 60th anniversary of the Turks' slaughter of the Armenians. Passed with haste and without committee consideration, this resolution was a further embarrassment to the administration. It also underscored Mr. Ford's warning that "our foreign policy cannot be simply a collection of special economic or ethnic or ideological interests."

But that is what it will become unless the President takes the lead in the process of readjustment and reeducation the country now needs. Without that, appeals to bipartisanship will surely fail.
Mr. Ford on Transit

President Ford built mass-transit boosters up to a jarring letdown in Pittsburgh the other day when he told transportation experts there that last winter's energy crisis had driven home the message that "we must make major progress in improving urban transit." Most of the President's subsequent remarks made it painfully evident that this transit message had failed to penetrate the White House with any real sense of urgency.

Mr. Ford refused to consider any increase in the drastically pared-down mass-transit bill which recently passed the House. He called the six-year, $11 billion figure—only a shade more than half of the sum originally proposed—the "absolute upper limit" he would approve. This hardly qualifies as a commitment to "major progress" in restoring the nation's badly deteriorated and wholly inadequate mass transit facilities.

The President expressed serious reservations about operating subsidies, despite the clear need for such aid to hold down fares and maintain services on deficit-ridden transit systems throughout the country. Recalling that he is "a, Michigander with the name of Ford," he insisted that the private car "is and will continue to be our chief transportation vehicle" and that Americans "must learn how to live with them on the urban scene."

Are these the words of a man who has fully understood the implications of the energy crisis—to which the private car is a major contributor? They seem more reflective of the parochial prejudices of a Congressman more concerned with the prosperity of a major local industry than with the burdens of pollution and congestion which the automobile imposes on urban areas.
Let's think

With the virtually unprecedented margins by which both houses of Congress have overridden some of President Ford's most recent vetoes, he has been sent a message, loud and clear. It is that Congress is not satisfied with the leadership it is getting from its old friend and colleague. There may also be more than a hint of uneasiness about the progress of Nelson Rockefeller's confirmation. Here Mr. Ford evidently did some effective lobbying, and Mr. Rockefeller handled himself impressively in the witness chair.

But on the inflated and depressed state of the economy, on energy policy, on food policy, on labor policy, on tax policy, on many other pending and urgent issues, there is serious congressional concern, reflecting the state of national public opinion. Moreover, it is felt there has been too slow progress in building up a strong, new administration.

Travels criticized

President Ford's penchant to be out of Washington (tabulations show that as a congressman he spent something like 200 nights a year away from the national capital) was very evident during the first 100 days of his occupancy of the White House. There was criticism of his obsessive campaigning and of his Pacific trip. To get out into the country, even to get overseas, can be refreshing and informative. But there can be too much of a good thing.

Thus there is an overall feeling that the Ford administration has far from asserted itself as a fresh and vigorous, well-manned source of leadership. There is danger that a gravely handicapping negative image will build up and harden: an image of obligation to the past, which isincreasingly revealed as discreditable, of stubbornness on some issues, of poor advice and consideration on others, of failure to understand the political facts and to cooperate with Congress.

Bills long delayed

If the lame-duck session of Congress also fails to enact some long-delayed and badly needed legislation, especially if it does so because of obstruction at the committee-chairman level against the overall will of Congress, there is danger that disillusionment with government in general will intensify in the nation.

The great need is to transcend partisanship and pettiness. President Ford's warm personal relationship with Congress, his genuine appeal to the country as an honest, open leader, could form the basis for constructive government in the next two years.

To stop the drift

By Erwin D. Canham

But there will have to be a solid and bold policy base.

One great need, which is at the heart of the energy issue and indeed of the inflation issue, is the importance of conserving oil and gas consumption from imported sources. Surely it is apparent there will have to be some kind of mandatory curbs. The many advisers who have urged the President to be receptive to some form of limitation by taxation should persevere.

Appeals not enough

And Mr. Ford should realize that appeals for voluntary conservation, however eloquent, will not be enough. To let the matter be handled once more merely by shortages at the filling-station pumps, will not be good enough. Another crisis on the model of last winter's, following this summer and autumn's abundance, will persuade the public all over again that the government has been caught unawares.

The dismissal of conscientious and independent John Sawhill, the boo-boo in White House offices over his successor, again suggest that stubbornness and inattention need to be rectified.

Continuing runaway prices, appalling employment layoffs, the unavailability of loan money for needed construction, suggest drift. Both executive and legislative branches of government should assure the nation that somebody is tending the store.
Gerald Ford and Civil Rights

Back in 1948, Grand Rapids, Michigan, was a simple city. It had deliberately abjured the affluence that flowed from heavy private construction in favor of cleanliness, furniturer making and light industry. The white population was heavily laced with strong Christians of Dutch descent. The white people of Grand Rapids were the descendants of those who kept their promises and were politically conservative, and quite square. They said things like, "Real glad to see you," or "I'm going to do my darnest," they usually meant those things. The black population was a small and placed.

You could ride a bike the length of the town in about an hour. Without much trouble, the route could pass both Creston High in the north end and South High on the other side of town. The former was usually all white, whereas the latter had a larger percentage of blacks in the student body than any high school in the city. At Creston, the principal, a man named Howard W. Wickett, called an assembly the day after the 1948 election, to talk about a student who had attended high school in the South when South was largely white. Howard Wickett said that Gerald R. Ford, the city's brand new congressman, had been the first black working student in high school, college and law school, a good sailor in the war and that all that virtue had paid off. As Mr. Wickett gazed at his then current crop of charges, his moral was inescapable.

The Vice President Gerald R. Ford was told that story the other day, he responded with neither nostalgia nor amusement. He responded earnestly. He remembered Howard W. Wickett died a few years back. I had him for second year, for a math class and he was the football equipment manager. Gerald Ford went to high school more than 40 years ago. One feels he has that kind of information tucked away about a lot of old constituents.

But what could a man from a square and largely white town know about civil rights? All but one of his black colleagues in the House must have thought that he didn't know much because all but one of them voted against his confirmation. The Vice President leaned forward. He seems eager to answer these questions: "Grand Rapids is 18 per cent black now, there are lots of problems - they're not massive like Detroit or Cleveland, but they're similar problems and very real, just on a smaller scale. I think the black leaders would agree that there were a lot of problems and that I did the maximum to help solve them." He then ticked off a list of Grand Rapids agencies - a number of them creatures of the Great Society program worked which he had worked to keep federal money flowing toward the problems of his black constituents.

There's little small talk and virtually no humor as the Vice President talks. His words are not facile. "I gave them the down-to-earth help," Ford said. "It's executing programs that counts and I was able to get results." As he talked about practicality and down-to-earth efforts, his interviewer, a one time resident of Grand Rapids, began finally to understand the elusive praise Ford's colleagues heaped on him when he was nominated. Jerry Ford keeps his word, they said. "He's a dude guy. He doesn't pressure you for a vote, and if you don't give it to him this time, you know you'll give it to him the next time he asks."

The thing is, Jerry Ford is quintessentially Grand Rapids. There are no frills and there is no glamour. He is as plain as Campus Square and the Pantlind Hotel. He is square and he has believability.

But, if he has all those assets that made him so popular in the House, why did all but one of his black colleagues vote against his confirmation? "I don't know," he mused. "I don't know whether they all got together or whether they did it individually. I was pleased and proud of Andy Young's speech and vote. All the rest are still good friends and we enjoy excellent personal relations."

Rep. Andrew J. Young (D-GA), was the only black to vote for Ford's confirmation. In doing so, he said, "I have seen so many men, about whom I had questions and about whose past I had grave doubts, rise to the occasion. So I guess my vote for Gerald Ford is coming out of that Southern experience. It's an experience that says that people, given an opportunity to serve in time of crisis, can grow to meet the challenge of that crisis."

If Ford denies explicit knowledge of the reasons for that black bloc vote against him, he at least has guessed and he has trusted his message. "Forget the voting record," he says. "The voting record reflects Grand Rapids. You know Grand Rapids. It doesn't want the heavy hand of the federal government in there - they want to work things out for themselves. I had to represent my constituency. On final passage, I did vote for all those bills. I think that's a better indication of my personal feelings."

Well, if there is movement from a local to a national level, what is he doing now and how does he see the future? Without claiming that he is embarked on an effort to revive the long moribund dialogue between blacks and the administration, Ford described a series of meetings he is now planning with the help of a black White House aide, to be held just after the first of the year with a wide range of black leaders both in and out of government.

Looking down the road, the Vice President said, "I don't think we need major new legislation." He then ticked off all the major legislative initiatives in social policy achieved in the 60s and said, "We have to see that these laws are properly enforced and that they work properly." That is standard Nixon administration doctrine, but then Ford shifted into a more urgent mode and continued, "We now have to concentrate on improving the economic well-being of minorities. People need jobs to make the rights meaningful. We really need to concentrate on that."

"I worked darn hard," Ford said, "to get Congress to agree to the Philadelphia Plan." The Philadelphia Plan, a program to increase the number of blacks in the trade union movement in Philadelphia, received a mixed reaction from blacks, but was a major civil rights initiative of the first Nixon administration. "I got it through with my leadership," the Vice President said. "That is indicative of the things we've got to do outside." Then reflecting about the possibility of cutbacks in federal employment, the Vice President said, "We've got to make sure that if there are layoffs, the minorities are protected. Just because they were the last in doesn't mean that they should be the first fired."

As his visitor shifted to leave near the end of the interview, the Vice President stopped him and said, "I want to tell you something you'll understand, because you know South High School. I went there from the 7th through the 12th grade. It was about 15 per cent black when I went there and it was about 80 per cent black when they turned it into a middle school a few years ago. It is still mostly black. The local paper is planning a Jerry Ford Day celebration back in Grand Rapids and when I go back for it, the first thing I'm going to do is go back to South to give a talk. You can understand how I feel about it. I'll be trying to do what Howard Wickett was trying to do."

Moving to the door, the Vice President repeated an earlier statement, "Remember, all those people who voted against me are still good friends. The personal relationships are excellent."

Then he said, "It was real good to see you. Stop in again." It was pure Grand Rapids. He had said nothing flashy or innovative, but he was solid and earnest and he knew his subject. More important, he had been believable.

That's refreshing in this town these days.
Ford Opposes Election Financing Bill

BY RICHARD L. MADDEN
Special to The New York Times

OMAHA, Feb. 15—Vice President Ford contends today that the financing of Federal election campaigns with public funds would be "a very serious mistake."

"Once politicians have their campaigns paid for by public taxes, we'll never go back," Mr. Ford declared. "I hesitate to take that step."

Mr. Ford spoke during a local television interview here as he wound up a three-day trip through the Middle West, appearing primarily at Republican fund-raising gatherings.

Within a few weeks, the Senate is expected to consider a landmark bill that would finance Presidential, Senate and House election campaigns with public funds. The legislation passed the Senate and then bogged down in a filibuster late last year. Supporters contend that the bill is needed to halt the influence of large campaign contributors, such as those brought to light in the Watergate investigations.

'A Dangerous Trend'

Assistants of the Vice President said that Mr. Ford had generally opposed the public financing of campaigns in the past, but that his views have not been widely publicized.

"Once the Treasury is opened," he said today on station KMTV, "it's quite a dangerous trend, and I personally would oppose it."

Before flying back to Wash-ington late tonight, Mr. Ford spoke at a $100-a-plate Republican dinner at the Hilton Hotel here, and reiterated the upbeat theme of his most recent speeches.

"There is no ground for a psychological complex of defeat," he said. "We have run short of gasoline. But we have not run short of American initiative."

At a news conference today, Mr. Ford cited a recent Harris poll showing that only 21 per cent of the American people thought that Congress was doing a good job. Mr. Ford maintained that "Congress, controlled by the Democrats, has a greater credibility problem than the White House and the President."

He said he was confident that

President Nixon could restore his credibility with the public, although he acknowledged at one point that it would be "an uphill struggle."

He asserted that Congress, which has not yet acted on such issues as a bill giving the President emergency powers to deal with the energy shortage, "will have a harder time restoring its credibility."

"I hope both the President and Congress can improve their image," he said.

Mr. Ford predicted that if the energy shortage and inflation diminished, "in my judgment the President's popularity with the American people will go up slowly but significantly."

Mr. Ford began his day with a briefing at the command center of the Strategic Air Command at Offutt Air Force Base near here. Later he stopped to see his birthplace in Omaha. It now is a vacant lot.

He was born here in 1913, but his family moved to Michigan when he was less than two years old. A group of fourth- and fifth-graders at a nearby school spent part of yesterday cleaning trash off the lot, and Mr. Ford stopped by their classroom to thank them.

"It really looks better than my yard at home," he told them.

He also smilingly signed his name to a wall placard in a room of the Omaha Press Club named for his predecessor.

Spiro T. Agnew.
In realistic terms, as the GM price statement showed, Mr. Ford may be forced by events to hew out an economic policy before his statesmanlike economic summit can be staged. Already he has agreed to sign the $25 billion aid-to-education bill Mr. Nixon had left on his desk. He did not indicate Monday night whether he would ask Congress to sustain Mr. Nixon's 11th-hour veto of a $13.5 billion appropriations bill. This bill contains funds for the Environmental Protection Agency and drought relief for the Middle West. How the new President handles such specific measures, which have high voter impact, will ultimately determine whether he gets along with Congress in economic matters or not.

And he must get on with Congress. Already his party is faced with forecasts of major losses in congressional and state office races this fall. Watergate aside, the Republicans stand to lose heavily on the economy alone.

Mr. Ford's taste in economic advisers runs along the same lines as Mr. Nixon's. These men have favored tight money, tight spending, and no controls. Monetary restraint — the only area beyond congressional control — will likely have to be eased by October anyway. Fiscal or spending restraint will depend on the cooperation of Congress.

To get such cooperation it is likely Mr. Ford will have to accept some moderate or liberal proposals such as wage-price restraint, credit allocation, jobs programs for the unemployed, tax relief for lower income American.

This is centrist economics. It means a more gradual fight against inflation. But it will also make the process more humane and improve Republican prospects for a 1976 revival.
Tough Choices in the Snow

Gerald Ford went skiing for Christmas as usual, but it wasn't the same.

The snow at Vail, Colo., lay deep and crisp and even, and Ford was in his best skiing form, skimming the powdery snow with a finesse that left his instructor beaming. But there were bumps along the way. The Secret Service had ruled that he couldn't even stay in his own condominium. A new Gallup poll found that his popularity had waned to an all-time low of 48 per cent—down 29 points since he took office. Fully 158 bills left the Capitol, Ford himself will announce in his mid-January message. And as he prepared for an important“family tragedy,” he was sensitive to gathering pressure for tough policy decisions. He cleared a fifth of the bills awaiting him, vetoing two as inflationary. And as he prepared for an all-day session Friday with his senior energy advisers, a new, high-powered citizens’ group—including such luminaries as Secretary of Commerce John T. Connor (now chairman of Allied Chemical) and Peter G. Peterson (chairman of Lehman Brothers, the investment-banking firm)—warned at a press conference that the energy crisis posed the most serious economic threat since the Great Depression. They urged Ford to adopt stringent, mandatory measures—among them, standby rationing power and stiff petroleum taxes.

Ford himself conceded in an interview with UPI’s Helen Thomas that public cooperation had failed, and promised “very strong measures” to curb oil consumption. In the same interview, he reiterated that only a “family tragedy,” such as a recurrence of his wife’s breast cancer, would deter him from running for President in 1976—and he confirmed some long-expected changes in his Cabinet. Housing Secretary James T. Lynn will be replacing Roy Ash as budget director; Edward Levi, president of the University of Chicago, will be nominated for outgoing Attorney General William Saxbe’s job, and James Schlesinger, contrary to speculation, will be kept on as Secretary of Defense. Without being specific, Ford made it clear that he would soon be replacing some remaining holdovers from the Nixon Cabinet.

Plaid: For all the demands of his office, Ford managed to have one of the most pleasant Presidential holidays since LBJ’s. Forsaking suit and tie for turtlenecks, plaid trousers and mocassins, he spent his free time at Vail in a remarkably low-key round of get-togethers with old friends, cozy family suppers and a few hours of skiing almost every day. The Fords had Christmas Eve dinner at the home of C.F. Kindel, the son of Ford’s Scout leader in Grand Rapids and Vail’s first mayor. Afterward, arriving several hours before an evening service at Interfaith Chapel, Ford stood in the back of the church rather than disturb the other worshipers by taking his reserved front pew. On Christmas morning, the family exchanged small gifts.

Best of all was the skiing. The President was on a chair lift less than two hours after his helicopter touched down on a makeshift pad near the mountain. He took two days to polish up his form before letting the press watch a Presidential run. His instructor, Danny Hoeger, had previously described him as “a good recreational skier” who was still the least accomplished in his family. But last week Hoeger said Ford was “steadily improved over last year”—and so much so that Hoeger took his student to the challenging powder of Vail’s Back Bowls, a magnificent open expanse that Ford negotiated with ease. The skiing, Ford exclaimed, was “great, really great”—and he quipped that he would quit his job if Vail would only make him justice of the peace.

Still, the new Presidential restrictions clearly chafed. With daughter Susan and her guest, Barbara Manuso, the Fords were installed for security sake in a chalet larger and more isolated than their own condominium—and paying a $75-a-day differential out of the family pocket. Ford skied in a solicitous pod of Secret Service men picked for their skill on the slopes; at their insistence, he wore a different color parka every day, and emergency helicopters and blood supplies (the Presidential type; O-positive) were within easy reach. “He just isn’t the same since he became President,” a longtime Ford friend said. “He’s really uptight.”

The Fords planned a quiet New Year’s celebration with a few friends, and Ford’s workload this week will be undiminished. Among other things, he is expected to veto a strip-mining bill that provides for land reclamation payments. The presumed veto has caused some added controversy because the owner of the President’s rented chalet, Richard Bass, holds a 20,000-acre Federal coal lease in Wyoming and could save $100 million as a result of the veto. But by far the greatest controversy awaits Ford’s return to Washington this week, when the time will finally have come for him to prescribe remedies for the less-than-merry state of the Union.

Mushing Along?

What kind of Chief Executive is Gerald Ford? According to Richard Johnson, a Stanford University business professor and White House Fellow who has studied the management styles of the last six occupants of the Oval Office, Ford has yet to choose among three basic ways of doing business. The most common approach, says Johnson, is the pyramidal organization chart favored by Harry S. Truman, Dwight D. Eisenhower, Lyndon B. Johnson and Richard Nixon—a tight structure that encourages thoroughness, but tends to distort information and thus may nourish scandals. Its antithesis is Franklin D. Roosevelt’s “competitive” style of pitting aides against each other; such a President receives more information, but risks being caught up in office politics. Between these extremes is John F. Kennedy’s teamwork approach, a system that requires an intellectually keen staff and President.

Johnson, who recently published “Managing the White House: An Intimate Study of the Presidency,” says Ford’s latest reorganization is designed along the JFK management model. But because Ford and his staffers are lawyer-key to the Kennedy White House, and chief of staff Donald Rumsfeld is assuming an important central role, Ford will gradually adopt a more formal structure. Even so, predicts Johnson, “given his traits and his staff system, the odds are painfully high that his Administration will just mush along.”

Newsweek, January 6, 1976
When it came to gun control, where he could have offered genuine leadership instead of mere rhetoric, the President's anticrime zeal faded measurably. Congressional efforts to stem the lethal tide of handguns have been languishing for years and are in clear need of a strong push from the White House.

The President offered evidence that he has no illusions about the gravity of the problem. "Criminals with handguns have played a key role in the rise of violent crime in America," he said. "Hundreds of policemen have been killed in the last decade through the use of handguns by criminals."

While he endorsed the long-overdue step of banning the manufacture of "Saturday Night Specials" in the United States, Mr. Ford declared that he was "unalterably" opposed to Federal registration of firearms—which would really provide an effective means of controlling the traffic in handguns. Until the President's distress over crime exceeds his solicitude for gun owners, the drive to curb violence by gunfire in the United States will be severely crippled.
House Sustains Ford Veto of Bill On Strip Mining

Defeated Democrats Hint at Moves That May Lead To Legislative Stalemate

By a WALL STREET JOURNAL Staff Reporter
WASHINGTON — The House failed to override President Ford's veto of the strip mine bill.

It was the third time in as many tries that House Democrats, who have a two-thirds majority, have failed to muster the two-thirds needed to override a Ford veto.

Despite three setbacks in a row and Republican calls for an end to confrontation between Mr. Ford and Congress, Democrats indicated they'll be sending the President more veto candidates in the days ahead.

If they do, the outlook is for legislative stalemate, with each side blaming the other and appealing to the voters to accept its version of what went wrong in Washington.

Yesterday's vote was 278 to override Mr. Ford's veto of the strip mine bill and 142 to sustain it, with one member voting "present"—three short of the necessary two-thirds. Fifty-six Republicans joined 222 Democrats in voting to override, while 57 Democrats joined 86 Republicans in voting to sustain.

Late last month, the House failed by five votes to override Mr. Ford's veto of a bill to create jobs for the unemployed. In May, it fell 49 votes shy of overriding a bill to raise farm-price supports.

Why Measures Failed
The farm bill failed because many Congressmen feared it would drive up food prices. The jobs bill failed because some Congressmen feared it would add to inflation.

And yesterday, the strip mine bill failed largely because some members worried that it would increase the price of electricity by reducing coal production and raising coal prices. "The electric utilities did a very thorough job," said Rep. Morris Udall (D., Ariz.), the bill's chief sponsor. "Many people were frightened about their utility bills."

In vetoing the bill, President Ford also warned that the bill would have caused 36,000 workers to lose their jobs, a figure Rep. Udall and his allies dispute.

The issue of jobs and inflation, and sometimes jobs versus inflation, is at the center of Mr. Ford's series of vetoes, and it promises to remain there. "If the Congress ignores the desire on the part of the President and more than a third of the House to be responsible fiscally, then of course we will have more vetoes," Mr. Ford told his news conference Monday.

Talk of Conciliation
Yesterday, however, Republican leaders on Capitol Hill were talking about conciliation rather than confrontation. "Government by veto is no way to run the country," House GOP leader John Rhodes of Arizona told a news conference. Rep. Rhodes urged Democrats to join with the President and the Republicans "in a spirit of unity" to enact needed legislation, particularly in the field of energy.

But this offer found few takers among the Democrats. Majority leader Thomas O'Neill of Massachusetts parried the President's thrust about fiscal irresponsibility with a charge that Mr. Ford is being "socially irresponsible and doing nothing about unemployment."

"This Congress isn't about to accept any Republican economic policy of full employment," Rep. O'Neill added. "We will continue our work on the job bills for the people and for the economy, and we will send to the members many more pieces of legislation, hoping that we can stimulate the economy."

One such bill would give state and local governments $5 billion to build public works projects. The House has passed the bill, 318 to 88, but that margin could be misleading if it came to trying to override a veto. The strip mine bill that failed yesterday originally passed the House, 333 to 86.

Although Rep. Udall expressed hope of reviving the strip mine bill, it's likely the legislation is dead for the rest of the year and possibly for the rest of this Congress, which has 16 months to run.

The bill would set minimum federal standards to protect the landscape against strip mining. States would be responsible for enforcing the standards. If they failed to do so, the federal government would step in. A tax on coal would pay for reclaiming abandoned strip mines in the Appalachian states.
The Crime Message...

President Ford in his crime message last week outlined some useful programs, emphasized a number of constructive insights, and seized the opportunity for some demagoguery.

The President touched on some of the starkest fears of city dwellers all over the country when he expressed deep concern about "murders, robberies, rapes, muggings, holdups, break-ins—the kind of brutal violence that makes us fearful of strangers and afraid to go out at night." Possibly the most constructive Federal weapon against that and other kinds of crime is the Law Enforcement Assistance Administration; and the President's proposal to fund that agency through 1981 with orders to decrease emphasis on police hardware programs and to concentrate on combating crime in heavily populated urban areas was right on target.

Among other useful ideas in Mr. Ford's message was a proposal to provide compensation for victims of crime. If the Federal Government can develop a workable compensation scheme, it will provide a model for jurisdictions throughout the country. The President's insight concerning the key role prosecutors play in the overall criminal justice system should be carefully noted by budget-makers not only in Washington.

Mr. Ford was on the right track in emphasizing the need to develop intelligent and sensitive programs for youthful offenders and pretrial diversion programs for some first offenders. Perhaps this push from the White House will move the executive branch to undertake the juvenile justice programming it has neglected so long.

Unfortunately, however, the President was not content with his advocacy of such common-sense reforms. He went on to mount a rhetorical attack on crime which promises more than the Federal Government can possibly deliver in an area where the principal responsibility lies with states and other local governments. The President's "mandatory minimum" sentence proposal defies human experience. While the idea may sound good on paper, in practice such sentences distort the system of justice by forcing acquittals, plea bargains and clogged trial calendars.

By indulging in simplistic rhetoric pitting criminals against victims while ignoring any analysis of the origins of crime, deep in poverty, lack of opportunity, bigotry and blunt-edged social service failures, the President served the nation as badly on this score as President Nixon did before him. Tinkering with the criminal justice system can only affect a limited portion of the crime problem; the rest is buried in those social ills which Mr. Ford steadfastly refuses to confront. As long as he pursues that basic policy, his crime program will continue to contain more posture than substance.
Mr. Ford Speaks on Crime

IN SEVERAL SUBTLE and important ways, President Ford has been guiding the country away from the policies and practices of the Nixon administration. He has not always been successful in making the distinction clear in the public mind. But it is obvious that he is deeply engaged in a process of becoming his own President, of coming out from the shadow of the tragedy that preceded him. The other evening at Yale Law School, Mr. Ford took a giant step. The subject was crime, and his words were badly needed. There will be those who will maintain that the President didn't go far enough to rid the subject of its Nixonian overtones, but it is fair to say that Mr. Ford has set an encouraging course.

Richard Nixon came to power with the words law and order ringing from his lips. He made that cry such a slogan among his white suburbanite Republican supporters that hardly anyone would have guessed that the principal victims of crime in America are urban blacks, especially poor black women. From the empty rhetoric, the Nixon administration moved on to programs. The main program was the Law Enforcement Assistance Administration's hardware distribution gimmick and such constitutional novelties as preventive detention and no-knock warrants. The result of the LEAA program is that hundreds of communities now have helicopters and submachine guns, sophisticated radios and fancy uniforms, but the crime rates are way up. When the preventive detention issue got down to real cases, it turned out that many of the people this approach was intended to keep in jail weren't getting out anyway; it was largely unworkable and inherently questionable. As for no-knock warrants, they turned out to be a menace to police officers and citizens alike, and very few law enforcement professionals want anything to do with such practices anymore. So much of what Mr. Nixon said he wanted to do turned out to be wasted effort in real terms. Its basic result was to polarize and mislead the public.

It is for all those reasons that Mr. Ford is to be applauded for his Yale speech. "In thinking about this problem (of crime), I do not seek vindictive punishment of the criminal, but protection of the innocent victim," the President said. Then he added:

The victims are my primary concern. That is why I do not talk about law and order, and why I return to the constitutional phrase, insuring domestic tranquility.

When you think of a President's speaking of "domestic tranquility" as a goal, you are likely to be reassured that his purpose is to solve a problem and not to make political capital from the fear that exists among citizens.

And Mr. Ford put his finger on the right place in the system where the breakdown occurs, in the criminal justice system. It is here that overcrowding and poor organization make it possible for the guilty to plead lesser offenses and "walk," while the poor, irrespective of guilt or innocence, rot in the detention facilities and explode with each change of season. The result is that there is little justice in that system, as the President pointed out. Serious offenders are on the street because the system makes it difficult to keep track of the most dangerous felons: those who are the violent repeaters. Mr. Ford called for a system in which punishment is swift and sure for the dangerous felon. He offered federal leadership in the effort to make more judges, prosecutors and legal defenders available.

This is a markedly different tone, and probably different in substance, too, from the Nixon effort. We will rely on Attorney General Edward H. Levi to elaborate for us on how the administration intends to implement Mr. Ford's reasoned approach. We have permitted our criminal justice system to deteriorate to the point where in some cities referring to it as "justice" at all is a joke. There is little justice for the accused usually and—much more important—none for society. If the Ford administration sets as its goal assisting the states and cities with realistic remedies for the bottlenecks and for the overcrowded facilities, that will be a major factor in the fight against crime.

But Mr. Ford did not restrict himself to the problem of street crime. He said he hoped to set a new example with respect to crime in high places. He said he realized it was impossible for our society to make any serious inroads in our crime problems if people see a lack of respect for the law among their leaders. When you put that statement beside his enlightened sense of priorities in the criminal justice system, you begin to see that on this issue, Mr. Ford is shaking his shadow, and none too soon.
Meany Lashes Out at Ford
As ‘Insensitive’ on Jobless

By Hobart Rowen
Washington Post Staff Writer

AFL-CIO President George Meany lashed out at President Ford yesterday as "completely insensitive to the real problems that the American worker faces" during a period of high unemployment that Meany said would last for the next four years.

Speaking to the Society of American Business Writers, who met with him at AFL-CIO headquarters here, Meany said that those out of work "won't sit still" for a recession of that duration.

"We're not going to riot in the streets," Meany said in response to a question. "On the other hand, I'm sure there are elements in the society that feel that is the method. We don't happen to feel that way.

If President Ford felt "compassion" for the distressed, Meany said, "He would not try to solve it by saying to Americans, in effect, 'It's too bad, sonny boy, you've got to stay out of work for another three or four years, and then everything is just going to be all right.'"

Meany argued that the Ford administration and powerful Democrats on Capitol Hill have mistakenly focused on budget ceilings rather than creation of new jobs to handle the problems of the economy.

Unemployment currently is 8.9 per cent of the labor force, and administration officials have conceded that jobless rates will remain unusually high for the rest of this decade.

Meany also had sharp words of criticism for Sen. Edmund S. Muskie (D-Maine), chairman of the Senate Budget Committee, and for Arthur F. Burns, Federal Reserve Board chairman.

"Muskie has suddenly become an ivory-tower economist," Meany said. "Sure, he's willing to have a budget deficit a few billions higher than Ford, but that's not meeting the problem."

Burns told a Tuesday business writers' session that the government should be a "last resort" provider of jobs, but only at a low, "unattractive" wage level.

"That won't do anything for today's unemployed," Meany said yesterday. "The answer is jobs — well-paid jobs, and the answer is to stimulate the economy. That's why we're pressing the administrator and Congress for something that's really going to prime the pump... Burns thinks workers want a done.

The AFL-CIO has been recommending additional federal expenditures of about $10 billion, including a $5 billion accelerated public works program to provide immediate employment of 250,000 jobs.

He added quickly that the AFL-CIO did not advocate "that sort of attitude," but added, "The question is, how many more people are taking that position.

-- Well, dammit, I'm not going to sit still and see my family go down the drain. I'm not going to see my house taken away and have Arthur Burns pontificating in the White House and telling me that's just 'great.'"

The AFL-CIO would not undertake to organize the kind of discontent he cited, Meany said. "The AFL-CIO is pretty conservative in certain ways. We believe in working within the American system. ... We don't man the barricades, and we don't take to the streets. And we don't call general strikes, and we don't call political strikes..."

Meany Lashes Out at Ford
As ‘Insensitive’ on Jobless

By Hobart Rowen
Washington Post Staff Writer

AFL-CIO President George Meany lashed out at President Ford yesterday as "completely insensitive to the real problems that the American worker faces" during a period of high unemployment that Meany said would last for the next four years.

Speaking to the Society of American Business Writers, who met with him at AFL-CIO headquarters here, Meany said that those out of work "won't sit still" for a recession of that duration.

"We're not going to riot in the streets," Meany said in response to a question. "On the other hand, I'm sure there are elements in the society that feel that is the method. We don't happen to feel that way.

If President Ford felt "compassion" for the distressed, Meany said, "He would not try to solve it by saying to Americans, in effect, 'It's too bad, sonny boy, you've got to stay out of work for another three or four years, and then everything is just going to be all right.'"

Meany argued that the Ford administration and powerful Democrats on Capitol Hill have mistakenly focused on budget ceilings rather than creation of new jobs to handle the problems of the economy.

Unemployment currently is 8.9 per cent of the labor force, and administration officials have conceded that jobless rates will remain unusually high for the rest of this decade.

Meany also had sharp words of criticism for Sen. Edmund S. Muskie (D-Maine), chairman of the Senate Budget Committee, and for Arthur F. Burns, Federal Reserve Board chairman.

"Muskie has suddenly become an ivory-tower economist," Meany said. "Sure, he's willing to have a budget deficit a few billions higher than Ford, but that's not meeting the problem."

Burns told a Tuesday business writers' session that the government should be a "last resort" provider of jobs, but only at a low, "unattractive" wage level.

"That won't do anything for today's unemployed," Meany said yesterday. "The answer is jobs — well-paid jobs, and the answer is to stimulate the economy. That's why we're pressing the administrator and Congress for something that's really going to prime the pump... Burns thinks workers want a done.

The AFL-CIO has been recommending additional federal expenditures of about $10 billion, including a $5 billion accelerated public works program to provide immediate employment of 250,000 jobs.

He added quickly that the AFL-CIO did not advocate "that sort of attitude," but added, "The question is, how many more people are taking that position.

-- Well, dammit, I'm not going to sit still and see my family go down the drain. I'm not going to see my house taken away and have Arthur Burns pontificating in the White House and telling me that's just 'great.'"

The AFL-CIO would not undertake to organize the kind of discontent he cited, Meany said. "The AFL-CIO is pretty conservative in certain ways. We believe in working within the American system. ... We don't man the barricades, and we don't take to the streets. And we don't call general strikes, and we don't call political strikes..."
Mr. Ford’s Straight Talk on Crime

“His proposals were mostly common-sense ones that, while they won’t eliminate or even greatly diminish criminality, at least won’t exacerbate it.”

to our emotions, geared more to applause than to problem solving.

Mr. Ford said the sort of things that you and I might have said to each other in our more candid moments. Like you and I, he understands that “crime in high places... sets an example that makes it all the more difficult to foster a law-abiding spirit among ordinary citizens.”

Like you and I, he understands that most of what politicians have to say on the subject is so much hot air; that calls for massive crackdowns on crime are calculated primarily to exploiting our fears.

And like you and I, he understands that crime is a terribly complicated issue.

His proposals, though modest and likely to be of limited impact on crime statistics, were mostly sound. He wants nearly everybody who is convicted of a felony offense, and particularly those convicted of offenses involving firearms, to spend some time in prison.

He didn’t demand that prison sentences be made longer, just that they be made far more certain than they are now. That’s common sense, too.

The idea, he said, is not “vindictive punishment of the criminal but rather protection of the innocent victim.” Since serious offenders tend to be repeat offenders, recidivists need to be taken off the street, he said.

The President’s speech also hit hard at the court process, including trial delays and plea bargaining, that half of those convicted of felonies in New York courts were not imprisoned.

“It is essential,” he said, “that there be less delay in bringing arrested persons to trial, less plea bargaining and more courtroom determination of guilt and innocence, and that all, or practically all, of those actually convicted be sent to prison.”

You and I might buy that as well, even though we’re not so naive as to suppose that imprisonment will rehabilitate anybody. We think certainty of punishment might deter some potential offenders, and we know that the fact of imprisonment will impede others, at least for the duration of their sentences. But prison won’t cure anybody.

As a matter of fact, one of the more refreshing aspects of the President’s speech was that it hardly mentioned rehabilitation.

He did urge prison reform, of a sort. For instance, he proposed exploration of ways of using prison facilities to minimize detention of persons convicted of minor crimes, thus making more room for convicted felons to be imprisoned.”

He also urged that convicts should be treated humanely, with the loss of liberty being their chief punishment. That’s about it.

By the time the President’s crime message, with his specific legislative proposals, goes to the Congress sometime in the next several weeks, the rhetoricians may have gotten to him.

In the meantime, his message at Yale Law is a virtual watershed in simple, straight talk on a potentially explosive subject.
President Ford

The simplicity with which Gerald R. Ford addressed the nation as he took the oath of office in the White House yesterday reflects the nature of this unpretentious man, who through an extraordinary and ironic chain of circumstances has become the 38th President of the United States. It also suggests the straightforwardness and the humility which may be expected to characterize Mr. Ford's approach to the awesome responsibilities of the great office he now will occupy for the next two and a half years.

Mr. Ford assumes his post, as he well put it, in "an hour of history that troubles our minds and hurts our hearts" because of the disgrace that both of his predecessors as President and Vice President had brought to their respective offices. But it is an hour of triumphant vindication as well, an hour in which the strength of the American constitutional system has been proven, an hour in which the American people can take pride because it has demonstrated that in a most critical moment and under the greatest possible strain—as Mr. Ford also said—"our Constitution works; our great Republic is a Government of laws and not of men."

There can be little doubt in the minds of any one who heard him in the East Room of the White House yesterday, which Mr. Nixon had vacated only a few hours earlier, that its new occupant is deeply committed "in all my public and private acts as your President . . . to follow my instincts of openness and candor." That is what the American people wanted to hear from their President and, more important, it is something that now they can believe.

With little real preparation for taking on the most powerful political post in the western world, a post that he certainly never sought and probably never even wanted, Gerald R. Ford has a right to call on the moral support of his countrymen, especially in these first few days as he attempts to organize his Administration and learn how to handle the reins of government. Instinctively the American people of all shades of opinion will respond to his appeal; and the Congress voted unanimously yesterday, with intuitive recognition of the need for unity in a time of crisis, to assure the new President of its cooperation and "fervent hopes for success in office."

This has indeed been a time of crisis in the history of this nation. The two festering years of Watergate have come to their climax with the impeachment proceedings against Richard M. Nixon, whose resignation, while frustrating the legal process, nevertheless expedited the inevitable transfer of the power of the Presidency. In few other countries of the world could such a momentous change have taken place in such an orderly—if unprecedented—manner.
Mr. Ford Goes to Church

A little noted but welcome change initiated by President Ford is his break with his predecessor's practice of holding church services in the White House. Earlier Presidents did hold occasional religious services as special events, but it was Richard Nixon who institutionalized the practice.

It is far better for Presidents to attend services in religious institutions than to transform the White House even temporarily into a house of worship. The Constitution, which is specific in its prohibition of the establishment of a religion by Congress, does not prescribe any explicit course for Presidents; but the principle of church-state separation as enunciated by Thomas Jefferson remains a sound guideline for the preservation of religious liberty.

Politics and religion have always been a dangerous mixture. No one will doubt President Ford's personal devoutness or the sincerity of his prayer for "God's sure guidance" because of his return to the old Presidential custom of going to church, instead of having church come to him. Nor will many mourn the departure from White House of a rotating company of prelates, evangelists and rabbis, many seemingly more interested in matters of politics than of the spirit.

Love of God and country will be more secure under leaders who do not wear patriotism in their lapels or religion on their sleeves.
3 Governors Assail
Ford on Recession

By MARTIN TOLCHIN
Special to The New York Times
WASHINGTON, Feb. 18—The
Democratic Governors of New
York, New Jersey and Connecti-
ticut variously accused Presi-
dent Ford today of proposing
an economic program based
upon "planned unemployment,"
failure to address the "economic
undertow" and failure to ap-
preciate the full impact of "this
depression." As the Gov-
ernors arrived here for the mid-
winter session of the National
Governors Conference, they
said in separate interviews
that they were pinning their
economic hopes on the Demo-
cratic Congress, and that all three
planned to meet with their
Continued From Page 1, Col. 3
state delegations. However,
each said he planned to press
his own list of priorities.
"We're going to go crying to
the Congress, and I think that
the Congress will understand,"
Gov. Ella T. Grasso of Connecti-
ticut said to newsmen during a
brief respite from a panel on
human resources.
The three Governors stressed
their dissatisfaction with Mr.
Ford's economic proposals.
"Planned Unemployment"
"The whole concept of
planned unemployment is part
of the reason for our govern-
ment's chaos," Governor Byrne of
New Jersey said to newsmen before
taking over as chairman of a
panel on crime reduction and
public safety.
"Bill Simon has practically
stated that planned unemploy-
ment is Administration policy," Mr. Byrne continued, referring
to Secretary of the Treasury
William E. Simon.
A Treasury Department
spokesman, asked to comment,
said that Mr. Simon had never
advocated planned unemploy-
ment, but added that "there has
been a lot of criticism that our
program seemed to accept high
unemployment, and I suspect
that's what the Governor is al-
duding to."
Governor Carey charged that
"there's nothing in the Admi-
istration's program that ad-
dresses the economic under-
tow" in the "big cities and ur-
ban states badly afflicted by
economic distress and unem-
ployment."
He called for, among other
things, a public works program
that "would help us in every-
thing from mass transit to edu-
cation, health and the environ-
ment."
"Without Consultation"
"Ford and Rockefeller are
acting as if they were elected
President and Vice President,"
said Mr. Carey, who attended a
panel on revenue sharing.
"They're acting without consult-
ation with the Congress or the
Governors. The President de-
velops policy, calls the govern-
ors in and suggests they get be-
hind it."
Governor Grasso said that the
President had "failed to realize
the full impact of this depress-
ing on our business community,
people who work, and state
governments."
"The President's budget," she
said, "cuts back in the areas of
human resources, where the
greatest demands are being
made."
Asked where the Administra-
tion should cut back, Mrs. Gras-
so replied, "The defense bud-
get."
Oil Policies Assailed
The three Governors also
agreed in their disapproval of
the Ford Administration's oil
policies.
"New proposals with regard
to oil will add burdens of disas-
trous proportion to the North-
east states," Governor Grasso
said.
Governor Carey said that "it's
almost as if the energy-rich
parts of the United States had
claimed welfare on the North-
est. He urged "a national allo-
lation policy for energy re-
sources, which would recognize
that the Northeast was in diffi-
cult situation."
The New York Governor also
urged a policy concerning wel-
fare that would give the cities
and states at least as much as
they had previously received.
On Mayor Beame's projected
budget deficit for New York
City, Mr. Carey said that "the
city's publicized deficit is real," and
that he and the Mayor had
joined in the fight for increased
Federal funds.
Asked about Mayor Beame's
request for $900-million in Fed-
eral and state funds to help
meet a projected city deficit of
$1.68-billion, Governor Carey
replied that state and city offi-
cials were negotiating state
aid, but added that "it's not in
Ford's budget."
The Governor also criticized
Administration plans to build
200 nuclear plants. "To go
ahead with 200 nuclear plants
is not in the real world," Mr.
Carey said. He cited both the
cost and safety factors, saying
"I don't think we should ad-
ance our energy plan on spec-
ulation."
NEW YORK TIMES, THURSDAY, MAY 15, 1975

NOMINEE RESIGNS FROM LEGAL POST

Ex-Rep. Green Withdraws—Another Faces Opposition

By WARREN WEAVER JR.
Special to The New York Times

WASHINGTON, May 14—One of President Ford's choices for the Legal Services Corporation withdrew under fire today, and a second came under criticism at Senate confirmation hearings on the long-delayed nominations opened.

Former Representative Edith Green, Democrat of Oregon, asked the President to withdraw her name "for personal reasons," Senator Harrison A. Williams Jr., chairman of the Senate Labor Committee, announced. The White House assured the New Jersey Democrat that a substitute nomination would be submitted soon.

Sixty House members headed by Representative Richard L. Ottinger, Democrat of Westchester, sent Senator Williams a letter yesterday, opposing Mrs. Green on the ground that she was a "long-time opponent of legal services" and thus not qualified to help oversee the program.

The House group also opposed the confirmation of William L. Knecht of California, a Farm Bureau Federation attorney who was outspoken in his criticism of the legal services bill of 1975 vetoed by President Nixon and of the state program conducted by California Rural Legal Assistance.

Supported 1974 Bill

At the hearing, Mr. Knecht contended under questioning that he supported the 1974 legal services bill creating an 11-member public corporation to administer a $100-million-a-year program to make free legal advice available to those who cannot afford to pay for it.

No opposition developed to the seven other Ford nominees who attended the hearing. They were Roger C. Crampton, dean of the Cornell Law school; Marshall Jordan Breger of Texas; Rodolfo Montejano of California; Samuel D. Thurman, Dean of the University of Utah Law School, Robert J. Rutack of Nebraska, Revius O. Ortique of Louisiana and Glen C. Stophel of Tennessee.

The two remaining nominees, William J. Janklow of South Dakota and Glee S. Smith Jr. of Kansas, were not present today.

The Federal Legal Services program originated as part of the Office of Economic Opportunity's antipoverty effort. Critics contended that it improperly used taxpayers' money to make trouble in the courts for government and business officials.

Mr. Knecht conceded that he had termed an earlier version of the Legal Services Corporation "intolerable" and a "step on the road to dictatorship," and that he had called Legal Services attorneys "carpetbaggers" and supporters of the California rural program "fellow travelers."

As associate counsel of the California Farm Bureau, which represents farmers, Mr. Knecht organized witnesses to testify against the California legal program during a state legislative inquiry. He denied today that he had undertaken this task at the request of then Gov. Ronald Reagan.

The Senate committee will hear outside witnesses on the eight legal services nominees tomorrow and on the two absent board members next week, clearing the way for a vote early next month.
Ford Criticized on 2 Legal Aid Choices

By WARREN WEAVER JR. Special to The New York Times

WASHINGTON, June 14—President Ford's reported decision to add two more male lawyers to the board of the Legal Services Corporation has aroused criticism from organizations seeking broader representation on the new agency.

Action for Legal Rights, a coalition backing legal services for the poor and the National Clients Council, representing recipients of such services, have both urged the White House to reconsider the nominations in favor of one or more women and nonlawyers.

Neither group questions the qualifications of the two Ford selections, former Republican Senator Marlow W. Cook of Kentucky and J. Melville Broughton Jr. of North Carolina, but they both contend the vacancies should be used to give a more varied viewpoint to the 11-member board.

Proposal by Cranston

Mr. Broughton, son of a former North Carolina Governor and Senator, would fill the vacancy left by the withdrawal of former Democratic Representative Edith Green of Oregon. Mr. Cook would replace William L. Knecht of California, who has failed to win support of the Senate Labor Committee in confirmation hearings.

If these two nominees, as yet unannounced by the White House, are added to the board, it will consist of 11 male lawyers, one of whom is black and one Chicano. Senator Alan Cranston, Democrat of California, had urged replacing Mrs. Green with a black woman and putting one legal services client on the board.

In a letter to Donald Rumsfeld, assistant to the President, Ellsworth Morgan, president of the National Clients Council, called the absence of a woman and a client representative on the board "a gratuitous slap at the client community, at the Senate, at the House, at those within the legal services movement and at others who believe in the right of all people to be represented."

"I refuse to believe that the executive branch has done this deliberately," Mr. Morgan declared. "I prefer to think the nominations were arrived at in good faith but with a failure to appreciate the full ramifications."

In a separate appeal to Mr. Rumsfeld, the legal rights group said, "Legal services attorneys want to see the corporation go into operation as soon as possible, but not at the expense of women or clients."

Some supporters of legal services for the poor and some board members favor confirming the two Ford nominees in the interest of getting the corporation into operation. About a year has already elapsed since Congress authorized its creation.

Signing the letter from Action for Legal Rights were Sylvia Demarest, president of the group; Burton D. Frext, its executive director, and Gregory R. Dallaire, president of the Project Advisory Group, a national organization of legal services lawyers.
Mr. Ford Makes It Clear Who's Boss

President Ford relied on three economic issues—jobs, inflation and energy—to rally enough Democrats and Republicans in the House of Representatives last week to sustain his veto of a bill to regulate the strip mining of coal.

This was the third consecutive veto House Democrats were unable to overturn despite their substantial majority, 289 to 145; for the moment, Mr. Ford rather than the Democrats has the initiative in setting domestic policy.

Ever since the strip-mining bill passed the House in May by a vote of 293 to 115, more than the two-thirds necessary to overcome a veto, Administration officials have been saying the legislation would have disastrous results for the economy: They predicted that 36,000 workers would be displaced, 162,000,000 tons of coal lost and, to make matters worse for everyone, electricity rates increased.

Democrats demonstrated these estimates to be exaggerated, but their rebuttal, and perhaps their leadership, was not effective enough. About 20 Republicans and six Democrats reversed their May votes to support the Administration. On the final passage 278 Congressmen voted to override and 143 to sustain President Ford (57 Democrats joining with 86 Republicans), giving him a victory margin of three.

The result is that strip mining of coal will continue to be regulated by different state laws, many of which allow the exploitation of mineral resources at the expense of conservation priorities.
A Bum Rap

While President Ford's tax-cut and spending-ceiling proposals have finessed and disconcerted his Democratic opponents in Congress, they have drawn a coolish reception from much of the President's natural constituency. In particular, sentiment runs strong in the business community that the program is purely political.

The reason for this reaction is not hard to see. As proposed by the President, the $28 billion tax cut would take effect when withholding rates are set January 1, and the $28 billion cut in projected spending would take effect with the fiscal year starting October 1. That is, taxes would be reduced and the economy stimulated well before the election, but the unpopular cuts would come so close to the election their effects might not be felt by November.

In the intervening nine months, also, the program would increase the federal deficit and government borrowing demands. Henry Kaufman of Salomon Brothers estimates the federal borrowing needs in the first half of 1976 will be $23 billion if the 1975 tax cuts are allowed to expire, $35 billion if the cuts are extended and $40 billion if the President's program is enacted. Presumably the higher borrowing will drive up interest rates and exacerbate the problem of government borrowing crowding out private investment.

This is perfectly straight-forward logic with which we fundamentally agree. But to the extent the President's program is judged by analysis going no further than this, it is getting a bum rap. For if the expenditure limitations were ever enacted, they would have a profoundly beneficial economic effect. If Congress does not enact them, at least the President is forcing the right issue, acting politically not in the worst sense but in the best one, trying to find a political solution to a political problem.

In the first place, if the President's program were enacted even with the nine-month lag, there are excellent reasons to believe the impending spending reductions would moderate the interest-rate effects of temporarily higher borrowing. (See the briefing by Secretary Simon and Chairman Greenspan alongside.) Since the President's program includes a cut in federal borrowing needs in the first half of 1976, we can see from Great Britain that crowding out is not a genuine concern. In Great Britain the share of national production in 1975, climbing up to about 55%, which was far above the U.S. level, but stands as a warning that past a certain point a vicious spiral takes hold. In the U.S., government took about 25% of the Gross National Product in 1955, climbing up to around 37% in the early 1960s. The Great Society boosted the plateau to about 32%. The current recession is taking it higher, to 37% in the second quarter this year. It remains to be seen if this new figure goes down with economic recovery.

The President deserves great credit, it seems to us, for devising a program to deal with this problem, or at least focus national attention on it. He probably ought to send up spending cuts that take place January 1, if only to further clarify the political issue. But if the political issue is to swallow an elephant and strait at a gnat.

More profoundly, it helps to review the crowding out debate held last spring. The whole point was that the government does not get a free lunch by covering its spending by borrowing instead of taxing. Since this notion is so ingrained, the focus naturally was on the distortions caused by borrowing. But we are aware of no opponent of the view that the President is force the right issue. But if the political issue is to swallow an elephant and strait at a gnat.

More profoundly, it helps to review the crowding out debate held last spring. The whole point was that the government does not get a free lunch by covering its spending by borrowing instead of taxing. Since this notion is so ingrained, the focus naturally was on the distortions caused by borrowing. But we are aware of no opponent of the view that the President is forcing the right issue. But if the political issue is to swallow an elephant and strait at a gnat.
Give Us Officials Who Quit and Tell

By ROBERT D. BEHN

Last September, after a month as President Ford's press secretary, Jerald F. terHorst resigned because he could not defend the pardon of Richard Nixon. More recently, after five months as Assistant Secretary of State for Oceanic and International Environmental and Scientific Affairs, Dr. Dixie Lee Ray resigned with a denunciation of Secretary Kissinger's policy-making procedures.

Both former officials captured public attention not just because they resigned from their posts but all the time. These were the sort of news stories they actually said why they were leaving. Mr. terHorst did not complain that the late hours kept him away from his family. And Dr. Ray did not say she wanted to go back to her research and teaching. Both went not with a whimper but with a bang.

Neither can expect to work in government again. Dr. Ray is one of the main points of a new book by Edward Weisband and Thomas M. Frank, "Resignation in Protest: Political and Ethical Choices Between Loyalty to Team and Loyalty to Conscience in American Public Life," published by Holt, Rinehart and Winston. The book is an analysis of the events that led to the resignations of terHorst and Ray, as well as others, and an examination of the ethical dilemmas that confront government officials.

The authors argue that a public official, when confronted with a policy he deeply opposes, should either stay and fight, or resign and fight. But, they conclude, "to resign in silence or with false reassurance to the public that there is nothing wrong may be the least ethically defensible course of all."

Their book is, in part, a brief for "ethical autonomy," which they define as "the willingness to assert one's own principled judgment, even if that entails violating rules, values or perceptions of the organization, peer group or team." Not only is "ethical autonomy" essential for policy work, it is also necessary for "the effectiveness of a policy," the authors argue, because "it demands an analysis of policy that is independent of the pressures of governmental colleagues."

Such pressures result in what Irving Janis in his book, "Victims of Groupthink," called the "effectiveness trap," a Catch 22 which says that to contest a policy decision to which one object is to destroy your effectiveness to contest future decisions. Similarly, an official who resists policy so wrong that it requires him to find other employment nevertheless concludes that to protest publicly will serve not to change the policy, but only to label himself a leak. Again, to jeopardize one's personal reputation is to jeopardize one's future effectiveness.

"Resignation in Protest" chronicles important 20th Century protest resignations from William Jennings Bryan to Harold L. Ickes, to Elliot L. Richardson and William D. Ruckelshaus. It also analyzes the opportunity for future government employment of those who left with a public protest and who did not and the ethical dilemma of resignation ("It's America, the system forces men to choose between their consciences and careers.")

Significantly, however, authors Weisband and Franck do not merely deplore the political incentives that discourage protest resignations that could result in open and informed policy debates. Nor do they urge public officials to reveal their policy disagreements. They also seek ways to encourage what they consider more ethical behavior.

For this purpose, they include a comparative analysis of British and American resignation habits. In Great Britain it is considered immoral to resign over a disagreement with the prime minister and then blame one's ulcer. And resigning over a sincere policy difference does not appear to hurt a British politician's career. Lloyd George, Neville Chamberlain, Anthony Eden and Harold Wilson all resigned from a prime minister's cabinet in public protest. In Great Britain, resignations require a public explanation and despite the Official Secrets Act no minister has been punished for revealing foreign policy or military secrets when documenting his reasons.

Authors Weisband and Franck conclude that the British system works better because, in contrast to those who serve in the American presidential cabinet, British ministers come to the prime minister's cabinet with an independent political base. Further, if they decide to resign, they are not ostracized from the parliamentary "club" but retain a respected public platform: a back-bench in the House of Commons. And they are considered respectable candidates to head a future government.

Consequently, the authors recommend that we copy the British cabinet system by enacting a constitutional amendment requiring the President to select his appointees from members of Congress.

Robert D. Behn is an associate professor at Duke University's Institute of Policy Sciences and Public Affairs.
The President's Railroad Message

President Ford's proposals to Congress on how to revitalize the railroad industry would have been bold and imaginative a decade or two ago. But given the situation in that industry today, they are a disappointment. The package he sent to Congress last Monday combines a substantial amount of deregulation with $2 billion in federal loans. This is, in essence, merely a revised and somewhat enlarged version of legislation that passed the House of Representatives last year. It simply is not broad enough in scope to do the job that needs to be done.

The President's message accompanying these proposals, however, does appear to set out the philosophical framework in which this administration is going to try to handle all of the nation's transportation problems. And that framework may explain why the railroad plan is inadequate. The administration's proposals rest on the idea that this industry can solve its own problems if government will get partially out of the way—but only partially. Government is still expected, at the same time, to make it possible for the railroads to raise substantial amounts of low interest money. Presumably, the plans for other parts of the transportation industry, which the President said would be forthcoming shortly, will follow this same general principle. In other words, a shift back towards an unregulated, more competitive system is believed by the administration to be sufficient to get the railroads back onto a financially sound basis.

While this particular approach is not, in itself, bad, it seems to us not to face up to the enormous size of the railroad problem. We doubt that $2 billion is enough money to rehabilitate the railroads and we doubt that the railroads will ever be able to pay that money back, unless there are staggering surprises in other parts of the administration's transportation program. The favoritism shown by government over the last few decades to the competitors of the railroads—trucks and barges—is not going to be wiped out by $2 billion in long term loans. Simply reducing regulation in all three industries and thus increasing competition will undoubtedly let the railroads gain an edge in some markets, but it is not likely to change the edge that tracks and barges have from operating on subsidized highways and waterways.

The major question we see in the administration's proposals to reduce regulation of the railroads is whether they go far enough. The Interstate Commerce Commission has presided over transportation issues with a dead hand far too long. We are not sure that the limits on its regulatory power proposed by the President are sufficiently loose to give the railroads the kind of flexibility to which they are now entitled.

The administration, of course, has not yet committed itself on the problem of the bankrupt railroads in the Northeast. And, in a sense, it is unfair to judge the President's railroad plan until he proposes some solution to that mess. But the indications are that the administration is going to favor some kind of "controlled liquidation" of these bankrupt companies in which segments of their tracks would be acquired by other railroads. If that is so, the application of the principle set out in this first railroad message is likely to be a disaster. Long-term loans and minimal government involvement will not be enough to make those bankrupt lines solvent again. Sooner or later, the administration is going to have to give serious consideration to supplementary measures such as direct subsidies to railroad companies, purchase and maintenance of roadbeds, or direct operation of some railroads. While we understand this administration's reluctance to see the government become more deeply involved in the railroad business, we do not see any other feasible alternative.
Overriding the Strip Mine Veto

IN VETOING the strip mine bill yesterday, the President did more than side with an industry that has shown a consistent disregard for the land. Mr. Ford also showed that he had little appreciation for the fairminded efforts that Congress made in putting White House-requested compromises into the bill. It isn't as though the legislation that was vetoed last December was unusually harsh. It wasn't. And it isn't as though Congress came back this time with a tougher bill. Instead, more than half the changes recommended by the White House since the last veto were made.

In vetoing the weakened legislation, Mr. Ford has chosen to gamble that he can sustain an override by Congress. A vote is scheduled today in the House. All indications suggest that the vote will be close; on the merits of the arguments in favor of the bill, we support an override. Mr. Ford did not come forward with a persuasive case in his veto message. He said, for example, that jobs will be lost by the bill, but this contradicts what the former Secretary of the Interior Rogers Morton testified last February—that the land reclamation provisions will lead to a net gain in employment. It also goes against the experience in many states that have strip mine laws. It is ironic that the President discusses job losses, when over the years large numbers of workers in the coalfields have lost their employment as the industry turned increasingly from deep mining to strip mining. Mr.

Ford predicts that consumers will be paying higher electric bills, but as Rep. Morris Udall (D-Ariz.) points out, "increased utility bills are a product of the price of oil and coal which have been artificially inflated. If anything, coal companies are concerned that reclamation methods may cut into their excessive profits." The President believes that coal production will be unnecessarily reduced; again, experience in such places as Pennsylvania suggests a different outcome.

In sum, the President has made no arguments in his veto message that have not been thoroughly debated in the past five years in Congress. If any element in the debate has been missing, it has been an awareness among some of those who have been against strip-mining that conservation legislation means more than merely stopping the excesses of a given industry. It also means getting the message to the consumers of such fuels as coal that the old ways of thoughtless energy consumption are over and no one will be exempt from paying the new costs. In the case of strip mining, the excesses of the industry have been large and it would be less than honest to pretend that the remedy will not be expensive. But these costs are a necessary investment in the repair and preservation of the American countryside. They need not impede coal production. On the contrary, the purpose of this legislation is to make expanded production compatible with the values of conservation.
WASHINGTON, May 5

UPI — President Ford has thanked the Governors of Arkansas and Florida for supporting Vietnam resettlement activities in their states but pointedly ignored a critic of the evacuation, Gov. Edmond G. Brown Jr. of California.

Ron Nessen, White House press secretary said today that Mr. Ford telephoned his appreciation Friday to Govs. David Pryor of Arkansas and Gov. Reubin Askew of Florida for their words of welcome to the evacuees. Eglin Air Force base in Florida and Fort Chaffee in Arkansas, are two of three major resettlement points for South Vietnamese refugees.

Camp Pendleton in California is the third Evacuation base, but Governor Brown, has been a critic of the influx of refugees there. Asked if Mr. Ford had telephoned Governor Brown too, Mr. Nessen simply laughed.

The Senate Democratic leader Mike Mansfield of Montana, said today that the hostility expressed by many Americans toward arriving Vietnamese refugees was understandable "in view of the economic picture." but he and the Senate Republican leader, Hugh Scott of Pennsylvania said they expected more humane considerations to become dominant.
Pat Furgurson

Consumer Protection: However

WASHINGTON—The Consumer is all of us, which means a lot of votes. Thus Mr. Ford’s letter to three key lawmakers began in positive tones. “In the interest of protecting the American consumer,” it said, “I am directing . . . I am asking . . . I urge . . . I renew my request . . . I will soon request . . . I also intend to ask . . . I am determined . . . But then he got to his punch line: He is flatly opposed to creation of a federal consumer protection agency, which appears likely to clear Congress this time after repeatedly failing by narrow margins in earlier sessions.

The President’s “however” style is straight in line with his predecessor’s record on consumer agency legislation—endorse it in principle, obstruct it in practice.

Nixon ran on the 1972 Republican platform that supported an independent agency “to present the consumer’s case in proceedings before federal agencies.” Then last year when the House had passed the bill and it faced a series of votes to cut off Senate filibustering, Nixon sent a letter threatening to veto it if it did pass. The bill died.

As for Mr. Ford, he voted for the modest House bill in 1971 before it, too, succumbed to filibuster in the Senate. But now, it is obvious that the only way it can be killed again is by bluff, and sure enough that is what Mr. Ford is doing.

The Senate has changed its rules to make it possible for 60 votes, rather than two-thirds of those present, to cut off a filibuster. At least two of those who voted against cloture last year have been replaced with supporters of the bill. That probably means a filibuster cannot kill it this time.

However, the same two-thirds still is needed to override a veto—and the President is implying without stating that he will veto the measure once it passes. And he might, but the threat remains bluff, because the bill’s backers believe they have enough support this year to push it through even past the veto.

Parliamentary prospects aside, it may seem odd that any President contemplating running for re-election would stand against it. On precedent, the measure will have overwhelming backing in both committees and on the House floor. In opposing it, the President is bucking the acknowledged swell of consumerism across the country.

Mr. Ford explains his opposition on traditional conservative grounds of not adding to the federal bureaucracy and holding down the budget. But in fact, the proposed payroll of the agency is peanuts, relatively—speaking—about the price of one Tomcat jet fighter the first year, four jets in three years.

Its advocates maintain the agency actually would function against inflation by challenging the price-rigging in which some regulatory commissions indulge.

Under the circumstances, it is not disrespectful to speculate about the role of Mr. Ford’s old golfing and socializing buddies here in his switch against the consumer agency.

It happens that Ford Motor Co., the National Assn. of Manufacturers and the Chamber of Commerce are among the leaders in the general business opposition to the agency. And it happens, too, that the President’s closest after-hours companions for years have included Rodney Markley, William Whyte and Bryce Harlow, who are the high-paid Washington representatives of Ford Motor, U.S. Steel and Procter & Gamble, respectively, plus a list of other oil, manufacturing and business lobbyists.

None of that is incriminating, of course, but it would be less notable if the President also had occasional hot cocoa with Ralph Nader, for example, or hobnobbed with other consumer advocates like Carol Foreman and Esther Peterson. That, however, doesn’t happen.
Ford's Choice on Farm Bill: Votes Or Principle

Sometime within the next two weeks President Ford must decide whether or not to veto an emergency farm bill that has been approved by a House-Senate conference committee. His decision is not an easy one to make; it involves fiscal concerns, political considerations and ideology, all pulling the President in different directions.

On fiscal, as well as ideological, ground, Mr. Ford opposes any increase in Federal backing for farmers. This year’s program of farm subsidies and price supports already costs the Government $684 million. The new measure, which closely resembles the version of the bill passed by the House, would add $210 million more in supports and subsidies, according to agriculture experts in Congress, or $470 million more, according to Secretary of Agriculture Earl A. Butz.

Mr. Butz is pushing Mr. Ford to veto the bill. He shares a belief with the President that the Government should be getting out of the support business, not more deeply tied to it, particularly when a large Federal budget deficit is already a certainty and Mr. Ford is continually attacking Congressional Democrats for enlarging it. This is a view strongly held by other Republican fiscal conservatives who want the President to veto the bill.

However, Republicans in the Senate and House Agriculture Committees recently met with him in the White House and, ideology aside, asked him to sign the bill for political reasons. Their point is that the Midwestern farm states were essential to Republican success in 1968 and that Mr. Ford will need them should he be the party’s candidate.

The measure still must clear both houses of Congress, and is expected to do so. There is the possibility that the bill will pass with the necessary two-thirds vote to override a Presidential veto. That might permit Mr. Ford the luxury of a symbolic action, in which farmers get what they want and he can point to his faithfulness to fiscal orthodoxy. That approach could be politically risky as well. Democrats are not likely to let the farmers forget who tried to kill the bill and who saved it.
Remedies Sought

Cost: The problem is that traditionally, the Northeast, particularly the New England states, have had to pay the highest price for energy of any section in the country. The Northeast is farthest from domestic supplies of oil and natural gas and an import control program in existence until 1973 prevented the then cheaper foreign supplies from reducing costs in the area. The spiraling price of foreign oil has increased fuel costs, primarily in this region, and the proposed tariff would add even more to this cost.

The Federal Power Commission found that as of April, 1974, the cost of oil in New England per million BTU'S was $1.99 compared with $1.96 in the Mid-Atlantic states and $1.74 in the West South Central region. Natural gas costs in New England were $1.18, compared with 59.5 cents in the Mid-Atlantic and 39.1 cents in the West South Central states.

How can the Northeast be helped? Most leaders want to equalize energy costs in all sectors of the country. Some insist on lower prices for all fuels while others are willing to see natural gas costs advance.

A memo from the New England Economic Research Office to the New England Congressional Caucus issued early this month contends that an effective national energy policy must meet the following criteria: help to make jobs, insure that all regions of the country bear equitable burdens; place the major burdens of conservation on those best able to make sacrifices, and avoid rationing.

President Ford's energy program calls for a tariff on foreign oil and an excise tax on domestic oil and natural gas as a conservation measure. The tariff is expected to increase the problem for the Northeast because of the region's heavy reliance on foreign oil for heat and power. The excise tax on crude oil and natural gas, on the other hand, is designed to spread the burden more equitably across the country. Critics maintain, however, that it will do so at an extremely high price and that the Northeast will still have the heaviest burden.

For their part, spokesmen for the West South Central states argue that fuel costs for their region should not go up because they have been producing the nation's fuel and taking the risks of pollution. They are critical of many spokesmen in the Northeast for asking that energy costs be equalized across the nation and at the same time asking that no oil drilling or refining operations take place in their area.

In a recent letter to The New York Times, Governor Dolph Briscoe said that "The large role Texas plays in our domestic energy picture has made a national attitude on our part viable in the past, but more and more of late I have begun to view the provincialism of New England and of other consuming states in the Union as perhaps a more realistic approach to my own state's domestic problems.

"If I were to follow the lead of the New England states, I could call for the state's energy-related industries to fill the needs of Texas consumers before
Ford, Rockefeller, and privacy

In addition to his welcome repeated statements supporting the right of privacy, President Ford has recently given two other indications that he recognizes current threats to this right — and the importance of meeting them.

- By signing the far-reaching new aid-to-education legislation, he approved a provision known as the Family Educational Rights and Privacy Act of 1974. This ensures that parents and students have access to school records containing personal information so that they can offer corrections. The act also prohibits opening these records to others without parental permission, except in certain restricted cases.

- When asked what Mr. Rockefeller's role would be if confirmed as Vice-President, Mr. Ford anticipated Mr. Rockefeller would take over Mr. Ford's vice-presidential duty as head of the Domestic Council Committee on the Right of Privacy. Mr. Rockefeller's prestige and energy should guarantee that the committee would not languish. But Mr. Rockefeller would be judged on results.

Mr. Ford is on record against illegal wiretapping, for example. But Mr. Rockefeller, as Governor of New York, vetoed a bill that would have prohibited the use in criminal trials of evidence gained through illegal wiretapping or eavesdropping. Later, when the Supreme Court judged New York eavesdropping laws unconstitutional, Mr. Rockefeller favored new legislation permitting wiretapping and electronic surveillance as "perhaps the single most effective weapons" against organized crime — though the Justice Department and Supreme Court questioned the need for such surveillance. By 1969, the first full year of federally authorized police wiretapping to be surveyed by Congress, New York State used some six times as many court-approved wiretaps as the Justice Department itself did throughout the country.

It is to be hoped that, as privacy committee chairman, Mr. Rockefeller would build on the regard for safeguarding individual liberties he expressed several years ago in recognizing "the need to assure careful control of this technique of law enforcement [wiretapping and electronic surveillance], so that it will remain a servant of society and not its oppressor."

Already the committee has prompted action toward preserving another aspect of privacy — through preparation of an executive order restricting White House access to Internal Revenue Service income tax returns. Congress is rightly watching this to be sure it does not interfere with more comprehensive IRS controls in pending legislation.

Other privacy legislation deals with the various threats posed by data processing, both as it concerns criminal files and as it offers possibilities for misuse of personal information.

In the area of search and seizure, both houses of Congress recently repealed the 1970 "no-knock" drug raid law, under which many innocent families had been broken in on and terrorized.

Clearly Washington has a fresh regard for the right of privacy, and all must help to maintain it.
Playmaker Ford: 'You must carry the ball'

that the Presidential blessing would provide the margin of victory. But it was a measure of Ford’s problems that the outcome of the race remained conspicuously in doubt.

Ford stamped through six more states, donning a succession of improbable hats and hankering down at an Oregon fund raiser to snap off an autographed football that had been auctioned for $2,700. But his brief hospital visit with ex-President Richard Nixon underlined the Watergate connection that the party had been trying to forget, and the COP was braced for disaster at the polls this week. And after the election, Ford would finally be forced to grapple with his real problems: the deteriorating economy, the fight to confirm Nelson Rockefeller as Vice President, the need to replace Nixon holdovers in the government, and a major overseas crisis, including a potentially difficult meeting with Soviet chief Leonid Brezhnev.

The gravest peril was the economy, and its plight was underscored with the news that unemployment in October rose to 6 per cent, the highest level in 3 years. At a surprise press conference, Ford stopped short of his customary insistence that the nation was not in a recession; the precise word, he said, was "immaterial. We have problems." Ford publicly expressed confidence in the $1 point package he proposed last month, and privately he urged his Cabinet to come up with the requisite $5.4 billion in budget cuts. "You must carry the ball," he told them, "and if you don’t score, it’s your fault."

Blend: The President’s most immediate problem was the smoldering controversy over Rockefeller. Ford continued to vow "strong support" for his Vice designee, but Congress was increasingly disturbed by the Rockefeller blend of money and power. The disclosure of an additional $500,000 in loans and gifts, including an $84,000 loan to former Treasury Secretary Robert B. Anderson, merely added weight to the growing doubts about Rockefeller’s confirmation.

After meeting with other members of the House Judiciary Committee, retiring New York Republican Henry Smith estimated that the odds for committee approval were 50-50, and only moderately better in the Senate. By another count, however, Rockefeller was assured the support of only 15 of the committee’s 38 members, the sole Democrat being chairman Peter Rodino—who planned to vote “aye” to avoid influencing the verdict of the full House. But speculation was rising on the Hill that Rockefeller might withdraw before that.

Rockefeller’s prospects were no better in the Senate Rules Committee, which was scheduled to reopen hearings on the nomination next week. "Rockefeller’s chances for confirmation are slim, very slim or finished," said one Democratic Senate aide. The senators, probably led by West Virginia Democrat Robert Byrd, are expected to interrogate Rockefeller closely about covert financing of campaign biographies and his largesse to friends and aides—primarily a $625,000 gift to New York-New Jersey Port Authority chief William J. Ronan, long a Rockefeller pet. Ronan so far has failed to tell the committee precisely where the money went, and he may be subpoenaed. Confirmation is thus "going to
WASHINGTON

By James Reston

WASHINGTON, Feb. 15—President Ford has recently been invoking the name of his fellow-townsmen in Grand Rapids, the late Senator Arthur Vandenberg, in the hope of creating bipartisan or nonpartisan support for his foreign policy.

"When one party controls the Congress, as did the Republican 80th Congress, and the other party controls the White House, as did President Truman, it must be cooperation," Mr. Ford remarked in New York the other night: "or as Senator Vandenberg said, 'America would be deprived of any foreign policy at all.'"

The President concluded: "We need nonpartisanship in foreign affairs today more than ever before. We need more, not less, confidence in the honest motives and high patriotic concerns of one another."

This is obviously true, but it is a poor historical analogy. For the opposition to President Ford's foreign policy in the Congress is not partisan. The opposition is real, and although sometimes misguided, it is not motivated by considerations of political party interest.

The President is upset because the Congress amended his trade bill, cut off military aid to Turkey, and threatened to reject his appeal for the appropriation of over $500 million in mutual-aid funds to bring in Vietnam and Cambodia. But the opposition on all three of these issues comes from both sides of the aisle, as does the opposition to his energy policy.

Actually, President Ford is getting more support from the leaders of the Senate than from the House. But Senator Vandenberg got from the 80th Republican Congress. Privately, he applauds the support he gets from the majority leader in the Senate, Mike Mansfield, and from the Speaker and majority leader in the House, Carl Albert and Tip O'Neill; but publicly and surprisingly, he chooses to blame his troubles on party motives.

Presidents seem to like this technique, for the voters tend to support policies that are rejected for reasons of politics. Harry Truman, who seems to have been influenced by President Ford's model, knew this better than most. For while he praised Vandenberg and boasted of the bipartisan foreign policy achievements of the Vandenberg days, he won his spectacular victory in 1948 by running against "the do-nothing 80th Congress."

President Ford's troubles on foreign policy stem from sincere differences. They also arise much more from the revival of Congressional confidence than any new spasm of party spirit.

The abuses of Presidential power in Vietnam and Watergate produced a new determination in the last Congress to restore the constitutional balance, and this spirit has been fortified in the 94th Congress by the younger and more aggressive men and women who were elected last November.

Since the Democrats now control the Congress with large majorities, it is easy to see this opposition as partisan; but the truth is that the Democrats cannot agree among themselves most of the time, let alone organize a solid party attack against the Republicans.

The Vandenberg contribution to American foreign policy in the early postwar years was impressive, even historic, but the impulse for his conversion came primarily from elsewhere.

John Foster Dulles convinced him that if rockets could be fired across the English Channel it was only a matter of time before they could be fired across the oceans, destroying the notion of a safely isolated America.

Dulles, Tom Dewey and others also persuaded him that it was not in the interests of the nation or the Republican party to oppose American participation in a new world peace organization, as Henry Cabot had led the battle against Woodrow Wilson and the League of Nations.

Thus, the so-called bipartisan foreign policy was originally a limited and informal agreement between Roosevelt and Dewey to keep the formation of the United Nations from becoming a partisan issue in the Presidential election of 1944.

Secretaries of State Byrnes, Marshall and Acheson—particularly Acheson—took the lead in bringing Vandenberg and the other party into their confidence in the early days of the formulation of the Truman Doctrine, the Marshall Plan, and the North Atlantic alliance.

In fact, when these concepts were originally broached to him, he was usually startled and negative, but after daily consultation for weeks and months, he not only influenced the shape of the policies but worked out the Administration in advance the best way to present the new policies to the Congress.

Secretary of State Kissinger, like President Ford, has talked about a "partnership" with Congress in the formulation of foreign policy but it cannot be said, for all his exertions, that he has been as forehanded or as candid with this Congress as Truman and Acheson were with Vandenberg and the 80th.

Seldom a day went by in that critical early postwar period that Secretary Acheson did not call on Senator Vandenberg at his apartment in the Wardman Park Hotel. No two men could have been more different in temperament or style, but they created precisely the kind of "partnership" President Ford is now demanding. The difference then was that Truman took the initiative. It was only later, when the 80th Congress had given him just about everything he wanted in the foreign field, that he attacked it politically for doing "nothing."
The Nation / Continued

Ford Has a Southern Tactic, Not A Strategy

By B. DRUMMOND AYRES Jr.

ATLANTA — One of the key elements in Richard Nixon's capture of the Presidency in 1968 was his "Southern strategy."

He promised to slow desegregation and appoint conservatives to the Supreme Court and, in return, Southern Republicans played a major role in nominating him and Southern Democrats were instrumental in electing him.

Increasingly, many Dixie politicians think President Ford will need some sort of Southern strategy if he is to be renominated and re-elected in 1976.

First, they point out that 13 Southern and border states will hold the biggest regional block of strength at next year's Republican convention — 606 of 2,259 votes.

Second, they contend that the candidate of a conservative minority party cannot win a national election unless he sweeps these states, which have 147 of the 270 electoral votes needed for victory.

Mr. Ford has made a few Dixie overtures, mainly by appointing several Southerners to high office. But thus far he does not seem to have any clear cut strategy for the region.

Perhaps this is because the issues are no longer so clear-cut in the South.

Dixie is still a stronghold of conservatism. But the old gut issues that once overshadowed everything else and could be politically exploited with ease are slipping rapidly into history.

The desegregation drive has moved North. The Supreme Court is now inclined to the right. Senator Strom Thurmond, the South Carolina Republican who was among the first to demand that Mr. Nixon offer the South concessions back in 1965, is now courting the black vote.

What worries the South these days more than anything else is what worries the rest of the country more than anything else, namely, the economy.

When Southern governors convened in Florida last week for their annual conference, the only matter they discussed at length was the economy and how it might be affected by the energy crisis and further Federal spending.

Ford's Moves

Facing this political reality, what can President Ford do to assure himself a Southern sweep in 1976? What is he doing to hold Republicans in the fold? What is he doing to convince Democrats, who are in the majority in the South, to come across to the Republicans?

Though he has been criticized for involving the economy by many voters elsewhere, Mr. Ford's spending vetoes are proof enough to some Southerners that he has priorities in order, that he is trying to do something about the economy, first and foremost. Southern blacks, who want and need Federal aid programs, are not happy, but conservative Southern whites think they finally detect a slowdown in what they call "Government waste."

The President's appointment of former Secretary of the Army Howard Callaway as his campaign manager has been taken by many Southerners, particularly Republicans, as a solid indication that he has not forgotten the political importance of Dixie. To reinforce this perception, Mr. Ford has periodically visited the South.

Since he appointed David Mathews, an Alabamian, as Secretary of Health, Education and Welfare, a number of Southerners have taken hope that the Federal agency that has troubled them most is at least to be reined in. Mr. Ford's recent antitaxing statements, though aimed primarily at the North this academic fall, have also added to his Southern lustre.

Nor has his hard-nosed handling of the Mayaguez incident been forgotten by the people of a region that sends an abnormal amount of its young men and women into the armed services.

But all of this hardly constitutes a Nixon version of Southern strategy: it seems more like a holding action.

The Nixon strategy would demand Mr. Ford's disavowal of Nelson Rockefeller as his 1976 running mate. This is the President has refused to do, though the Vice President is considered by many Southerners to be far too liberal.

When the leaders of all Southern Republican parties met recently in North Carolina to discuss Presidential politics, they concluded that Mr. Rockefeller was a "bugaboo." They were particularly worried that his presence on the 1976 ticket would hurt not only Mr. Ford but also Dixie Republicans running for Congressional state and local offices.

The South is still controlled by Democrats at the county level, where habit often outweighs issues. But Republican candidates are beginning to win elections at the national and state level, where Democrats frequently can be tagged, correctly or not, as liberals or tired old political hacks.

A third of the South's Governors and Senators and four of its Congressmen are now Republicans. Some Southern states have gone Republican in several of the Presidential elections held since World War II.

One measure of Southern antipathy toward Mr. Rockefeller can be found in a recent Harris Poll. It reported that one of every three Southern Republicans would not vote Republican in 1976 if Mr. Rockefeller remains on the ticket.

Where would the dissidents go? Perhaps to a ticket headed by Gov. George C. Wallace of Alabama or former Gov. Ronald Reagan of California.

Both men have strong Southern followings. As third party candidates, some polls indicate, they would siphon off more Republican than Democratic votes. Mr. Reagan conceivably could cause renomination difficulties for Mr. Ford.

The Vice President is fully aware of the problems he raises in the South for the President.

He has dipped into Dixie several times in recent weeks to explain the role of welfare and deficit spending. And...
Laird on why Ford slips in polls

By Godfrey Sperling Jr.
Staff correspondent of
The Christian Science Monitor

Washington

Melvin Laird, long-time close associate and adviser to President Ford, says he believes Mr. Ford will have to bring unemployment down to 7 percent and inflation to 6 percent to be elected next year.

Both figures are somewhat higher than current administration estimates.

Later, when asked if the President would have to reach those percentages precisely, Mr. Laird indicated Mr. Ford would have to come very close.

Asked why he thought the President's popularity rating had been dropping lately, Mr. Laird attributed much of it to a failure of the American people to understand Mr. Ford's energy program --- to see why it should have to take a further rise in the price of gasoline.

Mr. Laird took these positions:

- "Portugal must be a European problem."
- He said that "because of developments in the U.S." Current attitudes of the U.S. public and Congress "would preclude any kind of military intervention on the part of the U.S."
- While Turkey was "vital in the U.S. intelligence operation," the United States was "not dependent on verification from Turkey"
- for the missile verification necessary for the SALT (strategic arms limitation talks) agreement with the Soviets.
- He added: "We should never be dependent on a third country on SALT. We have already taken the first step."
- Nelson A. Rockefeller remains choice for Vice-President next year.
- Although he expressed a lack of interest in taking the secretary of state position, Mr. Ford is elected and asks him, Mr. Laird indicated Mr. Ford would want him to consider the position.
- "I think we have the best man for the problem: labor movement right here in the United States." When a reporter asked Mr. Ford about Mr. Meany's position on Mr. Ford's health care plan, Mr. Laird said: "Meany hasn't rushed or proposed any other candidate."
- On a possible Ford health program year: "It will be a national health program, not nationalized health care."
- On a possible Reagan race against Mr. Ford for the vice-presidential slot: "Assuming the party is concerned, it would add interest." Asked if he thought that if Reagan decided to run against Ford that this, "would add interest," Mr. Laird would comment.

By R. Norman Matheny, staff photographer
Ford the campaigner

When President Ford took office he emphasized his role as reconciler but reminded his congressional former colleagues that he is also a Republican. If there were any doubt about his GOP instincts, he is dispelling it by jetting around the country with the kind of support for his fellow party members that Mr. Nixon was criticized for withholding in the last election.

All can agree with his exhortations to get out the vote. The traditionally strong Republican turnout at the polls has been in decline. Perhaps Mr. Ford's old-time partisan rhetoric will be more successful in impelling Republicans to vote than to attend $500-a-plate breakfasts.

Yet, to a country chastened by the abuse of partisan politics, Mr. Ford's approach could be politically counterproductive. He can find plenty of substance to criticize in the record of the Democratic Congress in recent years. He does not need to raise the prospect of "extremists" coming to power in a Democratic landslide — thus, however unintentionally, laying himself open to charges of "Agnewism."

No one expects party man Ford to change his spots. But he is President now. He knows that such facts as Watergate and the economy will weigh more than rhetoric in the election. He knows that what he does about them will weigh more than what he says. He might do better for his party as well as his country by keeping his campaigning to a discussion of the issues, however partisan, thus challenging the opposition to do likewise.
Forgetting You Are President

By James Reston

WASHINGTON, Oct. 24—Every man who, by accidents of life, has suddenly had to take over the terrible responsibilities of the American Presidency, has gone through a temporary period of staggering and blundering, and President Ford is no exception.

He is getting into trouble now because he is talking like a party leader instead of like a President, and taking a great deal before he has had time to decide whether the main problem of the economy is inflation or recession.

Lyndon Johnson's first major decision, after the murder of Jack Kennedy, was to introduce his first budget. I happened to be at his ranch in Texas while he was pondering this decision. He flew over to Austin and consulted with John Connally on the matter, "I don't want to go over $100 billion," he said, speaking like a Senator, and Mr. Connally agreed that that was bad policy but good politics. So the budget went in under the magic "hundred" and everybody said he was a responsible man, except those who knew the facts.

Harry Truman stumbled into difficulty early in his Administration by making gushing and often provocative statements without thinking of the consequences. Even after he had been in office for a few years, during the Korean war, he suggested that atomic weapons might be used against the Chinese on the judgment of the American commanders in the field.

The British were so startled by this press conference remark that Prime Minister Attlee came flying over to Washington to find out what was going on. What was going on was that Mr. Truman was still blowing off like a Senator without authority. A natural, spontaneous man, like Mr. Ford, he simply forgot that a President has to be more careful and often has to speak as if he were dictating to a stenographer.

Mr. Ford is now trying to make the transition from 25 years as a conservative party politician on Capitol Hill to the Presidency while faced with ambiguous and even radical economic problems in the White House. In some ways, this passage from one role to the other has been harder. Mr. Truman took over during a war, and Mr. Johnson during a period of sympathy for a murdered President. Mr. Ford has inherited a complicated economic crisis and is now caught between the people who think he is doing too little to deal with the effects of inflation and those who feel he is doing too little to avoid a recession.

He is responding to this out of his past, by doing what comes naturally. He is sympathetic to whatever audience he happens to be addressing, as a good partisan leader usually is. He understands the people who are out of work, and wants to help them. He believes in the Republican party and in cooperation between the parties. One day he argues for cooperation with the Democrats and the next for defeating them as the enemies of fiscal responsibility and even peace in the world.

This is creating a problem, not only for the President but for the nation. For among the people who admire his candor and wish him well—which means most of the American people—he is raising doubts about his judgment by insisting that there is a Republican party answer to the problems of inflation and peace.

By the accident of history and personality, his real power lay in the fact that he was the opposite of Messrs. Nixon and Johnson, a plain, honest and uncomplicated man. The country was sick of partisan politics, but lately he has insisted on the ridiculous thesis that peace and economic stability depend on electing Republicans next month.

This has hurt him, not only on Capitol Hill but with the most thoughtful members of his Cabinet and his White House staff. Most of them wish he had stayed in Washington and concentrated on policy instead of politics.

Mr. Ford, like Mr. Nixon, admired President Truman, but they did not follow Mr. Truman's example. Mr. Truman put together a Cabinet to help him, and gave them authority to meet their Cabinet responsibilities. He relied on men like Henry Stimson, Robert Patterson, and James Forrestal at Defense; James Byrnes and Dean Acheson at State, and he gave them authority to deal with the problems beyond his immediate understanding.

This is what President Ford has not done. Like Harry Truman he has made the political pitch, and scalded the opposition, but after the election next month, he will probably have to change his tune and his team. The problems before him are not political but national, and after Election Day he will have to forget his old political role and try to be President.
The Harris Survey

Ford Tops 5 Democrats

In Potential '76 Races

By Louis Harris

If the 1976 presidential election had been held this past Nov. 5, President Ford would have defeated any of five prominently mentioned Democratic opponents by anywhere from 7 to 33 points, despite the Democrats' capture of 61 per cent of the vote.

In an interview conducted among a cross-section of 1,273 likely 1976 voters between Nov. 1 and 4 in 200 locations across the country, the following questions were asked.

Sen. Walter F. Mondale (Minn.) since announced he would or run.

In the elections for Congress here in your district, would you vote for the Republican or Democratic candidate if you had to decide right now?

If the 1976 presidential race were between President Ford and (READ NAME) for the Republicans and (READ NAME) for the Democrats, and if you had to decide right now, would you vote for Ford or (READ NAME) the Democrat?

1974 Vote for Congress and 1976 Preference for President

<table>
<thead>
<tr>
<th>Total Likely Voters</th>
<th>1974 Race for Congress</th>
<th>1976 Preference for President</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Democratic</td>
<td>Republican</td>
</tr>
<tr>
<td></td>
<td>(not including the undecided vote)</td>
<td>(not including the undecided vote)</td>
</tr>
<tr>
<td></td>
<td>Not sure</td>
<td>Ford</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ford vs. Muskie in '76</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ford vs. Jackson in '76</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ford vs. Mondale in '76</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mondale</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mondale</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Bentsen</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Wallace</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Not sure</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ford</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ford vs. Bentsen in '76</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ford vs. Wallace in '76</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Bentsen</td>
</tr>
</tbody>
</table>

© 1976, Chicago Tribune
As a turning point

By John Dillon
Staff correspondent of
The Christian Science Monitor

Southern Republicans are smiling again.

Buoyed by the popularity of President Ford, Republicans are hoping to grab a fistful of new congressional seats this fall in the Southern States.

From South Carolina, where Republicans want two new seats, to Louisiana, where they would settle for one, the party is challenging Democrats in about a dozen hotly contested races.

While Watergate raged in Washington, the political outlook for the party remained foggy in the South, despite widespread sympathy here for former President Nixon. But with those troubles swept away, Republicans are again talking of making quick strides in the region.

Few around

Not long ago, Republicans were as scarce in Dixie as Yankees, and the region was dubbed by both parties as the Solid South — solidly Democratic.

But since 1964, all that has changed. The Republicans now hold 34 out of the South's 108 U.S. House seats, 3 of 11 Southern governorships, and 7 of 22 U.S. Senate seats.

Perhaps just as significant, Republicans have made sharp inroads into local and state governments — from the sheriff's office to the Legislature.

Just as in the North and West, Republicans are finding their most fertile territories to be in the comfortable white suburbs surrounding larger cities.

Middle-class blacks also have lent some support to Republican candidates, as in Tennessee.

Some rough spots

The current outlook isn't all as sweet as honeysuckle on a spring day, however.

In Florida, for example, Republican U.S. Sen. Edward J. Gurney, who once looked tough to beat, withdrew from this year's election after he was indicted by a federal grand jury.

Mr. Gurney's action has triggered a wild scramble among Democrats who want his seat, and the winner of the Democratic primary probably will be favored in November.

Money is tight for Republicans in some states. New campaign laws, unfavorable publicity for big contributors, and fines for violators have slowed the money spigot.

The black voter

Also potentially troublesome is the growing number of registered black voters, who usually go Democratic. Republicans who are unsuccessful in wooing black support sometimes are starting with 20 percent or more of the vote against them.

Despite such long-range concerns, political insiders say Republicans may add some Southern congressional seats this fall.

In Florida's Fifth District, now held by U.S. Rep. Bill Gunter, Republicans are favored in an area heavily settled by retired persons with a conservative voting record. Mr. Gunter is running for the U.S. Senate.

In South Carolina, two districts — the Third and Fifth — went on the Republicans' "winnable" list when the Democratic incumbents did not seek re-election. While the Democratic candidates are favored by some observers, the races are considered close.

Republican targets

In Georgia, Republicans have targeted the Sixth and Seventh Districts, both in the Atlanta suburbs. In the Seventh, the incumbent, John W. Davis, was whipped in the Democratic primary by a member of the John Birch Society, Lawrence P. McDonald. Republicans are going after an conservative district with a retired Air Force Colonel, Quincy Collins, who spent 7½ years in Hanoi as a prisoner of war.

In the Sixth, Republican Newt Gingrich, a history professor, is going after incumbent Democrat John J. Flynn Jr. in what could be a close race.

Five hundred miles away, in Louisiana, Republicans think they have found a weak spot in Democratic ranks in the Sixth District, now held by John R. Barlick.

Close race

Mr. Rarick is in a tough renomination fight with a young TV news- caster, Jeff LaCaze, with the Democratic runoff election set for Sept. 28. Whoever wins, Republicans think they have one of their best opportunities in years to pick up another seat with their own candidate, attorney W. Henson Moore.

By chipping away at Democratic strength — a seat here, a seat there — at almost every level of government, Republicans are hopeful of finally becoming the majority party in the former Confederacy before very many more years have gone by.
Ford, on Speaking Trip, Blends Politics and Football

BY RICHARD L. MADDEN
Special to The New York Times

CHICAGO, Feb. 14—As Vice President Ford's motorcade crept through suburban Tinley Park this morning, Mr. Ford, just out of his car and coatless in the 20-degree chill, marched resolutely along the sidewalk shaking hands with some of the 4,000 school children who were lining the route and waving flags.

At one point Mr. Ford stopped and patiently held 3-year-old Danny Whitemiller in his arms as the boy's mother snapped a picture. Mr. Ford beamed: Danny cried.

Mr. Ford insists that he has no intention of being a candidate for any office in 1976.

Nonetheless, the Vice President's three-day swing through the Middle West, which began yesterday in Kentucky and ends tomorrow night in Nebraska, has produced some indications that the former Michigan Representative is enjoying his new role of national prominence.

The trip, which involves mainly speeches at Republican fund-raising affairs, is his heaviest travel schedule since he became Vice President Dec. 6. And apparently not all his friends rule out Mr. Ford as a candidate in 1976 despite his repeated disclaimers.

"With All My Strength"

Last night, for example, Representative Tim Lee Carter, Republican of Kentucky, introduced the Vice President to an enthusiastic audience of about 1,200 in a high school gymnasium in London, Ky., and announced:

"I shall work for his nomination in 1976 with all my strength."

Mr. Ford just smiled as the audience applauded and cheered.

Mr. Ford, who normally reads his speeches in a rather wooden manner, gave what some observers regarded as his best recent speech-making performance.

"We should be proud of the United States," he said as he recited what he viewed as the accomplishments of the Nixon Administration, particularly in foreign affairs. He did not mention Watergate, but he declared at one point:

"Man of Integrity"

"Let me say a word about a great American—the President of the United States. I've known the President politically and socially. He is a man of integrity, ability and dedication and great intelligence." Mr. Ford added that when historians reviewed the record they would conclude that Mr. Nixon has done more for America than any President in our lifetime."

Mr. Nixon got 73 per cent of the votes in the London area in south-central Kentucky in 1972, and Mr. Ford's praise of the President appeared to go over well.

Mr. Ford's speeches blend political appeals accentuating the positive in the Administration, without dwelling on its Watergate problems, plus references to football.

Speaking tonight at the Frank Leahy Awards fund-raising dinner for the American Cancer Society, Mr. Ford declared:

"I only wish that I could take the entire United States into the locker room at halftime. It would be an opportunity to say that we have lost yards against the line drives of inflation and the end runs of energy shortages, and that we are not using all our players as well as we might because there is too much unemployment.

"There would be no excuses about previous coaches and previous seasons. I would simply say that we must look not at the points we have lost but at the points we can gain. We have a winner."

Reimbursement Pledged

Mr. Ford is traveling with a small staff in a propeller-driven Air Force Convair. An assistant said that the Republican National Committee would reimburse the Government for the cost of the trip related directly to Republican fund-raising activities.

The Vice President has told reporters several times that he has "no plans to run".

Mr. Ford added that when he made a "pretty firm commitment" to his wife not to run for election again and that he probably "do a better job" as Vice President if he were "not suspect... as a potential president."

"He's refreshing. He's new." Senator Marlow W. Cook, Republican of Kentucky, said of the Vice President. Mr. Cook, who accompanied Mr. Ford on the first leg of the trip, contended that "it's kind of refreshing to hear somebody who says 'I don't want to be President.'"
The current spate of talk that Gerald Ford will be only an obedient "caretaker" Vice President and thus pretty surely out of it for the 1976 Republican presidential nomination has a certain important shortcoming. It is nonsense.

He will be very far from out; far more likely he will be the man to beat. What might be called the present devaluation of the currency of Gerald Ford, President Nixon's choice in November 1976, are still of no more than the same old, same old. Nevertheless far from certain that he is the man, the one the future is filled with honest partisan considerations. They just don't understand much about Congress and specifically they underestimate the pre-convention power to gather up delegate votes that can be exercised from the Capitol by a truly savvy party floor leader such as Ford has long been. (Harry Goldwater did it in 1964; and he was not even a member of the leadership.)

"While Ford would not wow them in Berkeley, there is an awful lot of Toledo out there."

This third set of skeptics is far more impressed by, say, some articulate Assistant Secretary of State than by a congressional patriarch—In this case Ford—who knows how to use that influence.

Ford knows exactly how to use it. In fact for years has done so, and will not altogether lose it even when in due course he is confirmed by the House and Senate as Vice President and so changes his hat.

The negative things being said about him are that he lacks "glamour"—which is totally correct—and that he lacks the quality of real leadership—which is totally incorrect to those who over the years have seen his operations in the House.

As to "charisma," its absence may turn out to be rather for better than for worse. Many fairly acute political analysts believe the people are very tired of both charisma and its opposite, as currently represented by the lonely and withdrawn attitudes of Mr. Nixon.

The doubters call Ford "the All-American boy." But while he would not wow them in Berkeley there is an awful lot of Toledo out there—an awful lot of country in which a quietly competent, unobtrusive and strictly "square" presidential candidate might look pretty good three years hence.

But will Ford "really want" the nomination, after all? Well, did Harry Truman, another Midwestern square so long presented as only an absent-minded afterthought by Franklin Roosevelt, intend only to keep the vice presidential chair warm for a while, "really want" the nomination later on? Party forces of immense power tried to take it from him—and history knows how far they got.

© 1973, United Press International
Ford, Hitting Campaign Trail, Comes Out Swinging

By Marjorie Hunter

Special to The New York Times

WASHINGTON, Feb. 21 — Dismayed by the Republican losses of his old House seat in Michigan, Vice President Ford has shed his “Mr. Nice” image and has come out swinging against those he calls “labor outsiders.”

The “new” Ford, his voice booming and his arms swinging, was unveiled last night at a rally in Cincinnati for William D. Gradison Jr., the Republican candidate in an upcoming special election for a House seat vacated by William J. Keating, a Republican who resigned to become president of The Cincinnati Inquirer.

Mr. Gradison’s Democratic opponent is Thomas A. Luken, a former Mayor of Cincinnati.

Blaming “labor outsiders” for Republican losses of House elections in Michigan and Pennsylvania, the Vice President asked, “Do you want a bunch of outsiders telling you who to send to Congress?”

“Hee, no!” the audience chorused.

“Well, they’re moving in here!” Mr. Ford shouted.

Unlike his usually colorless performances — passionless speeches read in a monotone to audiences prone to occasional yawns — this was a crowd-pleaser. There were cheers, laughter and thunderous applause.

To some observers, the Vice President’s speech was reminiscent of the “give ’em hell” campaign conducted by Harry Truman as he whistle-stopped around the country in 1948.

While Mr. Ford is as much a partisan Republican as Harry Truman was a partisan Democrat, the Vice President has often said he was a great Truman admirer. And this year, with the Republican party’s future threatened by the Watergate scandals, Mr. Ford no doubt feels something of a kinship to the battling Mr. Truman.

It was the loss this week of his old House seat to a Democrat — the first Democrat elected in Michigan’s Fifth District in 64 years — that prompted the Vice President to adopt something of a “give ’em hell” approach to the long campaign that lies ahead of him this year.

Campaign Burden Burden

With President Nixon’s image tarnished by the Watergate scandals, much of the burden of campaigning for Republican candidates for Congress has fallen to the Vice President.

In an interview last night after the Cincinnati rally, the Vice President said he was determined “to put the party back together.” He said that he felt a real sense of disbelief when he learned Monday night that his old House seat had been won by a Democrat.

“I decided we’ve got to put a little zip in the campaign,” he said. “You have to be on the offensive. It’s just like in a football game: If you don’t score, you don’t win.”

Democrats have won the first two of the six special House elections this winter and spring, and could well win the remaining four, including the Cincinnati seat on March 5.

Blames Organized Labor

Mr. Ford’s attack on “outside forces” and “big labor” last night was made “off the cuff,” he said. But he added that he was convinced organized labor was as much responsible for Republican losses in the Michigan and Pennsylvania races as was the Watergate backlash.

At the Cincinnati rally, the Vice President told the gathering of several thousand Republicans that organized labor had “overwhelmed and overthrown Johnstown, Pa.” in Pennsylvania’s 12th Congressional District election on Feb. 3.
Nixon on Kissinger coattails; Ford star rises for '76

Polls show
Vice-President in early lead

By Godfrey Sperling Jr.
Staff correspondent of
The Christian Science Monitor

Washington

Watergate and its spinoff are spilling spectacularly into the politics of tomorrow.

¢ Thrust suddenly into the vice-presidency, Gerald R. Ford has become the Republicans' shining light, ready in the wings should he be called upon to take over for Richard Nixon.

Furthermore, despite his assertions of nonambition for higher office, the polls are showing that Mr. Ford has emerged as the GOP front-runner for the presidential nomination in 1976.

Matchings in the polls of Mr. Ford with two leading Democrats, Sens. Edward M. Kennedy and Henry M. Jackson, also indicate that, as of now, Mr. Ford would beat them in a race for the White House.

¢ Spiro T. Agnew's political demise was even more dramatic than the ascendancy of Mr. Ford. Until only a few months ago Mr. Agnew had seemed the almost-certain GOP standard bearer in 1976. As the sitting Vice-President he would normally gain that spot without too much trouble.

Then came Mr. Agnew's no less confounding plea to income-tax-evasion charges and his immediate fall from grace.

The nation was stunned. And Spiro Agnew - who had somehow been able to pull himself out of the anonymity of 1973: year of surprise and shock -Page 5

... usually accorded a vice-president was quickly becoming the forgotten man.

¢ Watergate also brought other politicians forward, not as fast as Gerald Ford, but quite a distance.

Sen. Howard Baker, starring on the Ervin committee TV panel show became, almost overnight, a "possible" GOP presidential candidate.

But those who gain by television can also lose by it.

There was evidence that the Senator, before the video programs ended, had suffered a bit from overexposure.

TV "overexposure" in just a matter of several weeks? So it seemed.

Seldom had any one person been seen by so many people in such a short span of time.

-Democrat Sam Ervin was the prime luminary in the hearings, of course. For a while there was talk that the Senator could have almost anything he wanted in politics.

But the veteran North Carolinian wanted to go home more than anything else. Thus, the Watergate hearings will be his swan song.

¢ Watergate dimmed the prospects of some who had the presidential gleam in their eyes.

Vice-President Agnew's political those who told him that he would only lose by associating himself with the Watergate-related problems.

Mr. Conally keeps insisting that he will not be a candidate in 1976. More and more, people are believing him.

¢ Watergate also gave new support to the presidential aspirations of "new faces," particularly those who appeared to have a "clean" image.

Sen. Charles H. Percy, long viewed as a "Mr. Clean," was one Republican who gained ground, not only because of his reputation for ethical conduct but also because he had remained completely outside of the President's inner circle.

On the Democratic side the new faces were bountiful. But the names most frequently mentioned as possessing presidential luster were Sens. Walter F. Mondale of Minnesota, Lloyd Bentsen of Texas, and Adlai E. Stevenson III of Illinois, together with Gov. Reubin Askew of Florida.

Republican governors - particularly Ronald Reagan of California and Nelson A. Rockefeller of New York - also gained ground in their effort to win the presidency.

Governors Reagan and Rockefeller were not "new faces," not by any means. But they both were experienced administrators of big states.
Republicans Here Back Ford for 1976

Continued From Page 1, Col. 5

Rockefeller's nomination next year.

Mr. Buckley served as chairman and spokesman for 20 conservative Republicans who earlier this month agreed that since neither the President nor Vice President had been elected, "it would be in the best interests of the Republican party and of the country" to have these nominations decided at an "open convention."

The timing of the rebuke of the Senator was particularly significant since he and the Vice President were sharing the dais several hours later at the annual Republican State Committee dinner at the Waldorf-Astoria Hotel. About 1,500 attended.

Mr. Rockefeller's continuing control of the state party was evident not only in the pro-Ford resolution adopted by the state G.O.P. leaders but also by the fact that he was the host at, and paid nearly $3,000 for, lunch at the Waldorf-Astoria for about 300 state committee members and other G.O.P. officials.

In speeches at the luncheon and dinner, Mr. Rockefeller lavished praise on President Ford as "a true leader, a statesman."

The lavish praise of the President, the refusal to allow his New York supporters to pressure the President on his behalf and the figurative rap on the knuckles of Mr. Buckley made it plain that Mr. Rockefeller was putting his future political career entirely in the hands of President Ford.

"There will be no effort on my part to put the slightest restraint on his complete freedom to make that choice," Mr. Rockefeller said of Mr. Ford's decision on a Vice President.

Mr. Ford has already said he wants to continue the Ford Rockefeller team.

Mr. Rockefeller, surrounded by reporters after his luncheon talk, declined to say whether Mr. Buckley should be nominated on the ground that it was "a local political situation."

Even former Gov. Malcolm Wilson, who has been close to Mr. Buckley and the Conservative party, declined to endorse Senator Buckley, yet, although he described him as "an excellent Senator."

"Told to" Stay Loose

As part of the obvious pressure on Mr. Buckley to keep his distance from anti-Rockefeller conservatives, Mr. Rosenbaum urged G.O.P. county leaders and state committee members at a closed meeting before the luncheon to "stay loose" on the Senate race.

Representative Peter Peyser, a Weston Republican, has threatened to oppose Mr. Buckley in the Republican primary.

However, Mr. Buckley also holds some high cards in the political poker game with state Republicans. He is assured of the Conservative party nomination and could well win a three-way election contest against a Republican and Democratic candidate. At the least he could probably insure the defeat of the Republican and thus decrease the Republican strength in the Senate.
WASHINGTON — The prevalent mood here at the beginning of summer is increasingly restless, partisan. The cattle are beginning to stir in the barn. The politicians are organizing for next year’s elections, when many of them believe new leaders will be chosen, not only for the White House, but for the House and Senate as well.

The most significant change in the last few months has probably been the rise in the popularity of President Ford. He has come through the formative stage of his Administration in better form than had been generally expected. He is visibly more confident. He has put together a competent Cabinet, and, by a combination of candor and friendliness, he has swept away the atmosphere of conspiracy and mistrust that polluted this town in the last months of the Nixon Administration.

He is being helped for the moment by the feeling, not quite supported by reliable facts, that the worst of the recession is over, but even among many people who like and support him, there remain serious doubts that he has the imagination or resiliency to handle the challenges of the last years of the seventies.

The success of the sixties has been followed by — may even have produced — a torrent of new and more complicated problems in all free societies. A rising middle class is demanding more from its governments in the industrial countries, and provoking, since the organization of the oil cartel, new cries from the hungry countries for a more equal distribution of the world’s wealth.

At home, a new generation of industrial and service employees as well as the young professionals, is thinking and living and acting politically in different ways.

Internationally, the fears of the cold war era have been replaced by a popular belief in “detente,” and there is a vague suspicion here, underlying all traditional political assumptions, that America is approaching the new problems of the eighties with a lot of old men and old notions.

In short, there is a pervasive feeling here that there is something out of date and maybe even deeply wrong with the organization and spirit of our politics, and that the last four years, a decade, will require the sort of economic and political innovations that marked the first half of the thirties. Those who feel this way and at the same time regard Mr. Ford as an ideal interim President, do not quite see him as a leader of these coming turbulent years.

Senator Edward Kennedy is back on the front pages of the news magazines and continues to lead the popularity polls, but this is so only because the Democrats are in such a mess. The guess here is that his promise not to run or accept a draft in 1976 is genuine. And that the Democrats would do better to take him at his word and find themselves another candidate.

Kennedy, who has cooperated with the writers of profiles and Sunday supplement features, probably not because he is secretly maneuvering for a draft, but because he must run next year for re-election in Massachusetts, which is deeply divided on the issues of busing and abortion, and he could be in trouble over these questions.

Accordingly, it does him no harm to concentrate on the large issues of health insurance, unemployment, and foreign policy, and dominate the popularity polls and the magazine covers. Nor does it hurt Representative Tip O’Neill of Massachusetts, who is leading the charge for Kennedy. Tip has political ambitions too, and the more he shares the headlines with Kennedy, the better his chances of moving up from majority leader to Speaker of the House when Carl Albert retires, as he is expected to do next year.

So the politicians are trying to anticipate the coming changes, sensing that new problems and new leaders may be forthcoming after the Bicentennial suggests the need for new beginnings. Even the 75 new Democratic Representatives, who made such a splash early this year, are planning to go away to a “recess” for a weekend after they return from the Memorial Day recess, in to discuss their future plans.
CALIFORNIA CAMPAIGN TEAM NAMED

Longtime Reagan Backers Join Ford

BY RICHARD BERGHLZ
Times Political Writer

President Ford reached deep into the ranks of longtime supporters of his prospective rival, former Gov. Ronald Reagan, to form his own California campaign election committee, it was disclosed Wednesday.

Henry Salvatori, oilman and a major contributor and money-raiser for Reagan, switched to the Ford team, according to an announcement from Reagan's agent during his recent campaign for governor, came out for Mr. Ford.

So did James Halley of San Mateo and Putnam Livermore of San Francisco, both of whom served as Republican state chairmen during Reagan's terms as governor.

Reagan's onetime appointments secretary, Paul Haerle of San Francisco, now the GOP state chairman, is a steering committee member of the Ford campaign in California, together with Mrs. Nita Ashcraft of San Francisco, who was state vice chairwoman of Reagan campaign finance committees in 1966 and 1970.

Other steering committee members include Atty. Gen. Evelle J. Younger, San Diego businessman Leon Parma and Los Angeles attorney Charles Bakaly.

Almost all of the Ford campaign committee members also have been closely identified with past major Republican campaigns, such as for former President Richard M. Nixon, former Sen. George Murphy and for Houston I. Flournoy, the 1974 Republican nominee for governor.

Reagan, vacationing out of town, said he did not care to comment on the Ford campaign group nor on the inclusion of some of his longtime supporters on the committee.

The former governor has said he will decide by the end of the year whether he will enter the race against Mr. Ford. Meanwhile, some of his supporters plan to form a volunteer group to scout his political strength throughout the country and begin a fund-raising operation.

Parma said that after Mr. Ford's national campaign director, Howard (Bo) Callaway, visits here soon, a chairman of the California campaign committee will be named.

Parma said the 44-member California committee will start organizing a "community-level" campaign for the President and start raising campaign funds.

Other members of the Ford committee include: Earl Adams, Los Angeles; Clifford B. Anderson, Pasadena; Assemblyman Dixon Arnett, Redwood City; Robert S. Barnes, Newport Beach; Robert F. Beaver, Fullerton; Dr. Arnold Beckman, Irvine; Mrs. Martha Bents, Newport Beach; Mrs. Else...
Ford gets state G.O.P. backing for '76 campaign

By Neil Mehler
Political Editor

TOP ILLINOIS Republican leaders including Sen. Percy Saturday pledged to President Ford that they will carry Illinois for him in 1976 and that the Illinois Republican National Convention delegation will be solidly in his corner.

The leaders told newsmen after the President left a 42-minute closed breakfast session that there was no support in the room for Ronald Reagan or any other potential Ford opponent.

Percy, who has said recently he might think of seeking the G.O.P. presidential nomination, apparently shut the door to other potential Ford opponent.

There was a pledge from absolutely everyone in the room that we'll carry the state for him," Percy said. He said the President thought Illinois has "great prospects for governor and the legislature and that the state's [political organization] is united."

PERCY SAID he will meet in his Washington home with Howard [Bo] Callaway, Ford's campaign director, and Donald Rumsfeld, White House chief of staff, to turn over data Percy gathered in his exploratory efforts toward winning the nomination. Percy set up his exploratory committee before Ford became President and it has been in limbo since Richard Nixon resigned.

Percy said he had offered the information to Ford so it would not be wasted. It includes "an analysis of every state in the country—all the political leadership, and a schedule of what to do every month until the election in November, 1976," Percy said.

Other leaders said Ford told them Illinois obviously will be a crucial state in the presidential election and that he will make a maximum effort to win its 28 electoral votes.

SEVERAL LEADERS emphasized that Ford told them Illinois Republicans are as united as anywhere in the nation and more so than in many states.

Timothy Sheehan, 41st Ward Republican committeeman, said, "I believe we are united." Sheehan said he told Ford he would be the first Illinois delegate contender pledged to Ford for '76.

AT THE BREAKFAST, which was held behind closed doors in the Palmer House, were the hierarchy of the Republican Party in Illinois.

They included elected and party officials, former Gov. Richard Ogilvie, and Daniel Terra, president of the United Republican Fund.

State G.O.P. chairman Don Adams, the state's committeeman and committeewoman, three congressmen, Atty. Gen. William Scott, and state Comptroller George Linenberg were among the more than two dozen Republicans who met with Ford.

Ogilvie said the President stressed that his campaign organization would be "separate from the political operation of the White House."

He said Rumsfeld will be the link between the White House and the campaign "merely for communication purposes," but the campaign will not be run from Rumsfeld's office.

Ogilvie said he is supporting Ford and does not detect any Reagan activity "besides Crane." This was a reference to United States Rep. Philip Crane (R., Mount Prospect), a Reagan booster.

Adams told The Tribune earlier that he expected to keep as many of the G.O.P. leaders as possible for a second meeting to discuss Illinois political affairs after the President left.

ONE SOURCE said a movement is forming to try to persuade Richard Cooper to drop his quest for the Republican gubernatorial nomination next year. Cooper and James R. Thompson, former U.S. Attorney, are the only two announced candidates for the nomination so far.

Some leading Republicans say Cooper doesn't have a chance to win the nomination and can only cause trouble for Thompson by forcing him to spend money and counter charges.

But another influential Republican said a primary fight would be good for Thompson because it would allow him to sharpen his campaign style and force him into the discipline that he would have to follow in the general election campaign this fall.

This Republican said that if there isn't a G.O.P. primary fight, "I'll be like 1972—with all the action on the Democratic ballot, and that's an advantage for the Democrats."

Ogilvie said, "I hope Cooper stays in the race. There should be an open primary; a contest is healthy." But he indicated he thought Thompson would win both the nomination and the general election for governor.

Senate Minority Leader William C. Harris (R., Pontiac), who was at the Ford breakfast with his House counterpart, Rep. James [Bud] Washburn (R., Morris), said he was impressed with Ford's presentation. "He's so genuine and relaxed and straight," Harris said.

Later in the day, the President was scheduled to hold a press conference in the Palmer House and then speak at the commencement exercises of Chicago State University at McCormick Place.

He was to return after that to an interrupted golf date in Michigan.

Chicago Tribune. Sunday, July 13, 1975
Rockefeller seen vital to 1976 slate for hope of winning

Senate GOP liberals set to nudge Ford to center

By Godfrey Sperling Jr.
Staff correspondent of
The Christian Science Monitor
Washington

Increasingly worried over the President's "conservative policy," liberal Republicans in Congress are taking steps to pull Mr. Ford back in their direction.

It is known that 10 of the 14 GOP senators usually regarded as liberals openly favor retaining Vice-President Nelson A. Rockefeller on the 1976 ticket — and they are letting the President know that dumping Rockefeller would endanger Mr. Ford's election.

They are stressing that moderate Republicans and their votes can well be pivotal in big, Northern states whose electoral votes will probably be decisive next year.

None of the 14 liberal senators oppose Mr. Rockefeller — although there are four in this group who indicate they see the advantage of having a younger liberal on the ticket. One of these — Sen. Lowell Weicker of Connecticut — is pushing for Sen. Edward Brooke of Massachusetts for the No. 2 spot.

It is further known that these liberal GOP senators have asked for — and been granted — a meeting with the President as soon as he returns from his European trip.

At that time they will tell him directly to muffle his "open-convention" theme. They will say that he has given his campaign manager, Howard H. Callaway, too much rein — and that Mr. Callaway must be curbed in the future from playing up to the conservatives through what these senators see as "anti-Rockefeller" politics.

Further, at their meeting with the President, these senators will ask for: (1) significant participation in the campaign and in the making of the platform; (2) increased influence in shaping appointments to the Cabinet and to other high government positions; and (3) more consultation on presidential programs.

Actually, the liberals have not had too much difficulty in seeing Mr. Ford. But they are becoming increasingly concerned that the President really is not listening to them very much any more.

Up until the last few days liberals on the Hill have tried to be philosophical about the President's apparent effort to appease the conservatives.

But in a recent get-together the progressive senators expressed a fear that the President was going too far — that it looked as though he really was moving to the right and away from what these senators have viewed as an acceptable, middle-of-the-road position.

They think it now is time to exert a moderating influence on the President "lest," as one senator put it, "he forget where the votes are."
Politics Today
Ford Runs Just Like A Real Incumbent

By James R. Dickenson
Washington Star Staff Writer

ORLANDO, Fla. — A funeral procession was heading through town yesterday, the day after the Florida primary, and one Democrat quipped: "There goes Ronald Reagan's motorcade."

Reagan's defeat at the hands of President Ford in a state that had been considered a showcase for his own presidential hopes until about three weeks ago was indeed a grievous, possibly fatal, injury. The Democrats, however, had better think about the implications of Ford's New Hampshire and Florida primary victories to them, particularly the one in Florida. It indicated that he could be very tough to beat next fall.

Down here he demonstrated dramatically that it is one thing for a politician to campaign against the mess in Washington and against professional politicians. There is something paradoxical and hypocritical in the spectacle of men running for the leadership of the free Western world by cutting out politics, Washington and governmental power.

FORD IS DEMONSTRATING that it's something else to campaign against the presidency, against the emotional hold the office has on the public, the sheer majesty of the office and its raw power.

Reagan may not have done himself any good in Florida, but he sure did Ford and the Republican party a big favor. He did something Ford was absolutely incapable of doing himself: With his conservative challenge he has transformed Ford, a classic Midwest conservative, into a moderate.

God knows Ford tried to refuse the favor. His advisers spread the word that he was just as conservative as Reagan, and that there therefore wasn't any reason for the GOP to change horses in the middle of the stream.

The good economic news last week illustrated Reagan's problem. Many voters might have preferred Reagan, but when business is getting better those who think with their heads rather than with their hearts concluded that it didn't make much sense to vote for change just for the sake of change. This never has been a cornerstone of Republican politics anyway.

Reagan tried to counteract by arguing that Richard Nixon's management of the economy just resulted in a worse recession and inflation than the one he was battling.

The same was going to happen if Ford was allowed to continue his policies, Reagan said, and the result could possibly be a worse economic catastrophe than in 1929.

THIS, OF COURSE, was speculation, and Ford's response was a denning smile, a repetition of the encouraging statistics and the argument that they're the result of his presumably wise and farsighted policies.

Reagan also thinks there is points to be scored by criticizing Ford's foreign and defense policies. But if they're are, he brought them up too late to close the gap in Florida.

He also was hopeful that the circumstances of Ford attaining the presidency by first being appointed rather than by being elected, vice president would cancel out the advantages of incumbency. There always has been something spurious about this argument, however.

Vice presidents in the past who succeeded presidents who died in office could argue that they had been elected in the national election, but this argument strains common sense. The idea that anyone votes for one ticket rather than the other because of the vice-presidential candidate borders on the ludicrous, and with the exception of Lyndon Johnson it is hard to name a vice-presidential candidate who might have helped his ticket. Vice-presidential candidates generally are chosen on the basis of who will hurt the ticket the least.

Ford didn't bother to fight this argument with logic. The number of pork barrel projects and federal appointments that Florida enjoyed during the past two weeks indicated that Ford knows how to show who wields the real power.

LYNDON JOHNSON once told a congressman who was troubled by voting for Vietnam war appropriations that if he wanted to listen to the war critics he could let Walter Lippman get that damn for his district.

Ford understood this. Reagan, on the other hand, dislikes gut political fighting and was reluctant to open up his attack on Ford.

In addition to a VA hospital in St. Petersburg, the $33 million missile contract in Orlando, a $15.2 million mass transit grant for Miami, a possible appointment as undersecretary of the Treasury for the leader of Florida's Conservative Union, who Reagan had hoped would support him instead of Ford. This is what an incumbent can do.

Reagan's challenge has had another benefit for Ford, one that all candidates enjoy. Campaigning is like playing softball or the clarinet — as you practise you get better at it. That is not good news for the Democrats, particularly if the economy continues to recover. Reagan needs some sort of catastrophe or disastrous blunder by Ford to get back into contention. This is generally a requirement for the incumbent president, and barring such circumstances Ford could be a very formidable opponent next fall.

This is also bad news for the boys on the "Saturday Night Live" television program. People may stop seeing Ford as a president whose primary talent is falling down stairs.
Weakened Presidency...

As the nation struggles to master its severe economic problems, its political institutions shift and strain to accommodate the stress of change. The central fact of today's politics is that President Ford is in the White House only because the elected President and Vice-President were driven from office for criminal misconduct.

Appointed rather than elected and elevated to power by freakish circumstances, Mr. Ford has no democratic mandate. His party was dramatically repudiated in last fall's midterm Congressional and state elections. Most debilitating of all, is the fact that his personal leadership appears to lack a firmly loyal constituency in either the progressive or conservative wings of his party.

Mr. Ford's political circumstances are not at all unique. Several nineteenth-century Presidents—John Tyler, Millard Fillmore, Andrew Johnson, Rutherford Hayes, Chester Arthur—also lacked a clear popular mandate and a solid political base. They were not America's worst Presidents.

Historians now appraise some of those nineteenth-century Presidents rather favorably, but they were perceived by their contemporaries as politically on the defensive. It is significant that none was renominated, and only Fillmore later tried a feeble comeback as a third-party candidate.

Although President Ford's political difficulties would not have seemed unusual a hundred years ago, they are disconcerting now. The nation has become accustomed to a vastly more powerful Federal Government headed by a strong personality. Mr. Ford is not seen in the context of Hayes, James Garfield, Benjamin Harrison and William McKinley, those Middle Western Republican regulars of an earlier age whom he so much resembles. Instead, he is juxtaposed against his colorful, assertive and activist modern predecessors.

During most of the last half of the nineteenth century, except for Lincoln's Civil War tenure, the Presidency was weaker than Congress. On major issues, Congress passed the laws and the President and his subordinates dutifully executed them.

So marked was this distribution of power that Woodrow Wilson, then a young scholar, described Congress in 1879 as "a despotism." In his book, "Congressional Government," a few years later, he wrote: "The business of the President, occasionally great, is usually not much above routine. Most of the time it is mere administration, mere obedience of directions from the masters of policy, the standing committees of Congress."

Since Congress was predominant, it seemed natural to Wilson that Presidents "should wear a clean and irreproachable insignificance."

Because modern Presidents are custodians of the nation's nuclear arsenal and can decisively affect the course of foreign affairs by their personal diplomacy, no modern Chief Executive could be as diminished in power as his predecessors of a century ago. Yet it remains true that much of a President's authority is of an intangible kind. His effective power corresponds closely to his ability to articulate policy, to inspire popular confidence and to negotiate skilfully with Congress. Essentially, he has to formulate programs that by their logical force and political appeal earn public and Congressional consent.

Mr. Ford's predecessors in recent decades seized the initiative from Congress in both domestic and foreign affairs. He can hold it only as long as he demonstrates that he has the requisite skill and popular support.
The Gallup Poll

Ford Approval Rating Slips 5 Points to 39%

By George Gallup

PRINCETON, N.J. — President Ford's performance rating has slipped 5 percentage points after a sharp but brief surge in popularity following the signing of the tax rebate bill.

In the latest measurement, 39 per cent approve, a figure that matches Mr. Ford's average rating for 1975. In the previous survey, conducted shortly after the tax bill became law, the President's rating was 44 per cent.

The President's latest approval rating was recorded following the fall of Cambodia and at a time of growing certainty that the government of South Vietnam would collapse. Mr. Ford won public support for his proposal to send humanitarian aid to South Vietnam, but was overwhelmingly opposed on his proposal to send military aid.

<table>
<thead>
<tr>
<th>Handling of Job as President</th>
<th>Approve</th>
<th>Dis-Approve</th>
<th>Opt-Ne</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 16-21</td>
<td>39%</td>
<td>44%</td>
<td>17%</td>
</tr>
<tr>
<td>April 4-7</td>
<td>44%</td>
<td>37%</td>
<td>19%</td>
</tr>
<tr>
<td>March 28-31</td>
<td>37%</td>
<td>43%</td>
<td>19%</td>
</tr>
<tr>
<td>March 7-10</td>
<td>38%</td>
<td>42%</td>
<td>19%</td>
</tr>
<tr>
<td>Feb. 25-March 3</td>
<td>39%</td>
<td>45%</td>
<td>16%</td>
</tr>
<tr>
<td>Jan. 31-Feb. 2</td>
<td>39%</td>
<td>43%</td>
<td>18%</td>
</tr>
<tr>
<td>Jan. 15-17</td>
<td>37%</td>
<td>39%</td>
<td>24%</td>
</tr>
<tr>
<td>Dec. 1-9</td>
<td>42%</td>
<td>41%</td>
<td>17%</td>
</tr>
<tr>
<td>Nov. 15-19</td>
<td>48%</td>
<td>32%</td>
<td>20%</td>
</tr>
<tr>
<td>Oct. 18-21</td>
<td>33%</td>
<td>33%</td>
<td>34%</td>
</tr>
<tr>
<td>Oct. 11-14</td>
<td>32%</td>
<td>33%</td>
<td>35%</td>
</tr>
<tr>
<td>Sept. 27-29</td>
<td>38%</td>
<td>19%</td>
<td>33%</td>
</tr>
<tr>
<td>Sept. 4-6</td>
<td>50%</td>
<td>28%</td>
<td>22%</td>
</tr>
<tr>
<td>Aug. 16-19</td>
<td>40%</td>
<td>35%</td>
<td>25%</td>
</tr>
</tbody>
</table>

©1975 Field Enterprises, Inc.
Presidential Focus

by Dom Bonafede

Ford's Advisers Push Him to Campaign

With an increasing sense of urgency, President Ford is being advised by some of his aides to openly begin waging his 1976 election campaign. But thus far, Ford has declined to go along with his advisers.

"Quite a few of us have been agitating for a 'go' decision but the President doesn't see it that way—and he's the boss," said a White House aide, speaking on a non-attributable basis. "He does not agree that the time is right and wants to wait until probably late this summer."

**Arguments:** The arguments of the President's advisers are based along the lines that almost any action he takes will be viewed in a political context whether or not he is a declared candidate; time is needed to establish an effective campaign organization; as an announced candidate he would placate some of the unhappy conservatives within his party and perhaps defuse talk concerning a conservative candidate, such as that centering around former California Gov. (1967-75) Ronald Reagan.

Ford has said on several occasions that he plans to seek election next year, most recently in a statement before members of the Young Republicans Leadership Conference when he said that "without any question of a doubt" he will be a presidential candidate.

**Presidential policies:** In private White House councils, Ford, according to his aides, has maintained that his best politics is to be "a good President" and that he does not want to appear to integrate his presidential decisions with his political objectives. His aides contend such an appearance is unavoidable, particularly as the election draws nearer and the political climate gets hotter.

Regardless of the President's motives, his appointment of Interior Secretary Rogers C.B. Morton as his new Commerce Secretary was interpreted as a pre-campaign move in view of the opportunities the occupant of that Cabinet position has to be a rallying force among business leaders. And even though Ford's trip later this month to New Hampshire is billed as non-political, his visit will be watched closely since the nation's first presidential primary is scheduled there next March. While in New Hampshire, Ford will participate in a White House conference of business and civic leaders and possibly address a joint session of the state legislature. The reception he receives could serve as a political barometer, especially since the state's Republican Governor, Meldrim Thomson Jr., has been outspoken in his criticism of the President, as has William Loeb, conservative publisher of the Manchester Union Leader, the state's biggest newspaper.

**Increased activity:** Despite Ford's non-political stance, White House aides concede that the forthcoming campaign and the political fallout from various presidential actions consume more and more of their time and attention.

John T. Calkins, deputy to Robert T. Hartmann, the President's chief political aide, said that the White House political sector has "riparian rights" to consider the political factors in almost every presidential decision, including appointments, legislative proposals, foreign policy moves, speeches and trips.

Calkins himself maintains White House liaison with such Republican Party groups as the Republican National Committee, the Republican Governors' Association, the state committees, the Senate and House Campaign Committees and even some county Republican committees.

**Proposed committee:** Recently, Ford said that an independent campaign committee will be established to promote his candidacy and act as a fund raising organization prior to the Republican National Convention.

Earlier, White House aides, aware of the taint associated with President Nixon's Committee for the Re-election of the President, had reported that Ford's campaign would be handled through the Republican National Committee. However, restrictions imposed by the new campaign financing law make it almost obligatory that Ford establish a separate organization. Also, as a White House aide observed, "All other incumbent Presidents had been national candidates before and had at least a skeletal national campaign organization. This is not the case with Ford. Because of the enforced neutrality of the Republican National Committee, his pre-convention campaign can't be mounted any other way."

**Points of difference:** President Ford's reluctance to get his political campaign off the ground is just one of the points of difference between him and some of his political counselors.

They have urged him, in the words of one of his aides, "to pay more attention to conservatives in the party." Several opposed the request he made in his foreign affairs speech April 10 for $722 million in military aid for South Vietnam. Others advised him against engaging in politics of recrimination by implying that the Democratic controlled Congress was responsible for the recent setbacks in Southeast Asia. At least one of his political aides recommended that he not sign the $23.1 billion tax cut bill, which he reluctantly approved March 29.

As Hartmann has often suggested, Ford is perceived by his aides as his own best political adviser and he frequently follows his personal political instincts, which may run counter to those of his advisers.

**Issues:** Not surprisingly, White House officials at this early point agree that the national economy will be the major issue in the 1976 campaign, notably unemployment and, to a lesser extent, the level of inflation. Energy is not seen as an overriding issue. "It is difficult for the American people to focus serious, prolonged attention on something that isn't staring them directly in the face, particularly if they can get gas at the pumps and turn on their electricity," said a White House aide.

Nor did the aide envision the international situation as a crucial issue.

He said that the White House was not surprised by a recent Gallup poll which showed Sen. Henry M. Jackson, D-Wash., as the strongest Democratic challenger to President Ford. The White House, however, is not counting Sen. Edward M. Kennedy, D-Mass., out of contention despite his declaration that he would not be a candidate, the aide said. "It's very possible that if there is a deadlock and they are unable to make a deal in which a guy could get a majority of the delegates, they'll turn to Kennedy," he said. "I would be willing to bet $500 of my own money on it."
Ford's Campaign Plan Unit Holds 1st Meeting

By Lou Cannon
Washington Post Staff Writer

President Ford's informal campaign planning committee held its first official meeting yesterday but reached no agreement on who should direct the 1976 campaign.

"Everything was discussed but nothing was resolved," said Dean Burch, who presided over the meeting.

Burch said the only consensus was that "we're going to need a top-flight lawyer" to deal with the complicated problems posed by the 1974 federal election law.

"The biggest topic was the Federal Election Act of 1974," Burch said. "It's a minefield. None of us have ever been familiar with it. Just learning the jargon is kind of complicated."

Burch said that all other aspects of campaigning, including finances, organization and a "policy for the primaries" also were discussed. He said that no agreement was reached on any of these topics, including the question of whether Mr. Ford should enter the traditional first primary of New Hampshire.

There are efforts underway in Massachusetts and Rhode Island to hold their primary elections on the same day.

The President said at his news conference Tuesday that the informal group headed by Burch had been given the green light to begin campaign planning. Out of the group's meetings is to come a recommendation for a formal committee, expected to be announced in the next few weeks.

Burch, former White House political counselor to President Nixon and chairman of the Republican National Committee during Barry M. Goldwater's 1964 campaign for the presidency, said he did not know whether the chairman of the formal committee would come from inside the present group.

For the time being, at least, Mr. Ford is being careful to have no member of the White House staff attend the meeting at Burch's group.

"The President wants to make a distinction between his political chores and his governmental chores," Burch said. "That kind of distinction can get pretty fuzzy at times, but he's going to try."

Others who attended the meeting included former Defense Secretary Melvin R. Laird, former White House counselor Bryce N. Harlow, former Pennsylvania Gov. William W. Scranton, former Nebraska GOP Committeeman Richard L. Herman and New York attorney Robert R. Douglass, who is close to Vice President Rockefeller.

Burch said he expected that the group would meet again within the next week or so.

The President wants to make a distinction between his political chores and his governmental chores, Burch said. "That kind of distinction can get pretty fuzzy at times, but he's going to try."
Ford Selects Laird To Run '76 Drive

By Lou Cannon
Washington Post Staff Writer

President Ford, spurred by recent reports that he will not be a candidate in 1976, will announce formation of an election campaign committee headed by old friend avin R. Laird.

White House sources said that the feeling in the White House that Laird was the source of reports that Washington Post columnist and White House aide Mr. Ford had decided to run for a full term. Mr. Ford has been doing what he could to mollify conservatives unhappy with his deficit spending policies and his insistence on continuation of détente with the Soviet Union and China.

He took another step yesterday in a direction favored by conservatives: When he told 3,000 cheering members of the U.S. Chamber of Commerce that he opposes a consumer protection agency and favors repeal of fair trade laws.

"I do not believe that we need another federal bureaucracy in Washington with its attendant cost — about $16 million over the next three years — and hundreds of additional federal employees," Mr. Ford said.

The President said that "Depression-era" fair trade laws, statutes stipulating minimum prices at which products can be sold, drive up the prices of such items as books, cosmetics, shoes and hardware to cost consumers $2 billion a year.

The President said he soon will call a meeting of the 10 major independent regulatory agencies to "discuss the imperative need to foster greater competition in the public interest and the equally imperative need to consider the inflationary effects of all proposed new regulations."

The story of Saigon as heavy fighting broke out yesterday.

PRESIDENT, From A1

Saturday of what Newsweek was preparing to print.

But the magazine declined to back down on its account despite flat denials of the supposed meeting from the President and various high-ranking White House officials.

While denying the Newsweek story, White House officials readily conceded that there is skepticism among Republican officials about Mr. Ford's intentions in 1976.

These officials attribute this skepticism chiefly to Mr. Ford's own refusal to announce categorically his candidacy and to efforts by conservative Republicans favoring Ronald Reagan to quietly discredit the President.

"There is a myth which is fervently accepted by the Republican right that the government is going to be handed over to the Rockefeller interests — either by making him President at the last minute or by somehow laying the presidential mantle on him," said one White House senior official. "You can't knock down that myth short of the second inaugural.

When Nessen was asked whether there was any suspicion that the Newsweek story may have come from Rockefeller sources, he answered that there were no suspicions of Rockefeller. But he pointedly refused to make a similar comment about Reagan sources.

"I don't think I'll go any further," he said with a smile.

Actually, it was Mr. Ford himself who fueled speculation that he might not seek a full term.

Asked casually by Walter Cronkite on a CBS television interview April 21 whether he planned to enter the primaries, Mr. Ford replied:

"Walter, I have indicated that I intend to be a candidate. I have not made any categorical legal determination that I will be a candidate.

The President went on to say that he might have "good reason" to be in New Hampshire for the primary, but he left the impression with some GOP officials that he was in genuine doubt about his own candidacy.

It was the reaction to this program, more than any other single event, that spurred White House plans to push forward the timing of Mr. Ford's announcement. The Washington Post reported on March 24 that the President planned to form a political committee for the 1976 campaign, but no announcement of it had been scheduled.

One source said the announcement had been delayed because Laird, a former Wisconsin congressman and Secretary of Defense, had not agreed to become chairman.

Laird was quoted in the March 24 story as saying it would be impossible for him to head such a committee at the time under terms of his contract as a vice president with Reader's Digest.

Three sources, two of them in the White House, indicated yesterday that Laird, who was unavailable for comment, had agreed to take on the job.
Ford Rating Improves by Three Points

By Louis Harris

President Ford's overall standing with Americans has improved slightly from his low rating a month ago; he rates a 57-to-40 per cent negative on the "job he is doing," compared to the 60-to-37 per cent negative a month ago.

This is Mr. Ford's best rating since he suffered a severe loss in public confidence last January.

Ironically, Mr. Ford has won public confidence at the time he has experienced numerous setbacks on the economy and foreign policy, ranging from the Middle East to Indochina.

Between April 16 and 18, a cross section of 1,568 adults in 200 locations nationally was asked:

"How would you rate the job President Ford is doing—excellent, pretty good, only fair or poor?"

<table>
<thead>
<tr>
<th>Month</th>
<th>Positive</th>
<th>Negative</th>
<th>Sure</th>
</tr>
</thead>
<tbody>
<tr>
<td>April, 1975</td>
<td>40%</td>
<td>27%</td>
<td>3%</td>
</tr>
<tr>
<td>March</td>
<td>37</td>
<td>60</td>
<td>3</td>
</tr>
<tr>
<td>Dec.</td>
<td>36</td>
<td>60</td>
<td>4</td>
</tr>
<tr>
<td>Nov.</td>
<td>44</td>
<td>32</td>
<td>2</td>
</tr>
<tr>
<td>Oct.</td>
<td>48</td>
<td>47</td>
<td>5</td>
</tr>
<tr>
<td>Sept.</td>
<td>67</td>
<td>50</td>
<td>13</td>
</tr>
</tbody>
</table>

(c) 1975, The Chicago Tribune
51% Back President's Efforts in GOP-Sponsored Poll

By Lou Cannon
Washington Post Staff Writer

President Ford has far more personal popularity with the American people than do his major policies, according to the findings of two months of White House commissioned national and regional polls.

The polls show that 51 per cent of those surveyed approved of the way Mr. Ford is doing his job as President, compared with 38 per cent who disapproved.

At the same time, 37 per cent of the respondents assigned a good or better rating to the way the President is dealing with unemployment and recession, and 32 per cent gave a good or better rating to his energy program.

The data on the public perception of Mr. Ford and his policies was contained in a 76-page "study of national issues" prepared by the California-based Decision Making Information firm and paid for by the Republican National Committee.

Included in the study were national polls taken in February and March and before-and-after evaluations of the President's standing in five areas he visited around that time.

Except for a vacation trip to California early in April, Mr. Ford gained in popularity in each of the areas he visited, a result that White House political consultant Robert T. Hartmann found "highly encouraging."

"The evidence of this poll would seem to say that the President does infinitely better when he's out there in almost body contact with people than he does at a distance," Hartmann said. "That would seem to me to suggest that the thing he has to do is get out in the country."

The findings of the study provide support both for those who believe Mr. Ford's political standing is on the upswing and for those who view his election chances as precarious. Some of the highlights:

- Two issues dominated when respondents were asked the No. 1 problem facing the country. Inflation was the No. 1 problem facing the country. Unemployment was second with 23 per cent. Political corruption and lack of leadership was a distant third, with 7 per cent. And energy fourth with 3 per cent. No other issue rated more than 2 per cent.
- When people were asked which issue they considered to be most important for them personally rather than for the country, 6 out of 10 mentioned unemployment. The other 4 said inflation.
- Mr. Ford's standing on the issues given priority by respondents is not particularly strong. On economic issues, he was rated good or better by 37 per cent, fair by 35 per cent and poor by 21 per cent. However, he gained 4 percentage points in the top rating from February to March.
- There are 2 respondents approving of Mr. Ford for personal reasons such as honesty or sincerity for everyone who approves of him because of the image he presents on an issue. Slightly more than half of the respondents who disapprove of Mr. Ford cite an issue, usually an economic one, as the reason.
- While the President's approval rating was on the upswing, Congress was gaining more. Mr. Ford went from a 47 per cent approval and 42 per cent disapproval in February to the 51-to-38 figures; Congress went from 42 per cent approval and 47 per cent disapproval in February to 46 per cent approval and 40 per cent disapproval.
- Mr. Ford does well with young voters, a traditional weak spot for Republicans. His highest approval is in the age group 35 to 54 year olds, who gave him 55 per cent approval and 21 per cent disapproval. His lowest is among the 19-24 voters. The pool analysis called this a "heartening sign," and Hartmann said it was "the single most exciting thing about the findings."

The President made marginal gains among ticket splitters and Democrats and had a slight loss among Republicans. But he still was given a positive rating by 69 per cent of the GOP respondents and by 38 per cent of the Democrats.

Mr. Ford's greatest gains were made among voters in the North Central states, where he advanced 7 points for an approval rating of 54 per cent. He gained slightly in the South, where his standing was 53 per cent, and in the West, where his approval rating was 50 per cent. In the Northeast, his approval rating was 46 per cent and unchanged.

Mr. Ford's most dramatic improvement in rating occurred on a February trip to Topeka, Kan., where his approval percentage jumped from 49 to 65. He went from 43 to 54 per cent approval in the Miami area after a late-February visit to Hollywood, Fla., and from 56 to 60 per cent following a mid-March trip to South Bend, Ind.

But the President made negligible gains in popularity following a trip to Houston and after his vacation stay in Palm Springs, Calif. The data from the latter trip were based on a statewide poll. Mr. Ford made speeches in San Francisco and San Diego, and held a press conference in the latter city.

Mr. Ford gained 1 per cent in one percentage point each in California and Houston following trips there. He dropped one point in each area on his economic policies.

The findings of the DM poll correlate with the Gallup Poll on issues, but Gallup has consistently shown Mr. Ford with a lower approval rating. Gallup's latest findings on a similarly worded question about how Mr. Ford is "handling his job" showed a 37 per cent approval rating compared with a 43 per cent disapproval mark.

The President did worse in the Harris Survey, but the question asked by Harris is not precisely comparable. Voters are asked to rate the President on a scale of "excellent, pretty good, only fair, or poor." Harris classifies the only fair and poor as negative, and in his latest poll found that Mr. Ford had a 40 positive rating and a 57 negative rating.

However, Mr. Ford defeats or runs even with every prospective Democratic presidential opponent in Harris' "trial heat" polls, with the sole exception of Sen. Edward M. Kennedy (D-Mass.) whom he trails by 7 percentage points.

The DMI national polls were taken by telephone from a national sample of 1,217 registered voters. All of the regional polls used a 400-voter sample, except in California, where the sample size was 600.
MARENGO, Ill. — The political vulnerability of Gerald R. Ford after nearly nine months as President is appallingly apparent in this conservative, rock-ribbed Republican farm town where he has still made no impact as a forceful national leader or, even more dangerous for him, as leader of his party.

Indeed, Mr. Ford is perceived here as little more than “a damn good guy” and “a good family man” who lacks presidential credentials. Consider the astonishing response when we asked 54 Republicans, interviewed in their homes along Marengo’s quiet, country streets, whom they want their party to nominate for President next year. Only 12 said Jerry Ford.


The only conclusion (and it should galvanize the President’s political operatives in the White House) Jerry Ford is not clearly perceived as presidential timber in a Republican heartland that should give a Republican incumbent hands-down support and which voted almost 4-to-1 for Richard Nixon in 1972.

The contradiction between lack of confidence in the President’s ability to run the country and high esteem for his character and personality seems unique in contemporary presidential politics. With the help of national pollster Patrick Caddell and two of his Cambridge Survey Research field workers, Henrice Taylor and Marcia Seiz, we found this contradiction at the heart of Mr. Ford’s ugly predicament.

Thus, our Republican voters, asked whether they had a generally favorable or unfavorable opinion of Mr. Ford, came out 4-to-1 favorable. And when we asked them to rate his overall performance as President, 37—well over half—rated him favorably.

But when Mr. Ford is matched against hard issues, those “good-guy” bright spots rub off fast. On his handling of the economy, for example, only 12 voters rate him better than “poor” or “fair.” His negative rating on running foreign policy is 2-to-1.

“Why is he trying to get us back into Vietnam?” a young teacher asked. An elderly widow, asked what she particularly did not like about the President, was bitter. “The state of everything is so bad and there is Ford out in California playing golf and so on. The money they must spend on those trips, and all this unemployment!”

In our specific questions about Mr. Ford’s performance, he rated high only on his handling of the honesty-in-government issue, with 48 voters giving him an “excellent” or “good” score. But unhappily for Mr. Ford, that high rating, and his equally high scores as “the kind of decent, honest man the presidency needs,” is only a base on which to build a strong presidency. The superstructure appears not to exist.

A middle-aged factory worker summed it up: “I like Ford as a man, but he doesn’t put forth any surge of leadership.” That same theme was a broken record. “He’s compassionate,” said a $28,000-a-year marketing consultant, “but I sure wish he would clobber some of those senators a little harder.”

“He’s for us people,” a foundry superintendent told us, “but he doesn’t have enough influence to put things over.”

It is true, of course, that we conducted our interviews during one of this country’s most embittered and depressing periods. The Southeast Asia crisis is at a peak and unemployment is nearing 10 per cent. Yet the obviously low perception of Mr. Ford as a strong leader mastering these overwhelming problems seems at harsh variance with our voters’ perception of Reagan.

Out of office in faraway California since January, Reagan nevertheless has a clear base or constituency here on the Illinois prairie. In a head-to-head presidential primary against Vice President Nelson Rockefeller, Reagan scored just under 50 per cent, with Rockefeller and the “don’t knows” far behind.

Likewise, despite Mr. Ford’s “nice-guy” image, Reagan outscored him—and routed all other possible 1976 Republican presidential contenders — as the party leader with the highest “favorable” rating.

But Jerry Ford has no discernible base. He had no national constituency when he was appointed Vice President and none when he was catapulted into the Oval Office, the first President in history never to campaign for national office.

Despite his nearly nine months at the center of the storm, that constituency is as elusive as ever, at least in this quiet little corner of America, and time is running short.

© 1975, Field Enterprises, Inc
Decision-Making in the Ford White House

By JOHN HERBERS

PALM SPRINGS, Calif.—Gerald R. Ford, the accidental President, has had more opportunity than he could wish for in the last few weeks to demonstrate his style in decision-making when it counts, under the pressure of major events and issues.

What has been visible implies conflicting styles: decisive and orderly in domestic matters, disorderly and uncoordinated in foreign affairs. The visible may be illusory, especially in the public display of contradictions last week about Indochina.

What is clear is that Mr. Ford is not only open to views different from his own but solicits them.

Aside from the official advisers around him, Mr. Ford opens his mind to more points of view than probably any President since John F. Kennedy. He invites intellectuals who sharply oppose his policies to the White House from time to time for an exchange of views. He reads a wide range of newspapers. He talks at length with members of Congress of all stripes.

But there is a limit on his views. His conservative economic advisers are divided on strategy, not ideology; and there is little diversity among those he spends long hours with socially, as shown in his vacationing activities here.

He is staying at the lavish home he is renting from a wealthy insurance executive, Fred C. Wilson. His daily rounds of golf, on one exclusive course after the other, have been with rich business executives, friends Mr. Ford acquired over the years in his political life. No one has suggested that Mr. Ford obtains a catholic viewpoint on life here.

A close-up examination of Mr. Ford's decision-making the last 14 days may help to put a perspective on these conflicting impressions.

Before he left Washington last weekend for a week's vacation in this desert resort, Mr. Ford went through a textbook exercise in determining economic policy that was clean and decisive. After listening to opposing recommendations from his economic advisers, the President decided in his own mind that for both political and practical reasons he would sign the $33.1-billion tax cut bill despite his objections to some features.

Then he went on national television and explained his reasons for doing so. He presented the picture of a President very much in charge. In California last week, however, the Ford Administration appeared to be beset by confusion and uncertainty on what to do about the deteriorating situation in South Vietnam.

On Monday, the President was shown on television springing away from reporters who had asked him to say something about Vietnam. On Tuesday, his Press Secretary, Ron Nessen, said, in a briefing, the United States was carrying out diplomatic initiatives for a negotiated peace, then had to retract the statement when Secretary of State Kissinger in Washington said no such initiatives were going on. On Wednesday, while Secretary of Defense James R. Schlesinger was saying in a news conference the South Vietnamese Government, while in deep trouble, had a chance of survival, Vice President Rockefeller was telling reporters it was too late to do much about the situation. (He too retracted.)

The contrast between the Administration's actions on the tax bill and that on Vietnam is due to the sharply differing systems of making decisions in foreign and domestic policies.

When Mr. Ford became President last August, he adopted

in full the foreign policy of his predecessor, Richard M. Nixon, and retained Mr. Kissinger as both Secretary of State and as chief Presidential adviser on national security matters. There has been no one close to the President who has disputed Mr. Kissinger's policies and initiatives on any major issue, and Mr. Ford has no inclination to overrule Mr. Kissinger on any of his basic premises.

Thus it was not surprising that in foreign policy, and decision-making process seems somewhat disjointed when the President is away from Washington and from this Chief Policy Maker, who did not arrive here until late in the week to confer with the President in Vietnam.

On economic and other domestic policies, however, Mr. Ford is clearly in charge. No one in his Administration has emerged with a dominant voice that the President listens to over all others. The appearance of confusion, as seen last week, was mostly illusory. It was a demonstration of where the real authority in foreign policy lies.

As a decision-maker, Mr. Ford exhibits traits that his associates describe as healthy and proper for an executive. After studying his options and making his decisions, Mr. Ford puts the subject behind him and does not worry and equivocate. Before leaving Washington, Mr. Ford did what he could on tax and energy matters, he made his proposals on more aid to Vietnam and Cambodia. Having done that, he came here to relax and that is what he has done, with some hours set aside for work and for statements to assure the nation of his leadership and of the country's basic strengths. If trouble in the economy, in Indochina and the Middle East was of gravest concern to some, President Ford was not one to show it.

John Herbers is a New York Times White House correspondent.

THE NEW YORK TIMES, SUNDAY, APRIL 4, 1975
Ford leadership's pæa at a eve a g'eter economy

Special to
The Christian Science Monitor

Washington

Economic policy in a presidency of Gerald R. Ford would mean more of the "old-time religion" of tight fiscal and monetary policy designed to wring inflation out of the economy.

But Mr. Ford would also exploit his "honeymoon" period to rally business, labor, and Congress to a new national attack on economic problems. And he would be more ready than President Nixon to move in with relief for segments of the economy most damaged by high interest rates and continuing inflation: utilities, housing, troubled financial institutions.

He would also be amenable to special help for individuals who have borne the brunt of economic dislocation, within budgetary limits.

He favors at least some increase in unemployment compensation and in public-service jobs for the unemployed.

This is the prospect as gleaned from recent speeches, from what he has told congressional colleagues in private meetings, and from associates familiar with his views.

Mr. Ford would have no magic wand to wave. Federal Reserve Board chairman Arthur F. Burns warns that it will take a couple of years of slower economic growth to beat inflation. Mr. Ford's main contribution would probably be to bolster confidence through energetic activity directed at domestic problems, free from the debilitating effects of Watergate.

Mr. Ford's top priority would be to cut federal spending - a stance consistent with his long career in Congress as a spokesman for fiscal conservatism.

Where President Nixon has talked about shooting for balance in the budget he will submit in January, Mr. Ford says he hopes even for a surplus. And as a president with a deep reservoir of goodwill in Congress - where he has scarcely an enemy - he would be in a better position than Mr. Nixon to veto popular measures and make his vetoes stick.

"Nothing could be more important in the war against inflation," he told an agriculture conference in Washington Tuesday, "than to achieve a surplus in next year's government operations."

Mr. Ford might also succeed in getting Congress to establish an agency to monitor wages and prices. He has no taste for a return to controls, but would probably buy Arthur Burns's idea of a review board that could "delay wage and price increases in key industries" by holding hearings and bringing public pressure to bear.

Dr. Burns also suggested this week that $4 billion be spent to create non-800,000 public-service jobs if unemployment tops 6 percent, and Mr. Ford told a breakfast meeting of Republican congressmen, without committing himself to any figures, that he favors the idea at least for areas with high unemployment.

In the speech to the agriculture group, Mr. Ford noted that certain industries have been "especially hard hit" and deserve help.

He named utilities, housing, and financial institutions. He is said by aides to be "interested" in ideas economists have suggested such as boosting the investment credit for utilities from 4 percent to 7 percent, or guaranteeing the utilities' bond issues. He also might favor some form of credit rationing, to channel more money into home mortgages. Labor will be pushing for all-out credit controls.

Mr. Ford's known views on other economic questions include:

- He has never been a great advocate of tax reform, and figures "stability" in the tax system is more important right now. He would like to see the tax system altered to provide more incentives to investment, but discounts the feasibility of getting that kind of measure through Congress.

- He doesn't think there is a depression around the corner.

- He is an internationalist in economic policy, strongly favoring freer trade and aid to underdeveloped nations. He worked strenuously to help Mr. Nixon pass the trade bill through the House, arguing that trade barriers cost the United States "several billion dollars a year in higher consumer prices and the inefficiency of resources."

His views of tying trade with the Soviets to that nation's agreeing to let Jews emigrate freely - a problem that has hung up the trade bill in the Senate - are not known.

- He is a strong defender of defense spending. Whether he would trim it to win support for general budget-cutting in Congress is problematic.

With all the speechmaking and voting Mr. Ford has done on economic issues, however, it must still be said that what he would do as president involves a great deal of guesswork. For the most part, he has viewed his role as that of getting Mr. Nixon's policies through the House and he has had little need for original thinking on the economy.

For that matter, he is not inclined by nature to study such issues in depth. His strength would be in putting together a team consensus on policy and then exerting his well-honed political skills to get the policy into action.

One of his key problems will be to get labor to moderate its catch-up wage demands, and as one good omens AFL-CIO leader George Meany says his "inclination" will be to "cooperate with him in every possible way."
George F. Will

Doing Without Presidential Grandeur

Like the roar of cavalry galloping over an iron bridge, there is a roar of advice pouring into in on Gerald Ford. In a democracy the laity has an inalienable right to kibitz about matters large and small, so I would like to chip in a few suggestions, beginning with one concerning a good man.

Send Gen. Alexander Haig back where he belongs, to a position of leadership in the Department of Defense, or to a diplomatic post.

Because Haig is a soldier and diplomat, not a politician, he was out of place in what is properly a politician’s job, that of White House chief-of-staff. Because he is honest, he was out of place in that job in the last administration.

Haig had a brilliant record of service as Henry Kissinger’s deputy from 1969-72. It would be unjust and imprudent for the nation to deny Gen. Haig an opportunity for further service.

My other modest proposals concern style, gestures that would help dissolve the patina of un共和国 grandeur that now covers the office of President.

At least some of the times when Mr. Ford wants to meet with congressional leaders it would be nice for him to travel to Capitol Hill. There is a President’s Room on the second floor of the Capitol Building, right next to the Senate floor. Lincoln and others used to sit at the mahogany table and sign bills in the closing hours of congressional sessions.

The room is staggeringly ornate, in the 19th-century style, with a huge gold chandelier, Brumidi frescoes, portraits of sunry heroes, wall-to-ceiling mirrors. And the ceiling is covered with highly spiritual and morally uplifting paintings.

Meeting there, or in a larger Capitol room, if necessary, would be a nice way for Mr. Ford, a man of Congress, to affirm that the Capitol Building, and the legislative branch, is the symbolic as well as geographical center of the nation’s capital.

Another measure that would help restore respect to its throne would be an order from Mr. Ford to his staff: Unless there is some compelling necessity to do otherwise, turn out the lights and go home at a reasonable hour each evening.

One of the most unattractive aspects of life in Washington is the almost manic mock-industriousness that leads high government officials to neglect their families in order to invest their work with a solemnity that not even the serious work of government often requires or deserves. White House staffers who live reasonably normal lives, who get home early enough to have the baby drool on their stuffed shirts, might even behave like normal people when they return to work the next morning.

And now a radical suggestion: Mr. Ford should get out of the house a bit.

Presidents never suffer life’s little irritations. Presidents never get caught in traffic jams. Airlines never lose Presidents’ luggage. Presidents never have to wait in the supermarket express check-out line, with boxes of lima beans defrosting in their hands, while some dingbat writes a check for a $1.03 purchase.

No wonder Presidents begin to get odd ideas about being free from all restraints.

So, Mr. Ford, if you need a new toothbrush, pop around to the drug store yourself and buy one. If you want to see a movie, go to it, don’t have it brought to you.”

And the roar of cavalry galloping over an iron bridge...
debate on grand policy, especially foreign policy. We need more party politics in this country, not less. But it must be a kind of party politics that transcends questions of patronage and petty favor-swapping and pose the grand issues for popular examination and decision.

A truly open presidency requires that we know much more about the internal decision-making in Washington. Undue government secrecy did not begin with Richard Nixon nor is it ending with Gerald Ford. The right to classify government documents as secret has been grossly abused in Washington; the need to classify widely is one of the great myths. Recently journalists as well as historians and other scholars have been making a concerted effort to open up the files; this effort must intensify.

Ultimately the only force that can curb excessive presidential power in a democracy is the people themselves. We must be cautious about any proposals that would seek to insulate the President against popular control. The constitutional amendment that forebade presidential third terms—a posthumous slap against Franklin Roosevelt by people who could never defeat him while he lived — means that a President will always be a lame duck during his second term, immune to the voters’ retaliation at the polls. It should be repealed. And on the same grounds we should be leery of such proposals as the single, non-repeatable six-year term for the President. We must keep the President in politics.

In the long run our biggest task will be the hardest—re-thinking the very foundations of our constitutional system. The main source of the trend toward presidential power lies, ironically, in a constitution that fragmented power. The 20th Century presidency is in essence a reaction to the 18th Century charter. The Founding Fathers dispersed authority; the popular impulse is to concentrate it. Dispersed power means that anyone seeking action—usually the President—must concert authority by piecing together bits and pieces of authority from different sources in House and Senate, the bureaucracy, the judiciary, the states and localities, parties and interest groups. This kind of brokerage and management leads inevitably to short-cut expedients and to improvisations and “pragmatic” decisions that can be morally dangerous and legally questionable. When FDR used his pardoning power to make a deal with a Southern senator over an appointment and told the astonished appointee, “Today I traded you for a couple of murderers,” he was not only manipulating the brokerage system but indulging in the kind of expediency that in the long run fosters a Watergate mentality.
By James MacGregor Burns

Burns is professor of political science at Williams College. His books include "Presidential Government," "The Deadlock of Democracy" and biographies of Franklin Roosevelt and John Kennedy. This article was written for The Boston Globe.

WHEN RICHARD NIXON'S addiction one year ago catapulted Gerald Ford into the White House, the President was keenly aware of the powerful reaction among the American people against presidential abuses of power. He seemed determined to redress the balance—Congress a genuine partner in policy, to recognize a proper role of the Republican Party in election campaigns, to conduct an "open" presidency, to cut down on monarchical ways and sheer bulk of the presidency. How well has he made out?

Certainly he has conducted a far more open and candid administration than his immediate predecessors. Often information comes haltingly out of the White House, but Ford seems to have been much more forthcoming than Lyndon Johnson and Richard Nixon.

A partnership with Congress? Here Mr. Ford must receive a low grade—though some will argue that Congress rates an even lower one. What rankles now is President Ford's assumption of negative legislative leadership through use of the veto power, but his pious utterances of last fall about not merely the honeymoon but marriage he would have with the Democratic Congress, holy wedlock soon turned to unholy deadlock. If it persists, President Ford at this rate will establish a record as the most veto-prone President in history, in stark contrast to the most veteto-hesitant of the great Roosevelt.

Ford's veto power, but his pious utterances of last fall about not merely the honeymoon but marriage he would have with the Democratic Congress, holy wedlock soon turned to unholy deadlock. If it persists, President Ford at this rate will establish a record as the most veto-prone President in history, in stark contrast to the most vetoeto-hesitant of the great Roosevelt.

Executive and Congressional powers are undeniably clashing, but Ford's veto power seems to be the most prominent weapon. His use of the "veto power" is the key to his assumption of negative presidential leadership, the assumption of the "veto presidency," which will make the President into the most influential member of the executive branch.

Ford's veto power is the key to his assumption of negative presidential leadership, the assumption of the "veto presidency," which will make the President into the most influential member of the executive branch.

For example, Ford has used the veto to block such legislation as farm bills, a transportation bill, the War Department Appropriations Bill, a civil rights bill, the Civil Rights Act of 1968, and a number of other bills. In each case, Ford has used the veto to block legislation he believes to be harmful to the country.

Ford has also used the veto to block legislation that he believes to be unconstitutional. He has vetoed several bills that would have expanded the power of the federal government, including a bill that would have increased the federal government's role in education.

It is in his failure to curb the monarchical presidency and to shape a leaner executive office that Mr. Ford's reaction to Watergate has been most disappointing.

The imperial trappings of the presidency persist. It was hoped that President Ford, a simple man of little affectation, might restore some of the republican plainness of Thomas Jefferson's day.

Yet the presidency continues to swell. Mr. Ford has asked for a lot more staff assistants, and committees and councils still abound in the executive office. A President, of course, needs a large staff, if only to enable him to cope with and command the huge bureaucracy over which he presides. But a boated staff can itself become one more bureaucratic impediment to presidential direction and initiative. Nor has Mr. Ford found other devices for executive leadership and control. President Nixon having largely ignored his cabinet, it was expected that his successor would fashion it into a more collective, more responsible and more influential body. This has failed to take place. The cabinet remains a body of specialists, each concerned almost exclusively with the plight of his or her own department.

To blame President Ford unduly for these failures, however, is to misunderstand the fundamental problem, which existed long before his—or FDR's presidency. To arraign Mr. Ford personally is to ignore the basic institutional and psychological forces that underlie the swollen executive in Washington.

First, the popular demand for presidential action. President Ford cannot thrust away presidential power because neither he nor his predecessors seized such power to begin with. They did not grab power; it was largely forced on them. It was forced on them by farmers, businessmen, working people who wanted government to act in a time of dire economic depression or military crisis. These interest groups turned to the presidency that seemed able to act, and that still seems able to act.

Second, the call for "consensus." Politicians are greedy for support and they have to believe—or claim—that the people are united behind their brilliant leadership. Presidents in particular seem unable to deliver a major speech that does not call for the people to put aside their differences, to mute their quarrels, to join together—behind presidential leadership, of course. Issues are transformed from questions of fundamental value, choice and doctrine into technical problems to be administered by specialists.

The commonest expression of consensus is the old saw, "Politics stops at the water's edge." Why should it? After Vietnam and a few other adventures abroad, one might argue that the water's edge is precisely where politics—meaning ultimate popular control of decisions on war and peace—should be stepped up.

Third, the uses of crisis. A real or fabricated emergency at home or abroad produces a sudden concentration of power in the executive. The President appears on television, calls Congress into session, mobilizes the bureaucracy, asks for—and usually gets—special authority to deal with the emergency. The usual partisan debate is suspended as the people are asked to support the President's band. Many a speech calling for another step into the Vietnam quagmire ended with a plea for bipartisan unity behind that step. Facing up to a real crisis is, of course, a presidential responsibility; but the over-use of crises can become an insidious addiction in a democracy. Note how Mr. Ford's popularity spurted upward after the Mayaguez "crisis."

If a moderate, "constitutionalist" President like Gerald Ford fails even to begin to reverse the trend toward presidential domination, who or what can? The solution is not to try to strip the President of his necessary authority and beef up congressional clout; such a course would mainly produce delay, drift and deadlock. There are no short-run expedients. In the long run, however, we can produce a safer over-all balance among our institutions of government if we keep certain precepts in mind:

Partisan differences are not some kind of embarrassment to be swept up and stuck into a closet in times of decision and crisis. Rather those differences are the glory of democracy, and ultimately its greatest safeguard.
Let's think

Honeymoon and marriage

Obviously it will take a long time for the Ford administration and its substantive policies to take shape. Both personnel and structural changes of considerable magnitude have to emerge. It is a great deal better to go slowly and avoid mistakes than it would be to rush forward with dramatic alterations.

Some changes in the cast of characters immediately around the President had to be made instantly, and they were. Nothing was more important or beneficial than the departure of Ron Ziegler and the advent of Jerald terHorst. Former President Nixon's lawyers -- James St. Clair and J. Fred Buzhardt -- also went swiftly, clearing away the battlers against impeachment.

The great impending change, most significant and delicate of all, is the status of Gen. Alexander M. Haig Jr. This exceedingly able man supported Mr. Nixon valiantly, then played a crucial role in stage-managing the resignation, and has continued to serve President Ford with all his talent and knowledge. He deserves well of the nation.

Roles combined

Already General Haig had made the great sacrifice of resigning his military career, where he may well have been on his way to becoming chief of staff. His introduction into the White House combined civilian and military roles in a manner seriously disturbing to many who believe these realms must be kept strictly separate. And now General Haig's return to a military position is opposed by those who feel such transitions are improper.

Yet General Haig's sacrifice should not go unrewarded, his talents utilized.

Before much longer, a great deal more shifting of leading persons must take place. There are soft spots in the Cabinet. There are weaknesses in the regulatory agencies. The overhaul of the White House administrative structure must be completed and staffed. The team of old presidential friends -- and long-experienced public men -- who have been advising Mr. Ford have presented a simplified setup, with no chief of staff after the Haldeman or Haig pattern, but a group of key officials reporting directly to the President.

Eloquent actions

The present transition, unique in American history, is being carried out with extraordinary dignity. President Ford had the delicate task of succeeding a disgraced leader of his own party. In a dozen ways, he repudiated the style and practices of his predecessor, yet without overt and explicit condemnation. Actions were mostly left to speak for themselves. They were eloquent, but in good taste.

That so much could be accomplished in so little time is remarkable. President Ford has exceeded almost everybody's expectations. Beforehand, he was credited with little beyond a widely praised decency, and long legislative experience.

In action, he has shown far more. He has been bold -- as in his amnesty approaches -- and careful, as in his references to Mr. Nixon's future. He is making the most of the honeymoon, while laying the groundwork for a good marriage.

Results count

And yet all these hopeful auguries are largely atmospheric. Real, tough programs have yet to emerge. The conferences on anti-inflation action are excellent atmospherics, but in the end a program must emerge, and it will be tested by its results. Certainly nobody should expect an economic panacea, but inflation will not cure itself. Congress is demanding action. Unless the White House gives the lead, the legislators will.

The generally disastrous way in which the stock market has reacted to the economic outlook suggests that atmospherics do not carry very far. One might have expected a good deal of the euphoria over the presidential transition to transfer itself to Wall Street. The end of Watergate, the end of the Nixon era, saw the market settle into one of the most sensational declines of recent times.

President Ford and his advisers know they are living on borrowed time. They have made a really admirable start. They have set a tone which they may well sustain. But beyond the tone must be the policies. It will take time to develop them. Naturally. Great tests have been passed already. Still greater ones lie ahead.
"DUMP-ROCKY" TALK is fanned by Ford's agents to counter the Reagan threat.

Ford campaign manager Callaway contends Rockefeller looks like a liability for the 1976 ticket. He damns with faint praise Rocky's attempts to court the right wing. Callaway says Georgia party leaders were "very impressed" by the VP on a recent visit but "they still say, 'Get him off the ticket.'" He says Ford agrees it's a "sound concept" to consider a young running mate.

Rocky steps up efforts to save his spot on the ticket. In the guise of campaigning for Ford, he will speak all over the country, starting in earnest after Labor Day. Rockefeller will huddle with state and local Republican leaders. He will contend that GOP conservatives are a minority within a minority, that Ford must seek support of moderates and liberals.

Rocky's allies argue hopefully that Callaway's attacks are just a temporary stratagem to disarm Reagan backers. They say Ford will stick with his VP in the end.
Kissinger Overruled by Ford

By ENDRE MARTON
ASSOCIATED PRESS

President Ford overruled Secretary of State Henry A. Kissinger by delivering an unexpectedly firm speech at the Helsinki summit, according to officials report.

Kissinger would have preferred a milder speech, but the draft he prepared was not used when the President spoke to the heads of government at the summit on Aug. 1. Later, however, Kissinger agreed that the President had done the right thing, sources said.

Kissinger, as one informant put it, had wanted to give something to the secretary of state (Communist party leader Leonid) Brezhnev to take home. He was worried about the future of detente.

Mr. Ford reportedly thought otherwise. "The President, sources said, felt that a firm speech was warranted as a response to Brezhnev's speech July 31.

Brezhnev had said that no nation should try to tell another how to run its internal affairs. Kissinger immediately termed the Soviet leader's speech "conciliatory" and thought that Brezhnev's non-interference warning "can be read both ways.

Mr. Ford disagreed, and decided to go ahead with what Kissinger thought was an unnecessarily harsh speech, sources indicated. The President warned that the Helsinki declaration must not remain "empty words and unfilled promises" and said that the signatories "will not be judged by the promises we make but by the promises we keep.

Kissinger reportedly believed that the strong previous U.S. warnings were adequate after the debacle in Southeast Asia and troubles in Portugal. The President and Kissinger have said that the United States would not tolerate selective detente and have warned the Soviets--without naming them--against fishing in troubled waters.

"But Kissinger was thinking about Brezhnev's problems at home, and Ford concentrated on the expected echo of what he is going to say in the United States," a diplomat said.

Despite his initial objections, officials said, Kissinger quickly agreed that Mr. Ford should deliver the speech. He wrote the President with the help of White House aide Milton Freedman. Kissinger reportedly was persuaded by two of his closest associates, State Department counselor Helmut Sonnenfeld and Arthur Hartman, the assistant secretary for Europe, that the President's speech was the answer that Brezhnev deserved.

Whatever misgivings Kissinger may have had, they were put to rest when several Communist foreign ministers complimented the President for what they called his "restrained" speech. The secretaries said was amused, puzzled, and ultimately pleased.

Mr. Ford, one informant said, "is a real politician and Henry is not." The President, he explained, became acutely aware of the sudden and harsh domestic criticism of the Helsinki meeting and its possible effect on the elections next year.

Mr. Ford is also reported to be slightly less enamored with detente than is his Secretary of State, and more impatient than Kissinger with the final's pace of arms-control negotiations (SALT) and the talks on troop cuts in Europe.

Administration officials indicate puzzlement at criticism of the Helsinki meeting by ethnic groups and newspaper editorial writers just as the President was ready to leave for Helsinki. Critics have argued that the agreements signed there are intended to underwrite Communist boundaries in Eastern Europe.

"All these criticisms remained mum for years, though, it was obvious at least for six months that there will be a summit and that we will be there," one official said. He said the administration would have welcomed "constructive comments, including criticism in advance, but they were worthless coming so late in the game."
Washington Wire

A Special Weekly Report From
The Wall Street Journal's
Capital Bureau

POLITICAL Fallout from New York's plight spreads in Washington and beyond.
Ford's stand against a federal bailout heightens talk he may dump Rockefeller; Ford seems to write off the Empire State for 1976. The President counts on gaining support in mid-America. His position is popular around the country now. But he would suffer if a New York City default brought ripple effects to other cities.


Other Democratic presidential candidates flay Ford's New York stand. But some liberals, such as Muskie and Hassen, are reluctant to back a bailout.
Without a Solid Constituency

CINCINNATI—Although President Ford wins an almost unanimous "favorable" rating from middle and upper-income voters in two strongly Republican suburban precincts here, the shocking fact is that these same voters say they know scarcely anything about the man or his policies carries the threat to his popularity of rapid deterioration.

This apparent contradiction stems from the unprecedented way Mr. Ford became President—not following a long presidential campaign which made previous Presidents well known to voters in advance, but by appointment to Vice President and sudden accession to President. That means Mr. Ford, despite phenomenal popularity during his presidential honeymoon, lacks the hard constituent base—party workers and millions of voters who cast their ballots—which his predecessors brought with them when they entered the White House.

A Cincinnati businessman in suburban Madeira, asked whether Mr. Ford would do better on the economic crisis than Nixon, summed it up: "I could not begin to answer that question because I don't know enough about him. I don't know anything about him."

The lack of a durable constituent base, despite his massive honeymoon popularity, carries grave political risks for Mr. Ford. It requires speedy, successful performance—particularly on spiraling inflation and threatening economic disaster—far more so than with a President backed by a national voter mandate.

The demand for just such swift performance, but lacking real confidence that Mr. Ford can produce it, underlined our interviews with 55 voters in tree-shafted suburban Norwood and Madeira in company with pollster Patrick Caddell of Cambridge Survey Research.

With inflation and the economy labeled the most important national issue by 54 of our voters, only 24 voters—well under half—said they had "more confidence" in Mr. Ford's ability to deal with the economy than in the disgraced former President. Indeed, even among 1972 Nixon voters who call themselves Republican, Mr. Ford's confidence ratio on handling the shaky economy was only marginally higher than Nixon's. Ten of the 25 Republicans who voted for Nixon said they had "more confidence" in Mr. Ford, while three said they had less.

Likewise, not one of the six Democrats in our sample who voted for Nixon agreed that with President Ford in office, the economy would improve over what it might have done with Nixon still President. As one Republican voter, a biochemist in upper-income Madeira, told us: "Ford doesn't have a single problem today—with either party, but that's because we don't know yet what he is planning to do."

Here lies the potentially dangerous threat for the President. Although his honeymoon is now in full bloom, failure to launch a credible administration attack on inflation soon could consume his widespread but shallow popularity in a nasty backlash unopposed by the nonexistent national constituency that would normally come to the aid of a new President.

Moreover, we found only slender indications that Nixon's demise and Mr. Ford's accession have had much impact—at least yet—on "widening the thin base of the Republican Party."

One out of every three NixonRepublican voters of 1972 said they would be "more inclined" in the post-Watergate era to vote for Republican candidates for Congress. But independents who voted for Nixon in 1972—the obvious target for broadening the Republican Party—told us Mr. Ford's accession would make "no difference."

That suggests only limited Republican gains in the November election. Republican dissident voters, who could not stomach Watergate and either voted Democratic or stayed home during the disastrous Republican showing in the special congressional election here last spring, are returning to the party. However, this trend stops far short of showing any new Republican increments. Thus, the congressional seat in this formerly rockribbed Republican district is likely to be kept by Democrat Thomas Luken, who won last spring's special election.

With the President's prowess on the economy being awaited here with healthy skepticism, his single major policy switch—pledging conditional amnesty for Vietnam draft-dodgers—struck a highly responsive chord. Over 60 per cent of each category of voters—Republicans, Democrats and independents—agreed with the President's amnesty position.

But compared to Mr. Ford's overwhelming task on inflation and the economy, amnesty is a trivial diversion. Whether the political base of the President's overwhelming popularity of the last month can be deepened into a real Ford constituency depends directly on his economic mastery, and time is running short.
Joseph Alsop

Mr. Ford: Facing Major Problems...

With due apologies to everyone who has formed another judgment, the acid tests of President Gerald Ford still lie ahead. To see why, you need only consider what former Gov. William Scranton has been doing in Washington last week.

Gov. Scranton had finished a first round of work on the problems of transition and had actually gone home to Pennsylvania when President Ford called him back to do a special job. The job was to make a carefully researched list of men of the right stature for positions on the level of Cabinet office. No doubt there were other list-makers at work at the same time. Some of them may have started work a bit earlier.

Yet it is still significant that Gov. Scranton was only given his special job a week ago. It is also significant that he concentrated heavily on the financial-economic sector of the government. Four names of men of major standing in this area were submitted to the President last Friday.

The governor's reasons for choosing the financial-economic sector of the government for concentration are not hard to figure out.

To begin with, it is a bit like saying the king has no clothes on at this moment when President Ford can do no wrong, but the fact remains that the "summit" meetings on our economic and financial problems were an inherently silly idea from the outset. The idea began in the Senate and it was just the kind of idea that senators always put forward, and administrations often buy, when they all long to avoid painful decisions.

Yet, to be sure, widespread consultation is not silly in itself, especially when the consultation concerns novel and desperately complex problems like the worldwide inflation, the disarray on the worldwide financial system and the other new menaces of this dangerous time. But the fact is that serious consultation cannot possibly be achieved with a series of large and miscellaneous meetings. No one can really get down to business in that kind of context because everyone talks for the audience.

Yet convening this series of meetings is the only positive step the President has taken toward dealing with the most urgent and dangerous group of problems now confronting him. He has taken a negative step, as it is no means silly, however, by sending Kenneth Rush away to the Paris embassy.

Rush is a decent, able man. Yet the real motives for Rush's original transfer to the White House from the State Department reveal, at a glance, the kind of mess that now exists in the financial-economic sector of the government. One motive was to get Rush out of the State Department where he was not on the best terms with Secretary of State Henry A. Kissinger. The other, more dominant motive, was to insert Rush as a kind of human barrier between Secretary of the Treasury Wil-
The Gerald Ford Identikit

By Joe McGinniss

In commenting, several years ago, on Richard Nixon's 1968 advertising campaign, a writer for the British journal Encounter remarked that the object of that effort had been not "simply to create what is commonly called a 'better public image' of Mr. Nixon, with his own virtues enhanced and his weaknesses diminished," but "rather to substitute an entirely different image of him, a kind of Identikit, of which every feature corresponded not to anything in Mr. Nixon himself, but to the supposed emotional needs and demands of his audience."

The same observation, I think, could be applied to the phenomenon we are witnessing currently - The Selling of The President, 1974.

There is, however, one significant difference: this time we, the people, are not only the consumers but the merchandisers as well.

At this stage of Gerald Ford's Presidency there is only one impression we are capable of receiving, and, unfortunately - both for him and for us - it is unrealistic. In our lust for decent leadership we are creating an idol whom history suggests we will eventually feel compelled to destroy. That this idol is named Gerald Ford is accidental.

Consider what we know of him: he dances, he prays, he walks onto his front lawn in his bathrobe to get his morning paper. He makes his own breakfast, he swims, he holds meetings, he sleeps in the same bed as his wife.

Hardly the stuff of which legend is made. Yet, since his elevation, each of these acts has been perceived as a source of hope and inspiration for the nation.

And consider, for a moment, his words: Honesty is the best policy, practice the Golden Rule, God will provide. A month ago these were the harmless platitudes, greeted with snickers and yawns, of a decent but doleful Vice President. Now they are the moving, simple, eloquent articulations of concepts so noble as to reduce brave columnists to tears.

It does not matter, for now, who Ford is or what Ford does. He is the President, and simply by not having disgraced himself, or the office, he has become the recipient not only of the adulation and reverence which traditionally have been awarded to the President; but also of that potent extra measure which had been repressed during the Nixon reign.

Also, in having driven a President from office for the first time in our history, we stuck our toe into the murky Freudian pool called Murder of the Primal Father. Now, shaken and somewhat guilty after the fact, we need to demonstrate, to ourselves and to the successor of the father, that there really is no murder in our hearts.

The problem, though, is that false advertising claims are false advertising claims, whether they are made to us by hucksters or whether we make them to ourselves. In selling ourselves an ideal President who does not and who never can exist, we are once again repeating the destructive process of buildup and letdown that we have suffered through so often in the recent past.

I am afraid that the selling job we are doing on ourselves can only lead to disappointment. It is reminiscent of a situation that occurred with frequency at New York race tracks when Eddie Arcaro was in his prime.

Arcaro would take the mount on an utterly mediocre horse, which would promptly be bet down to favoritism simply because the great Arcaro was the rider. The horse, true to form, would fail to win. Bettors would then storm the rail, shouting vile imprecations because Arcaro, the bum, had once again been beaten on a favorite.

In the enthusiasm with which we are selling ourselves the Gerald Ford Identikit, we also may be condemning him to a similar fate.

Joe McGinniss is the author of "The Selling of the President, 1968."
The President and his post-Watergate job

By Godfrey Sperling Jr.

Washington

The President had welcomed the press-conference question on what he would do to prevent future Watergates. A top Ford aide later said as much. The President, in detailing his post-Watergate position, said there would be an "open administration," that he alone would make the decisions and take responsibility for them, and that "there would be no illegal wiretaps" and "none of the other things that to a degree helped to precipitate the Watergate crisis." It was here that a reporter followed up with this question: "Do you plan to have a code of ethics for the executive branch?" And Mr. Ford set his jaw and answered firmly: "The code of ethics that will be followed will be the example I set."

A presidential assertion that there now will be national leadership by moral example was precisely what the nation was needing to hear. It sets the proper tone right from the beginning of this post-Watergate period. It was an inspiring beginning.

But there still are steps the President could take, in line with his own example, which would help to ensure that an ethical climate in Washington will now prevail.

- First, a Ford code of ethics would still be immensely helpful — as a continuing reminder to the President's subordinates of how they should conduct their government activities.

Some observers, in reviewing the scandals of the Truman years — the taking of gifts in return for favors — have said that, had a code of ethics been staring those government officials in the face, they might not have committed these illegitivities. Again, at least one historian has written that had Sherman Adams had a code of ethics above his desk, he might have said "no" to that vicuna coat.

Thus, by citing, very specifically, the Ford "thou-shalt-nots," the President would be making it abundantly clear to all in the executive branch precisely the kind of conduct he would frown on. Again, it would be a very useful reminder.

- Second, the President should give top priority to pushing through legislation that will rid this country of the always implicit bribe that is a part of giant-size campaign contributions.

Laws can be helpful. A tightening up of bribery laws in the wake of Teapot Dome did much to reduce the practice of direct payments to public officials in return for services rendered.

Thus, if Congress is to rid itself of its long-time, unethical campaign practices, it will take a prodding President to get this done. A fine Ford example in the White House is to be commended. But it will take more than that to get Congress to do its part in ushering in a truly new day in politics.

Mr. Sperling is chief of the Washington bureau of The Christian Science Monitor.
Poor Jerry Ford. No matter how much he repeats that he finished in the top third of his classes at Michigan and Yale, something—or somebody—is always reminding us of his dumb-dumbness. Often the culprit is Poor Jerry himself. In the past fortnight his public performances have been so awkward one wonders whether he might not bolt up a two-float parade.

He chastised Congress for taking its traditional Lincoln's Birthday recess when economic conditions beg attention and much work remains. Then he sprinted to the nearest helicopter and lifted off to purely political Texas, Kansas and New York.

Next, he warned that the economy had gone plumb to hell in a hand-basket: unemployment would get worse, our belts might require tightenings for the next several years, we must accustom to a lower standard of living. A few days later, before an audience of Wall Street moneymen, he recanted in scolding merchants and gloom salesmen while urging an optimism better reserved for boom times. Poor Jerry either is using two speechwriters who fail to consult each other or a powerful lot of mood-modifiers.

Then there was that incredible waltz across Texas with John Connally, a citizen under federal indictment and awaiting trial. Granted that Connally is innocent unless and until proven guilty, how does it look for a President of the United States to closet himself for 45 minutes with a man soon to be prosecuted by the President's lawyers? Will those lawyers—or potential jurors—perform as if that meeting had not occurred? Will they not be excessively aware that Connally remains in good odor with the President and might not taint the prospects of dispensing a pure, impartial justice? Have we not lately uncovered enough Washington hanky-panky to believe in our skeptic's hearts that at least one of the two politicians at that Houston meeting may have been as interested in saving John Connally's as in saving the nation's?

Even if Poor Jerry and Honest John talked only of grave and pressing economic matters—as the White House insists—was this not the same Mr. Connally who, as secretary of the treasury, had no small hand in the Nixon economic policies or the lack thereof? If Honest John was so damn smart, then why ain't we all rich? Is it not like asking the man who threw you in the quicksand to please toss you a rope? Poor Jerry and his advisers had a tough time getting their stories straight, originally saying the meeting was somehow accidental—Connally just lurked around and then pounced when everybody else left—before later saying nope, Americans, it was deliberate on account of Honest John is so wise the Prez required his good counsel.

Will Poor Jerry run for reelection only if the economy is in good shape? That's what he seemed to say from his own mouth in public, though the next day the White House "clarified" Poor Jerry's remarks: he intends to run whether we are up to our hips in gold or breadlines. I do not know what salary the White House pays its official clarifier, though probably it isn't half enough for a man working all those hours.

Even when Poor Jerry hauls off and takes action, he fails to come off well. He, the Congress, economists and all people with common sense—outside Texas and Detroit—agree that we must use less fuel in our automobiles: driving must be curbed either by high gasoline taxes or rationing; huge gas-guzzling machines must be discouraged by a special tax or unspecified threats. Okay: so when Poor Jerry releases $2 billion in make-work funds, what is the money to be used for? Why, neighbors, of course: to build goddamn highways! O.E.D.

Poor Jerry's former friends assault him. Chuck Colson, that new "Babe in Christ," as he is known to intimates of his prayer circle, no qucker cleared the slammer than he quoted Dick Nixon as saying it would require Poor Jerry two years "just to get up speed." This made two back-to-back former presidents who, bipartisanly, had gone on record indicating less than total admiration for Poor Jerry's capacities. A former vice-president, Hubert Humphrey, then blurred in a rare seizure of candor that as president "I don't want somebody who's honest and stupid—I prefer somebody who's a little shifty and smart." This probably gave heart to Nelson Rockefeller, who meets at least half of Mr. Humphrey's requirements.

Rocky himself is causing Poor Jerry trouble even if indirectly. Conservatives of the type who breed in caves met in Washington last week to applaud the notion of a third political party in 1976 because they fear Poor Jerry will somehow permit Nelse the Terrible to cut his teeth and take charge. Though the Neanderthal Republicans met to overthrow Poor Jerry, they complained that he failed to call on their convention or at least send telegrams or flowers. Probably this was the smartest thing the President did not do since assuming office.

The unkindest cut came, however, when the good samaritan Colson also let it leak that Nixon feared Poor Jerry might be incapable of controlling Dr. Kizzinger. Some White House adviser apparently told Poor Jerry to get up early and go out into the cold, seeing the mad doctor off to the Mideast in terms that would make it perfectly clear who really is in charge. Poor Jerry got it all confused. He made a near-dawn speech at the airport comparing Kizzinger to the better saints, philosophers and statesmen of the ages. Ze gud doctor, who izn't very good at gud doctor, who izn't very good at saving the nation, for in his own heart he feels sure that his new appointment is the best thing that ever happened to him. It is enough to make even the flint-hearted feel sorry for Poor Jerry, for Michigan and for Yale.
The Campaign Is On

The announcement of President Ford's candidacy last week was more than a routine formality. For Mr. Ford, in an interview with this columnist and in many other ways, has indicated that he is deep into details of the election effort.

For practical purposes the 1976 campaign is on. Already electoral considerations are decisively shaping the main lines of policy toward the Mideast, the Communist world, the price of oil and domestic economic policy.

The starting point is the President's feeling that on personal grounds he is far ahead of any possible competitor. His chief purpose in foreign policy, accordingly, is to hold off trouble while picking up such gains as are readily available. That means a big immediate emphasis on arranging an interim settlement between Israel and Egypt.

Until about a month ago Mr. Ford was seriously considering the alternative of an American plan for a general settlement in the Mideast. But his meeting with Egyptian President Anwar Sadat and Israeli Prime Minister Yitzhak Rabin convinced him that an interim settlement could be made to last for three years.

Secretary of State Kissinger, on his latest European visit, explored with Mr. Rabin the exact details of what diplomatic and military support Israel would want from the United States as part of a deal whereby she abandoned territory in the Sinai desert in return for a three-year respite on the Egyptian front. At this writing an agreement between Israel and Egypt seems likely. That would minimize the Mideast as a trouble spot until well after the election.

With that banana peel out of the way, Mr. Ford would be well placed to move easily down two other avenues of policy. The avenue of detente with Russia is one.

The great foreign policy obstacle to easing tensions with Moscow has always been the fear that the Soviets would use the more relaxed climate to steal a march on the United States and the Arab world. But those chances would be severely limited by an interim agreement between Israel and Egypt.

Mr. Ford can thus go forward with impunity to tie up with Leonid Brezhnev, during the Soviet leader's visit here this fall, the SALT I negotiations putting a cap on development of offensive strategic weapons.

The second opportunity unblocked by an Israel-Egyptian agreement involved oil prices. Mr. Ford has been telling visitors that no progress in the Mideast would risk war and a new Arab oil embargo against the United States. The other side of the coin is that a move toward peace in the Mideast would put the President in good position to ask the oil producers for a break on prices.

In Paris last week Dr. Kissinger took a further step toward a reconvening of the conference of oil-producing and oil-consuming countries, which ended in failure last spring. Presumably a fixed date for resumption of the conference will be reached before late September when the cartel of oil-producing countries, known as OPEC, holds its next meeting.

With the producer-consumer talk due to resume, the United States will be in strong position to ask the OPEC countries to hold off on the price increase they have been threatening. Already there is talk out of Saudi Arabia, the leading oil-producer, that the producers will decree a $2-per-barrel price rise at the next OPEC meeting but delay its application. That would probably hold oil prices relatively constant until after the election.

With oil prices level, the main cloud hanging over the domestic economy would be lifted. Recovery from the recession could go forward slowly perhaps but without stalling. Joblessness will be on the way down, thus taking the sting out of the unemployment sue, and Mr. Ford's tight budgets policies will cast their spell for the great majority of Americans who are more worried about inflation.

To be sure there is no guarant that events will follow that course. Matters can go wrong—serious wrong—in many places. But President Ford, at least, is on a track that looks clearly to electoral success. That in itself puts him far ahead of any possible Democratic rival.

"Already electoral considerations are decisively shaping the main lines of policy toward the Mideast, the Communist world, the price of oil and domestic economic policy."

Joseph Kraft

"And the President's feeling that on personal grounds he is far ahead of any possible competitor."

"Already the campaign is on.

"The chief purpose in foreign policy, accordingly, is to hold off trouble while picking up such gains as are readily available."

With that banana peel out of the way, Mr. Ford would be well placed to move easily down two other avenues of policy.

"The avenue of detente with Russia is one."

"The great foreign policy obstacle to easing tensions with Moscow has always been the fear that the Soviets would use the more relaxed climate to steal a march on the United States and the Arab world."

"But those chances would be severely limited by an interim agreement between Israel and Egypt."

"Mr. Ford can thus go forward with impunity to tie up with Leonid Brezhnev, during the Soviet leader's visit here this fall, the SALT I negotiations putting a cap on development of offensive strategic weapons."

"The second opportunity unblocked by an Israel-Egyptian agreement involved oil prices."

"Mr. Ford has been telling visitors that no progress in the Mideast would risk war and a new Arab oil embargo against the United States."

"The other side of the coin is that a move toward peace in the Mideast would put the President in good position to ask the oil producers for a break on prices."

"In Paris last week Dr. Kissinger took a further step toward a reconvening of the conference of oil-producing and oil-consuming countries, which ended in failure last spring."

"Presumably a fixed date for resumption of the conference will be reached before late September when the cartel of oil-producing countries, known as OPEC, holds its next meeting."

"With the producer-consumer talks due to resume, the United States will be in strong position to ask the OPEC countries to hold off on the price increase they have been threatening."

"Already there is talk out of Saudi Arabia, the leading oil-producer, that the producers will decree a $2-per-barrel price rise at the next OPEC meeting but delay its application."

"That would probably hold oil prices relatively constant until after the election."

"With oil prices level, the main cloud hanging over the domestic economy would be lifted. Recovery from the recession could go forward slowly perhaps but without stalling."

"Joblessness will be on the way down, thus taking the sting out of the unemployment sue, and Mr. Ford's tight budgets policies will cast their spell for the great majority of Americans who are more worried about inflation."

"To be sure there is no guarant that events will follow that course. Matters can go wrong—serious wrong—in many places. But President Ford, at least, is on a track that looks clearly to electoral success. That in itself puts him far ahead of any possible Democratic rival."

"Joseph Kraft"

"The Campaign Is On"

"Already electoral considerations are decisively shaping the main lines of policy toward the Mideast, the Communist world, the price of oil and domestic economic policy."

"The starting point is the President's feeling that on personal grounds he is far ahead of any possible competitor. His chief purpose in foreign policy, accordingly, is to hold off trouble while picking up such gains as are readily available. That means a big immediate emphasis on arranging an interim settlement between Israel and Egypt."

"Until about a month ago Mr. Ford was seriously considering the alternative of an American plan for a general settlement in the Mideast. But his meeting with Egyptian President Anwar Sadat and Israeli Prime Minister Yitzhak Rabin convinced him that an interim settlement could be made to last for three years."

"Secretary of State Kissinger, on his latest European visit, explored with Mr. Rabin the exact details of what diplomatic and military support Israel would want from the United States as part of a deal whereby she abandoned territory in the Sinai desert in return for a three-year respite on the Egyptian front. At this writing an agreement between Israel and Egypt seems likely. That would minimize the Mideast as a trouble spot until well after the election."

"With that banana peel out of the way, Mr. Ford would be well placed to move easily down two other avenues of policy. The avenue of detente with Russia is one."

"The great foreign policy obstacle to easing tensions with Moscow has always been the fear that the Soviets would use the more relaxed climate to steal a march on the United States and the Arab world. But those chances would be severely limited by an interim agreement between Israel and Egypt."

"Mr. Ford can thus go forward with impunity to tie up with Leonid Brezhnev, during the Soviet leader's visit here this fall, the SALT I negotiations putting a cap on development of offensive strategic weapons."

"The second opportunity unblocked by an Israel-Egyptian agreement involved oil prices. Mr. Ford has been telling visitors that no progress in the Mideast would risk war and a new Arab oil embargo against the United States."

"The other side of the coin is that a move toward peace in the Mideast would put the President in good position to ask the oil producers for a break on prices."

"In Paris last week Dr. Kissinger took a further step toward a reconvening of the conference of oil-producing and oil-consuming countries, which ended in failure last spring. Presumably a fixed date for resumption of the conference will be reached before late September when the cartel of oil-producing countries, known as OPEC, holds its next meeting."

"With the producer-consumer talks due to resume, the United States will be in strong position to ask the OPEC countries to hold off on the price increase they have been threatening."

"Already there is talk out of Saudi Arabia, the leading oil-producer, that the producers will decree a $2-per-barrel price rise at the next OPEC meeting but delay its application. That would probably hold oil prices relatively constant until after the election."

"With oil prices level, the main cloud hanging over the domestic economy would be lifted. Recovery from the recession could go forward slowly perhaps but without stalling. Joblessness will be on the way down, thus taking the sting out of the unemployment sue, and Mr. Ford's tight budgets policies will cast their spell for the great majority of Americans who are more worried about inflation."

"To be sure there is no guarant that events will follow that course. Matters can go wrong—serious wrong—in many places. But President Ford, at least, is on a track that looks clearly to electoral success. That in itself puts him far ahead of any possible Democratic rival."
Following is a rundown on the other members of the presidential advisory committee, as they are currently regarded:

Laird—Despite his repeated disclaimers that he can or will take a full-time role, some Republicans see the former Wisconsin congressman emerging as the campaign chairman because of his wide range of associations and his friendship with the President. A more likely role, if Laird persists in his current stance, is that he will be assigned a major responsibility in helping search for Ford delegates.

Bryce N. Harlow—A former adviser to Presidents Eisenhower and Nixon, he is Washington representative for the firm of Procter & Gamble. Harlow is highly valued by Mr. Ford and others on the committee for his counsel; he has never played a campaign management role, however, and he will not this time.

Richard L. Herman—A former GOP national committeeman from Nebraska who owns his own trucking firm in Omaha, Herman has the widest range of political experience—next to Burch—on the advisory group. He could play a major campaign role, possibly on a regional basis.

William W. Scranton—The former Pennsylvania governor is valued, like Harlow, for his counsel and for his participation in the White House transition team. But Scranton has no national campaign experience other than his abortive campaign against Goldwater in 1964, a memory that rankles with some party conservatives. Scranton’s presence would encourage rather than discourage a Reagan challenge hence, his public role at this time is not likely to be a major one.

Robert R. Douglas—Because of his close association with Vice President Rockefeller, Douglas is even less likely than Scranton to play a major role in a national pre-convention campaign as long as a challenge is anticipated from the Republican right. But he could wind up with significant responsibilities in his home state, New York. The presence of Douglas, Rockefeller’s liaison to Congress, on the committee tends to discourage any incumbent talk of dumping Rockefeller from the No. 2 spot on the ticket.

Leon Parma—An executive of the Teledyne Corp. in San Diego and a longtime golfing friend of the President, Parma, longtime activist in Southern California GOP affairs, could play an important role in California, the non-Southern state where Reagan’s prospective challenge looms the strongest.

Beyond this committee, there are several Republican members of Congress and White House officials who are expected to have advisory positions.

Perhaps foremost among these is Sen. Robert P. Griffin of Michigan, the Senate GOP whip and intimate of the President. Griffin is widely respected as a political strategist on the basis of his successful campaigns.

Two other congressmen have been asked by Mr. Ford to meet with the advisory committee—Senate Minority Leader Hugh Scott of Pennsylvania and House Minority Leader John J. Rhodes of Arizona. Because of their congressional responsibilities, neither is expected to play a major campaign role.

Within the White House, the most important coordinating role probably will be played by chief of staff Donald H. Rumsfeld, assisted by his deputy, Richard Cheney.

Robert T. Hartmann, the President’s long-time aide and now a political counselor, and his deputy, John T. Calkins, also will be involved.

Hartmann and Calkins have prepared and submitted to the advisory group a recommended campaign plan. However, the final plan is expected to be a meld of recommendations from different sources.

A number of Republican strategists associated with past GOP campaigns have turned up as possibilities for jobs on this committee.

Included in the speculation for top jobs are Jack Mills, former director of the House congressional campaign committee, and a lobbyist with the Tobacco Institute, Inc., and John Sears, a Washington attorney who was once a Nixon associate and is now considered close to the Reagan camp.
by Lou Cannon
Washington Post Staff Writer

The men who are advising Gerald R. Ford on how to win a full term in 1976 are long on age and friendship with the President, and considerably short on political experience in a successful national political campaign.

"There are some good people in the group," says a prominent Republican. "But there isn't a single pencil-pusher in the lot."

Since the President announced May 6 that he had directed former Nixon adviser Dean Burch to head a "very informal" pre-campaign committee, GOP leaders and administration officials have been waiting to learn the identity of the management talent Burch would find to direct the campaign.

The man who has emerged from the speculation as the likely candidate for the key job of finance director is a "pencil-pusher," he is much more than that.

He is David Packard, 62-year-old former deputy secretary of defense under Melvin R. Laird in the Nixon administration and founder of the Hewlett-Packard Co. in California.

Packard is worth $300 million in his own right, and he is viewed as a high-quality management talent. He is intimately acquainted with the California financiers who are the chief supporters of former Gov. Ronald Reagan. And he has for the past several months been meeting with the so-called presidential transition group, which has, with a few of them, become the primary advisory group under Burch.

David Packard

While Packard is expected to be announced as the finance director when the official Ford campaign organization surfaces in mid-June, it is not clear who will serve as staff director or head the convention delegate search.

Within the committee there are doubts that Burch, who is trying to re-establish a Washington law practice, has the time or the inclination to oversee the campaign on a full-time basis. Laird, who has said that his responsibilities on various boards and as vice president of Reader's Digest prohibit him from taking the campaign director's job, has predicted that Burch will head the organization until the Republican convention next summer.

Others on the committee are less certain, and Burch says merely that "he is the President's decision.""

The new campaign finance law and the unsavory political odors that linger from Watergate days have forced President who was forced to resign to escape impeachment.

It is the Nixon association rather than the Goldwater one that has prompted some presidential advisers to question the wisdom of having Burch associated with a leadership role in the Ford campaign.

Although Burch is regarded as a man of integrity and a competent lawyer, he is also remembered as the partisan counsel of the Nixon administration.

On July 20, 1973, less than three weeks before Nixon's resignation, Burch asssaulted the House Judiciary Committee's impeachment proceeding on the floor of the House. He was accused of trying to characterize Nixon's legal defense as "illegitimate." Burch piled on the Nixon administration by asserting that the presidency was "in no way as important as the national com-
The '76 Ford Campaign

Gerald R. Ford is now focusing hard on his 1976 presidential campaign and is known to feel that Sen. Edward M. Kennedy is his most probable—and strongest—Democratic opponent. He also believes Nelson Rockefeller might be denied the vice presidential nomination by the Republican national convention.

Those views, privately expressed by the President before his European trip, closely parallel public comments to newsmen on May 15 by his longtime friend and political adviser, Melvin R. Laird.

But while Laird's remarks were interpreted as typical Lairdian plots to saddle the Democrats with Kennedy's problems and deflect conservative Republican opposition away from Ford and toward Rockefeller, the President himself is no political gamesman. His unadorned view is that Kennedy would probably be his strongest opponent and that, realistically, Republican delegates must be given final say on Rockefeller for Vice President.

Mr. Ford is known to believe that Kennedy would have no trouble being nominated for President if he is willing and that nobody but Kennedy knows whether he will be. But the President feels the odds are that he will do it.

While some White House aids regard Kennedy as highly vulnerable, the President considers him formidable opposition and probably the strongest candidate the Democrats could find.

"The President considers Kennedy formidable opposition and probably the strongest candidate the Democrats could find.

The President considers Kennedy formidable opposition and probably the strongest candidate the Democrats could find. Mr. Ford has trouble precisely assessing the impact of Chappaquiddick, regarding it as an issue that should not be talked about by the Republicans but that speaks for itself—with the verdict of the voters unknown.

As for the Republican ticket, Mr. Ford in private does not qualify his support for Rockefeller as Vice President. He feels Rockefeller was the most qualified man to be Vice President, has performed extremely well in the post and would not be a political liability on the ticket.

Nevertheless, the President carefully avoids a flat forecast that Rockefeller will be his running mate in 1976. Mr. Ford is saying that, to be realistic, the delegates to the national convention in 1976 are going to make the final decision—though, of course, that never has been the case in the Republican Party.

In contrast to Laird's suggestions that a conservative challenge against Rockefeller by Ronald Reagan might clear the air, however, there is no hint Mr. Ford is trying to deflect conservative opposition away from himself and toward his Vice President. The President did not discuss the matter with Laird before his May 13 remarks, though it did come up briefly in a subsequent conversation between them.

The President does not know whether Reagan will in the end actually challenge him for President. He feels that a Ford state-by-state campaign organization and strong fundraising, coupled with favorable international and domestic developments, will make a challenge for the nomination seem less attractive for Reagan when his decision has to be made.

The deadline for Reagan's decision, the President feels, may come in early autumn. By then, Mr. Ford believes Reagan will have to start collecting delegates—a process the President intends to have started for himself this summer.

Mr. Ford is known to believe he cannot stay out of presidential primary contests—including some southern primaries—if Reagan does run. He regards those southern contests as a risk, but he is organizing his campaign in such states and is cheered by the reception he received in one southern primary state, North Carolina, on a trip there May 20.

Overall, the President understands he has continuing problems with some conservative elements in the Republican Party, North and South, but feels he is in good shape with what he calls moderate conservatives. As to specific grumbling by many conservatives that he should have vetoed the tax cut bill, Mr. Ford believes that his political problems would have been much worse had he not signed it.

Mr. Ford still does not have a permanent pre-convention campaign manager. He selected Dean Burch, former Goldwater and Nixon political operative, to run his campaign operation because of his immediate need for someone knowledgeable, loyal and ready to operate. But because Burch does not want to leave his Washington law firm, the President perceives him as a temporary manager who will be replaced before the convention.

Campaign manager or not, there is not the slightest doubt that Gerald Ford is eager to run his first national campaign—a campaign he now seems to feel is more certain to be run against Kennedy than with Rockefeller.
Only 16 GOP Senators Sign Note Backing Ford

By Lou Cannon
Washington Post Staff Writer

Only 16 of 38 Republican senators have agreed to sign a resolution supporting Mr. Ford for nomination and election.

The document, circulated by Senate Minority Leader Hugh Scott of Pennsylvania and Sen. Ted Stevens of Alaska, encountered unexpected resistance from their Republican colleagues, a number of whom criticized the timing of the action.

Typical of the objections was the one offered by Sen. Bill Brock (R-Tenn.), who called the move "way premature."

"The time to do this would be early next year when we have a clear idea of what's going to happen," Brock said.

"I'm no prophet.

The document was intended as an answer to the statement by a group of 20 conservatives, including three senators, who last Monday called for "an open convention" for both the presidential and vice presidential nominations in 1976.

A number of senators said privately that this counter-move failed badly and only wound up giving credence to the conservatives and the prospective candidacy of former California Gov. Ronald Reagan.

However, Senate Minority Whip Robert P. Griffin, who helped Scott and Stevens circulate the Ford letter at a GOP policy luncheon Tuesday, said that "those who support Ford ought to get out and get going, and this is kind of the beginning of that.

Among the non-signers were Sens. Howard H. Baker Jr. of Tennessee and Charles H. Percy of Illinois, who were not approached on grounds.

See FORD, A5, Col. 1

FORD, From AI

that they were potential presidential candidates.

The Senate's most prominent conservative, Barry M. Goldwater of Arizona, also refused to sign although he said he supported the President.

"I don't think now is the time to do anything formal," Goldwater said. "But Ford knows where I stand."

Sen. Bob Dole of Kansas, the former GOP national chairman and another non-signer, joked that "all those who refuse to sign are candidates."

Dole also reflected the view expressed by some senators that the White House ought to be organizing if it's serious rather than trying simply to "line up the names of senators."

Sen. Bob Packwood of Oregon reflected another prevalent view that senators shouldn't be endorsing presidential candidates in advance. Packwood said he had not been approached but probably wouldn't sign.

"I'm bound by Oregon law to support the winner of our primary, if I'm a delegate, which I hope to be. It's not been customary to endorse anyone before the primary."

Packwood said he supported the Ford letter at a GOP policy luncheon Tuesday, said that "those who support Ford ought to get out and get going, and this is kind of the beginning of that."

Among the non-signers were Sens. Howard H. Baker Jr. of Tennessee and Charles H. Percy of Illinois, who were not approached on grounds.

See FORD, A5, Col. 1

In a related effort yesterday, two Republican House members, Peter A. Peyser of New York and Gilbert Gude of Maryland, drafted a letter calling on the GOP congressional leadership to respond to the "open convention" challenge of the conservatives.

"This is an attempt by a few to swallow a whale," the letter said.

In another development California Attorney General Evelle J. Younger met in Washington with California reporters and said it would not be in the interest of the GOP for Reagan to enter the primaries against Mr. Ford.

But Younger, a Ford supporter who had dinner Wednesday with White House adviser Robert T. Hartmann, also said that Vice President Rockefeller "might not be too interested in running for election" in 1976. He said that a Ford-Reagan ticket was approved declined to sign for a "good possibility."
Ford to Run Regardless Of Economy

By Lou Cannon
Washington Post Staff Writer

The White House reacted strongly yesterday to suggestions that President Ford might step down next year if the nation's troubled economy fails to improve.

White House press secretary Ron Nessen said that Mr. Ford will run for a full term in 1976 no matter what happens to the economy.

Somehow, Nessen said, people had been given the idea "that if the economy is good he will run, but if the economy is bad he won't run. That isn't true."

Nessen's statement was an effort by the White House to move away from an implication left by the President himself Tuesday at an Atlanta press conference when he combined an optimistic forecast on the economy with a renewed declaration of his candidacy.

"I believe that the economic situation in 1976 will be an improving economic picture," Mr. Ford said. "... So with the optimism that I think will come from more employment, less unemployment and a better battle against inflation, I think the economic circumstances will be good enough to justify at least my seeking re-election."

The question that provoked this answer was based upon a statement by Sen. Howard H. Baker Jr. (R-Tenn.) that Mr. Ford might not run next year.

Baker said he was exploring a possible presidential candidacy of his own.

The White House does not want to encourage any more such statements by other Re-

See PRESIDENT, A16, Col. 7

PRESIDENT, From A1

Americans of the wisdom of his economic program next Monday and Tuesday with a trip to Houston and Topeka. He will confer with eight to 10 governors at each stop and possibly hold a press conference in Topeka, Nessen said.
Panel Urges Ford To Set Up Formal Campaign Group

By Lou Cannon and Carroll Kilpatrick

President Ford has been urged by his political advisory group to take a conservative challenge within the Republican Party for 1976, according to sources present at a meeting at the White House.

"The consensus of the group was that now is the time to move," said Dean Burch, who heads an unofficial campaign advisory group designated by the President.

Burch, a former Republican national chairman with close ties to the conservative wing of his party, said he told Mr. Ford of the group's views in a meeting Tuesday at the White House.

"We are not unaware of the concerns of some conserva-
tives and we do not treat them lightly," Burch said. "Those are concerns we will deal with. But by no means am I the least bit discouraged by my probing in this area."

"Perhaps reflecting the concerns of his advisers, Mr. Ford yesterday told Republican senators that he will conduct a vigorous campaign for a full term as President,"

"Senate Minority Leader Hugh Scott of Pennsylvania emerged from a meeting of Republican senators and predicted that Mr. Ford would be elected in 1976.

"Scott said he did not expect Mr. Ford to face any substan-
tial challenge within his own party and that "with a few excep-
tions the present Democratic candidates are a parade of pygmies.""

Another presidential adviser predicted that the announce-
ment will be made soon after the President returns from his European trip early in June.

Reagan, meanwhile, has not yet indicated whether he will be a presidential candidate.

He was quoted yesterday in an interview with Leo Rennert of McClatchy Newspapers as saying he will run only if he finds in the next six months "a lack of deep support for the President and an indication that people want wider choices."

Reagan also said he favored an open national GOP convention next year but did not expect this to happen.
Ford’s One

By Tom Wicker

If President Ford is bluffing about his determination to run for election, in his own right next year, he is doing a persuasive job of it. The seven-man committee that met to begin planning his campaign this week was one that any Republican candidate would wish to have in his corner—experienced, able, spanning the traditional Goldwater-Rockefeller split, a guard neither old nor avant.

The appointment of such a committee, of course, does not commit Mr. Ford to running, any more than did his latest news-conference protestation that there should be "no skepticism" about his intention to run. And it is true that he needs to keep proclaiming himself a candidate in order to maintain some political authority as President and party leader.

Nevertheless, taking a first actual step toward a campaign is bound to make Mr. Ford somewhat more believable in his declared intent. And Dean Burch, the spokesman for the Ford planning group, had both history and good sense on his side when he said after the first meeting, "I'm inclined to think President Ford is the only logical candidate for the Republican nomination."

Or, as Mr. Ford himself put it at his news conference: "I believe that I have the best opportunity to solidify the Republican party, getting strength from both the right as well as the left."

That centrist position is not the only asset Mr. Ford brings to the Republicans. Above everything else, he is an incumbent, even if unelected, and while that means he has to take the responsibility for his years in office, no one should underestimate the power of a sitting President to influence the course of events in his own favor, or the extent to which his office still is venerated by most Americans.

To choose another nominee, if Mr. Ford indeed seeks re-election, would require of the Republicans that they repudiate one Republican President after the forced resignation of another. That is not the best stance from which a party can seek to be returned to political power.

Republicans also would have to turn down a well-known public figure and a known political quantity in order to nominate someone else, and who knows, in times of uncertainty abroad and at home, what value the voters might place on simple familiarity? Besides, every poll shows that Mr. Ford is generally regarded as a "nice guy" and "decent," whatever else might be thought of him. That is not only a valuable political image in itself, but someone from his own party who turned on a "nice guy" President and matched the nomination away from him might find himself looked upon as a power-hungry "bad guy" who evoked vibrations of Richard Nixon et al.

Politically, moreover, Mr. Ford may have bottomed out, as the economists call it. The Nixon pardon and the collapse of Vietnam are behind him, and the White House seems believes both inflation and unemployment will look better next year than they do now. Mr. Ford is the only Republican who can claim any credit if the economy is moving up in 1976.

If he doesn't run, the Republicans, too, will get a multi-candidate scramble through the primaries that will put their hopefuls on the same undignified level that most Democratic aspirants already occupy. It would be no small advantage to the Republicans next year to have their candidate quietly governing the country while a wolf-pack of Democrats races about, howling and scratching in search of office.

Even if Mr. Ford does run, of course, there may well be a Republican primary fight. The fact that no Southern Republican figures are in the Ford planning committee no doubt reflects the Southern strength of Ronald Reagan, who clearly will run if Mr. Ford doesn't, and who may run in any case. Senator Howard Baker of Tennessee says he may run, too, even if it has to be against Mr. Ford. Senator Charles Percy of Illinois has not ruled out a race, John Connally is lean and hungry, and if Mr. Ford stepped aside Vice President Rockefeller probably would plunge in.

But Mr. Rockefeller could hardly run against the man who appointed him Vice President, so another virtue of a Ford candidacy would be to head off a bitter Rockefeller-Reagan clash that could raise again the old Nixon-Ronald Reagan divisions. That clash would be more symbolic than real, since Mr. Rockefeller has moved sharply away from the "Eastern liberal" position; but to Republican conservatives, the image lingers.

The primaries pose the greatest danger for Mr. Ford. He could lose to Mr. Reagan in some states where Reagan strength might be greater than in the nation as a whole. Voters moreover, have been known to rebuke a President in a state primary—for, say, high prices—while fully intending to vote for him in the general election.

Most Presidents can rise above such momentary setbacks within their own party. But Mr. Ford, the instant President, has never been tested in a national election. One or two losses in state primaries might be enough to raise fatal questions in Republican minds about his vote-getting ability.
Ford Road Tests 'Fresh Start' Slogan

By Lou Cannon
Washington Post Staff Writer

CLEVELAND, July 3 — President Ford practiced political slogans for his 1976 campaign today in a series of speeches in Ohio devoted to the economy, the environment and traditional Republican philosophy.

Tuning up for his formal declaration of candidacy, which White House officials said now is scheduled to occur next Tuesday, the President described federal spending as a "tired and ineffective" solution to the nation's problems.

"What we need in this country is not a New Deal but a fresh start," Mr. Ford said in remarks prepared for an audience of 1,300 Ohio Republicans. "What we need is not more federal control but the adventure of federal achievement and the rebirth of the self-confident pioneering that made America great nation it is today".

Most of the President's short speech emphasized his oft-declared view that the United States must turn away from government solutions and rely on private enterprise.

"I see a national government that responds to people's needs but does not order people's lives," Mr. Ford said. "Don't forget that a government big enough to give us everything we want is a government big enough to take away everything we have."

This last line is one that on occasion has been used by former Gov. Ronald Reagan, of California, who some conservatives see as a potential rival to Mr. Ford for the Republican presidential nomination. The President also used another theme frequently favored by Reagan when he declared: "My aim is to declare America's independence from inflation spawned by decades of government overspending."

Mr. Ford's theme of "not a New Deal but a fresh start" was described by one White House official as a possible campaign slogan for next year if it is well received in his present round of low-key political speeches.

White House press secretary Ron Nessen said that today's travel was paid for entirely by the Republican National Committee, including costs of the President's speeches earlier in the day before non-partisan audiences in Cincinnati.

The Ohio GOP fund-raising "Independence Festival Supper" where the President spoke in Cleveland was expected to raise $450,000 to aid Republican candidates. Three hundred of those attending paid $1,000 apiece for the supper and the privilege of meeting the President beforehand at a reception. The other 1000 Republicans paid $150 apiece for their tickets.

The White House was buoyed on arrival in Cincinnati by results of a copyrighted Ohio poll published in today's Cincinnati Post, which showed Mr. Ford defeating prospective Democratic presidential contenders by wide margins. The president held a 45-to-32 per cent lead over Sen. Hubert H. Humphrey (Minn), a 43-to-26 lead over Sen. Henry M. Jackson (Wash) and a 51-to-28 lead over Alabama Gov. George C. Wallace.

There was no crowd response when the President made what was intended as the central point of his speech, that it was time for a "detente with nature."

"We have too long treated the natural world as an adversary rather than as a life-sustaining gift from the Almighty," Mr. Ford said.

Later in the day the President vigorously defended his frequent use of his veto power in a speech to the Ohio River Valley White House regional conference.

"Mr. Ford said he had a duty to "safeguard the broadest national interest" as President and was exercising it in his vetoes of Democratic spending bills.

"The veto is not a negative, dead-end device," he said. "In most cases it is a positive means of achieving legislative compromise and improvement."

"The President will travel to Ft. McHenry, Md., tonight to speak at a fireworks celebration of Independence Day and a ceremony honoring 60 new naturalized American citizens.

There was no crowd response when the President

Mr. Ford practiced political slogans for his 1976 campaign today in a series of speeches in Ohio devoted to the economy, the environment and traditional Republican philosophy.

Tuning up for his formal declaration of candidacy, which White House officials said now is scheduled to occur next Tuesday, the President described federal spending as a "tired and ineffective" solution to the nation's problems.

"What we need in this country is not a New Deal but a fresh start," Mr. Ford said in remarks prepared for an audience of 1,300 Ohio Republicans. "What we need is not more federal control but the adventure of federal achievement and the rebirth of the self-confident pioneering that made America great nation it is today."

Most of the President's short speech emphasized his oft-declared view that the United States must turn away from government solutions and rely on private enterprise.

"I see a national government that responds to people's needs but does not order people's lives," Mr. Ford said. "Don't forget that a government big enough to give us everything we want is a government big enough to take away everything we have."

This last line is one that on occasion has been used by former Gov. Ronald Reagan, of California, who some conservatives see as a potential rival to Mr. Ford for the Republican presidential nomination. The President also used another theme frequently favored by Reagan when he declared: "My aim is to declare America's independence from inflation spawned by decades of government overspending."

Mr. Ford's theme of "not a New Deal but a fresh start" was described by one White House official as a possible campaign slogan for next year if it is well received in his present round of low-key political speeches.

White House press secretary Ron Nessen said that today's travel was paid for entirely by the Republican National Committee, including costs of the President's speeches earlier in the day before non-partisan audiences in Cincinnati.

The Ohio GOP fund-raising "Independence Festival Supper" where the President spoke in Cleveland was expected to raise $450,000 to aid Republican candidates. Three hundred of those attending paid $1,000 apiece for the supper and the privilege of meeting the President beforehand at a reception. The other 1000 Republicans paid $150 apiece for their tickets.

The White House was buoyed on arrival in Cincinnati by results of a copyrighted Ohio poll published in today's Cincinnati Post, which showed Mr. Ford defeating prospective Democratic presidential contenders by wide margins. The president held a 45-to-32 per cent lead over Sen. Hubert H. Humphrey (Minn), a 43-to-26 lead over Sen. Henry M. Jackson (Wash) and a 51-to-28 lead over Alabama Gov. George C. Wallace.

There was no crowd response when the President made what was intended as the central point of his speech, that it was time for a "detente with nature."

"We have too long treated the natural world as an adversary rather than as a life-sustaining gift from the Almighty," Mr. Ford said.

Later in the day the President vigorously defended his frequent use of his veto power in a speech to the Ohio River Valley White House regional conference.

"Mr. Ford said he had a duty to "safeguard the broadest national interest" as President and was exercising it in his vetoes of Democratic spending bills.

"The veto is not a negative, dead-end device," he said. "In most cases it is a positive means of achieving legislative compromise and improvement."

"The President will travel to Ft. McHenry, Md., tonight to speak at a fireworks celebration of Independence Day and a ceremony honoring 60 new naturalized American citizens.
President Leads GOP Rivals

By Louis Harris

In a trial heat for President, Mr. Ford beats former California Gov. Ronald Reagan, his closest potential rival, by 30-23 per cent.

This is the smallest lead an incumbent President has ever received in a Harris Survey since Lyndon Johnson's term. Mr. Ford has more support among rank-and-file Republicans than independents. He leads Reagan 40-24 per cent among those who call themselves Republicans. But among independents, whose vote would be crucial for the GOP in next year's election, Reagan leads Ford 23-22 per cent.

These latest results indicate that President Ford is vulnerable to attacks by the right wing of the Republican Party. They also demonstrate the seriousness of Reagan's threat to Mr. Ford.

The Harris Survey asked a cross section of 703 Republicans and independents earlier this month:

Here is a list of people who have been mentioned as possible nominees of the Republican Party for President in 1976. (Hand respondent card.)

If you had to choose right now, who would be your first choice for the Republican nomination for President in 1976?

Now which one on that list do you feel you could not vote for if they became the Republican nominee for President in 1976? Any others?

<table>
<thead>
<tr>
<th>Choice</th>
<th>Vote for</th>
<th>Could Not Vote for</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reagan</td>
<td>21</td>
<td>15</td>
</tr>
<tr>
<td>McCarthy</td>
<td>9</td>
<td>17</td>
</tr>
<tr>
<td>Bush, Howard Baker</td>
<td>7</td>
<td>16</td>
</tr>
<tr>
<td>Bush, Edward Brooke</td>
<td>7</td>
<td>13</td>
</tr>
<tr>
<td>Ames, Edwin Richardson</td>
<td>13</td>
<td>8</td>
</tr>
<tr>
<td>Others</td>
<td>3</td>
<td>10</td>
</tr>
<tr>
<td>None</td>
<td>3</td>
<td>10</td>
</tr>
<tr>
<td>Not sure</td>
<td>12</td>
<td></td>
</tr>
</tbody>
</table>

Mr. Ford also shows some weakness among older voters, industrial workers who are Republicans, people who voted for Nixon in 1972, and Catholics.

But his worst showing so far is in the small towns of the country, where Reagan leads him by a substantial 35 to 25 per cent.

And in the South, which has been a pivotal area in recent years for any Republican running for President, Mr. Ford holds a slim, 33-29 per cent lead over Reagan.

Mr. Ford's strength is spotty. The President runs strong in the East, where he finishes 18 points ahead of Reagan. But he trails Reagan in his native geographic area, the Midwest, 27-25 per cent, and he loses the West to Reagan 33-31 per cent.

Among conservatives, the President holds a narrow 34-31 per cent edge, even though his lead among Republicans and among moderate and liberal independents is substantially higher—eight percentage points.

© 1975, Chicago Tribune
The Gallup Poll

Ford's Work Still Viewed As Lackluster

PRINCETON, N.J. — Although approval of the way President Ford is handling his job continues to outweigh disapproval, his performance in office is thus far viewed by the public as lackluster.

In the latest survey, 46 per cent approve, 37 disapprove, and 17 per cent are undecided—findings that almost exactly match those recorded in the previous (early August) survey.

<table>
<thead>
<tr>
<th>Approval of Ford</th>
<th>Current</th>
<th>46%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approval in current year</td>
<td>46%</td>
<td></td>
</tr>
<tr>
<td>Approval since taking office</td>
<td>47%</td>
<td></td>
</tr>
<tr>
<td>High while in office, 1974</td>
<td>46%</td>
<td></td>
</tr>
<tr>
<td>Low while in office</td>
<td>37%</td>
<td></td>
</tr>
<tr>
<td>(Recorded January, April, 1975)</td>
<td>37%</td>
<td></td>
</tr>
</tbody>
</table>

Other Presidents:

| Eisenhower | 69% | 39% | 9% |
| Johnson | 69% | 39% | 9% |
| Nixon | 52% | 34% | 15% |
| Carter | 24% | 26% | 40% |

FORD VOWS TO WIN PRESIDENCY IN '76

Tells G.O.P. Dinner He Sees No 'Unbeatable' Democrat
—Event Raises $600,000

By CHRISTOPHER LYDON
Special to The New York Times
WASHINGTON, April 15—President Ford told a Republican fund-raising dinner tonight that he did not see an "unbeatable" Democrat among the men who hope to run against him next year.

Mr. Ford pledged to win the Presidency in his own right in 1976, breaking a campaign for Republican principles — including "budgetary discipline," "strong national defense," and "freedom" — not just for his own election, he said, but for all Republicans everywhere.

The financial summary on the annual Republican dinner for Congressional campaign funds suggested that the Republicans' Watergate malady lingers on. With the President as a drawing card and Mark Russell, Washington's resident stand-up comic, telling jokes, the dinner raised about $600,000 tonight.

$3-Million in '69

A comparable dinner in 1969, at the peak of President Nixon's power, took in $3-million. Last spring, during the impeachment proceeding against Mr. Nixon, the Republican dinner grossed $700,000.

But Mr. Ford proclaimed the evening the start of a "broad resurgence of Republican strength." He added:

"One thing I learned in more than a quarter-century of political involvement is that the prospects for victory are seldom as bleak as they seem when you're in the thick of a fight. Time after time, a supposedly ruined party has rebuilt and returned stronger than ever. And repeatedly, candidates once considered unbeatable have been beaten.

As a fund-raiser, however, the dinner was a disappointment.

Accentuate the Positive

Senator Ted Stevens of Alaska, the new chairman of the Republicans' Senate Campaign Committee, sought in an interview to emphasize the positive. He said he expected more "follow-up money" than usual to trickle in after the dinner tonight. And, by cutting costs, he said he hoped for larger net proceeds than last year's $383,000. But the important "seed money" in advance of next year's House and Senate campaigns will be in short supply, he acknowledged.

Watergate memories were less a burden on tonight's dinner than the state of the economy, Senator Stevens said. The choice of April 15, the deadline for paying income taxes, as a dinner date was "unfortunate," he added.

"It's a day that means something to taxpayers," Mr. Stevens said. "They're money conscious. The economy is down, and people are thinking of other things than the 1976 campaign."

Other Explanations

Republican party officials offered other explanations for the disappointing returns this evening. Some substantial contributors are still sulking, a fund-raiser said, because they were required by a Treasury Department ruling to pay a gift tax on large contributions to the 1972 campaign.

Other contributors were put off, the fund-raiser said, by the uncertainty about certain regulations of the new political financing law.

Yet, Democrats planning their own Congressional dinner next week have not seemed hampered by the burdens the Republicans have complained about. Traditionally, the Democrats have run far behind in these yearly fund-raising contests, but their advance sale this year is the largest ever and they talk hopefully of a $1-million dinner on April 24.

"We thought we were going to have to drag it out of people," said Nordy Hoffman, director of the Senate Campaign Committee, "I was the most baffled guy in the world when our dinner started going like a house afire."

Contributors 'Abused'

Eddie Mahe, executive director of the Republican National Committee, said that "here's a continuing disillusionment among major contributors because they've been so abused by all these investigations." He added:

"The big edge the Democrats have is that labor money. And having control of both branches of Congress doesn't hurt, either."

Yet, there is no partisan exclusiveness about contributions to either dinner. The mainstream of the Democratic and Republican campaign dinners have long been lobbyists and political committees of special interest groups that give to both parties.

Among the buyers of $10,000 table tickets at the Republican dinner tonight were the American Medical Association's Political Action Committee, the American Dental Association's Political Action Committee and the Real Estate Political Action Group—all of which are expected to make matching contributions to the Democrats.
Mr. Ford and Moscow

There have been lessons in Watergate for the Russians as well. Wearing ideological blinders, they had long refused to understand the workings of the American system. Their view was dogmatic: big business controlled the government and political democracy was a fake.

The men in the Kremlin are better educated now, however. For one they have learned from hard experience that the United States Congress is not easily controlled and that the White House has limits on its power.

With their new-found sophistication the Russians have taken the change-over to the Ford administration in stride. Despite strains with Washington in recent months, they know there is enough bipartisan support in Congress for detente and therefore feel it is a viable policy for them.

But the big question is where detente goes from here. President Ford and Leonid Brezhnev already are moving to keep things on track. They apparently have come to some compromise understanding about the prickly issue of Soviet emigration, which has frozen the foreign trade bill in Congress. If so, this will remove one major obstacle to a further improvement of ties and is a welcome development.

The crucial area in Soviet-American relations is strategic arms control, however. If the two superpowers fail to make progress here, the whole fabric of detente could come unraveled. Everything depends on it.

At the recent summit the Russians made no concessions on SALT. Most likely they reasoned that Mr. Nixon, because of his political weakness, could not deliver an agreement and when negotiations started up again they would be in a weaker position.

Hence the talks are in abeyance. An early priority for Mr. Ford is to brief himself on the subject and get his administration to come up with a unified negotiating position. The problems are infinitely complex and no one seems to see a light at the end of the tunnel.

The one bright element of hope is that many Russians recognize what might happen if there is an unrestrained arms race.

Mr. Ford is judiciously striking a dual approach to Moscow. He is pressing Soviet leaders to join in an intensified effort to negotiate a new arms control agreement. But, as spelled out by Secretary Kissinger, he is making clear that if negotiation fails the U.S. will maintain its strategic strength "whatever the cost."

Certainly the Russians are aware they continue to deal with toughness-cum-flexibility in the new White House leadership. Mr. Ford is strong on defense spending and his vice-presidential nominee has in the past voiced skepticism about detente.

Mr. Rockefeller's Critical Choices Commission has in fact been studying the question. It could well be the new vice-president will galvanize that much-needed American debate not only on arms limitation but the whole bilateral relationship. Where, in essence, is the U.S. going with the Russians? What does it want to accomplish?

Meanwhile, there is a kind of political bonus for the Americans from the whole Watergate affair. Soviet propagandists may now have to explain America to their people in less simplistic ways. And, who knows, an oblique message of the diversity and viability of American institutions just might get through — and set some Russians to thinking.
Conservative Challenge to Ford Is Forming in New Hampshire

By CHRISTOPHER LYDON

Concord, N. H., March 12 - A conservative challenge against President Ford's nomination next year is taking shape here, just a year before the New Hampshire Presidential primary, around the tentative favorite-son candidacy of Gov. Meldrim Thomson Jr.

If the primary were next month, not next year, Mr. Thomson says emphatically he would be running on the Republican ballot against big government, high taxes and Federal budget deficits. His hope would be to jolt Mr. Ford from the right the way former Sen. Eugene J. McCarthy of Minnesota jolted President Johnson from the left in the Democratic primary here in March, 1968. "There's a good chance we could carry off," Mr. Thomson said in an interview in his office here.

A full year ahead is another fact that Mr. Thomson cares to recount in detail. But one way or another, his allies here and in Washington are determined to confront Mr. Ford in New Hampshire. "I'm going to take action," Mr. Thomson has said, "and I'm going to keep taking action until something is accomplished."

A new novel to the traditional situation here, a strategic position to advance the political realism that conservatives hope for, and to strike a heavy blow at a weakened Republican party as led by Mr. Ford and Vice President Rockefeller. "The basis for the new party," he continued, is the middle class people who are tired of the freeloaders at both ends" - by which Mr. Loeb referred to welfare recipients and corporate monopolies. "It will be a populist party, not a conservative party," he said.

The good news in New Hampshire for Mr. Ford is that a Thompson challenge would automatically give the President the support of the state's substantial Republican establishment, which has never welcomed Mr. Thomson into its ranks.

The Ford loyalists in an intra-Republican battle with Governor Thomson would be expected to range from former Sen. Norris Cotton to former Gov. Walter Peterson, whom Mr. Thomson unseated in a 1972 primary, they would also include the official Republican hierarchy, New Hampshire's legislative leaders and Attorney General Warren Rudman.

There are other obvious difficulties for Mr. Thomson: He owes his re-election margin last fall to Manchester Democrats, who would not be expected to re-register to vote in a Republican primary, New Hampshire, furthermore, has no tradition of favorite-son candidacies.

And in Presidential primaries the state's Republicans have customarily made "moderate" choices - for Gen. Dwight D. Eisenhower over Senator Robert A. Taft in 1952; for Henry Cabot Lodge over Senator Barry Goldwater and Mr. Rockefeller in 1964, and for then-President Nixon over eight-and left-wing challenger George Wallace in 1972.

Nonetheless, the anti-Thomson Republicans say that if current conditions persist, the Governor will do well against Mr. Ford - even better than Mr. Loeb suggests.

Mr. Rudman, for example, predicted today that unless the national economy rebounded sharply, "the Governor would make a very respectable showing." It would be a real horse race," he said.

Stuart Lamprey, a veteran party leader who was once one of Mr. Nixon's closest allies in the state, says, "Thomson would come out with 40 per cent of the vote and maybe some delegates - enough to claim a moral victory."

Mr. Ford might welcome the challenge, Mr. Lamprey suggested, if only to test the strength of the third-party threat. The question raised by the "new party" theorists, he went on, is: "Can the Thompson and the Wallace conservative get together in 1976? If Ford is going to face that battle later on, he might as well try it here."

But here, as in other states, Republicans foresee grave injury and perhaps disaster in the battle with third-party forces in their midst. The immediate risks in New Hampshire appear to include more cacophonous divisions, interruptions of Federal patronage and damage to Republican candidates, of any stripe, for the Governor's office next year.

The Democratic party, meanwhile, has been making inroads in recent legislative elections and is organizing systematically in the traditionally Republican towns to offset the Loeb and Thomson inroads in old Democratic strongholds such as Manchester.

Republicans worry, too, that the Ford White House has turned a deaf ear, they say, to repeated cries of alarm, Mr. Ford has sent no messages or promises, to New Hampshire, local party leaders say, to explain his plans for 1976. Mr. Rudman, reflecting the general puzzlement here, commented today, "I'm still not convinced Gerald Ford is going to be a candidate."
Foreign policy under Ford

By Robert R. Bowie

As he took office, President Ford put his stress on the continuity of United States foreign policy. That was to be expected. Mr. Truman and Mr. Johnson did the same when they succeeded to the presidency. But they soon found it necessary to reshape the policy to reflect new appraisals and conditions. And so will President Ford. Indeed the policy he inherits from Mr. Nixon has been badly distorted in two respects: Its priorities have been out of balance, and its methods were not suited to some of the most urgent needs. The new President seems well fitted to correct these shortcomings.

The first need is to put U.S.-Soviet relations and detente into better perspective. Mr. Nixon made detente the centerpiece of his policy. With his heavy focus on summity, he tended to personalize these relations and to overstate the achievements, with claims of having radically transformed them and of creating a permanent structure of peace. The exigencies of Watergate only heightened these tendencies. Yet even before his departure, reality was pushing through the rhetoric as in the Moscow summit. Improving U.S.-Soviet relations will be a long-term process which will not be advanced by impatience or illusions. Progress will be severely limited and impeded by the Soviet concept of coexistence as continuing rivalry, and by the closed nature of the Soviet system.

It is time to cut through hyperbole about detente in general and to focus more on specific interests and issues. What are Soviet interests in Europe and the Middle East, in trade and credits, in arms control, exchanges and openings, and other issues, as they see them? What should be U.S. objectives in these various fields? The upcoming hearings of the Senate Foreign Relations Committee on detente could initiate a timely debate. If properly conducted they could help to clarify these issues.

Mr. Ford will clearly continue the efforts to improve U.S.-Soviet relations. Almost everyone supports that course. But his approach will certainly be more down to earth, more candid about the obstacles, and more realistic about the actual state of the relationship. That will be in keeping with his temperament and style. And it will be constructive.

Second, the demands of interdependence must have much higher priority in U.S. policy. The flow of trade, money, investments, technology, and people across borders has been steadily expanding. Multinational firms produce, distribute and trade on a worldwide scale. Pollution; the ocean, food, energy, and resources have become global problems.

These various forces are linking national economies ever more intimately and are eroding the capacity of nations to cope with their needs separately. The necessity for cooperation is especially urgent among the advanced countries of North America, Western Europe, and Japan, but it must include the developing nations as well, and the Communist states, to the extent they will join. Beyond avoiding nuclear war, the main task in foreign affairs is to develop the processes and institutions for managing this interdependence.

The greatest failing of the Nixon administration was its virtual neglect of this task. Mr. Nixon had little interest or competence in this realm (as the last tapes underscored). It is not a field which lends itself to summity, surprise, and secrecy. Indeed the tight monopoly of the making and conduct of policy in the hands of the President and Secretary of State was not compatible with dealing with these problems of continuing cooperation with others. That will require much wider participation by officials and experts at many levels in many departments.

There seems to be a good prospect that Mr. Ford will redress this balance. It is not that he has the knowledge or training; it is rather that his method and approach are well suited to the problem. Clearly he intends to conduct an open presidency which will encourage inputs from many sources inside and outside the government. He recognizes the critical importance of economic issues as was shown by his concern for the trade bill.

Whatever his current views on specific issues his openness is bound to bring home to him quickly the necessity for organized cooperation with others in many fields. His approach should facilitate the kinds of participation by officials and experts which are essential to develop and conduct the requisite cooperation with Europe and Japan, as well as others.
The three ‘Rs’—Rockefeller, Reagan and radicals

Tough political issues face Democratic and Republican candidates

By Curtis J. Sitomer
Staff correspondent of
The Christian Science Monitor
Los Angeles

Three R’s — Rockefeller, Reagan, and radicals — likely will be key issues facing President Ford as he heads west for weekend speeches in California.

However, the behind-the-scenes stress may be on the Vice-President — and whether he should remain on the Republican ticket next year. Some California politicians are said to be pressuring Mr. Ford to drop Mr. Rockefeller in favor of Ronald Reagan or somebody else.

The President is known to be eager for a California victory not only in next June’s primary but in the November, 1976, general election. This is the nation’s most populous state. Its winner-take-all primary is vital to nomination. Its electoral vote has been decisive for Democrat John F. Kennedy and Republican Richard M. Nixon in close presidential races in recent years.

Polls here now show Mr. Ford handily leading Mr. Reagan in a two-man primary contest. However, the conservative former Governor has not yet officially announced his candidacy. “And when he does, we’ll automatically pick up 15 points in the polls,” predicts a Reagan strategist.

However, other Republican Party insiders here admit they are now more concerned about Mr. Rockefeller than a potential Reagan challenge to the President.

Polls here, as elsewhere, show strong disenchantment with the Vice President — not only among Republicans but even among independents. A California poll, for example, gives Mr. Reagan a 39 percent preference for vice-president against 26 percent for Mr. Rockefeller. U.S. Sens. Howard Baker and Charles Percy and former Texas Governor John Connally follow as choices for the second spot.

Publicly, Mr. Reagan insists he is not interested in the vice-presidency. But some sources allow he might change his mind if definitely offered it.

“He’s a party man and he’s a loyal American. And he’s just got too much dignity to do anything to hurt the nation,” insists a top Western GOP leader — a long-time staunch Reagan supporter who now is backing Mr. Ford for re-election. This source holds that Mr. Reagan will decide in the end not to challenge President Ford for the nomination.

However, the question nags here: Can Mr. Ford take California in the general election with Mr. Rockefeller on the ticket?

Some liberal and moderate Republicans
California Not 'Reagan Country,' Callaway Says

Campbell Chief Says Ford Is Confident, Holds Out Prospect of No. 2 Spot on Ticket for Ex-Governor

BY RICHARD BERGHOLZ
Times Political Writer

President Ford's election campaign manager said Thursday he is confident of carrying California next year against any challenge from former Gov. Ronald Reagan.

He repeatedly held out the prospect that Reagan might wind up as the vice presidential nominee.

Howard H. (Bo) Callaway, former secretary of the Army in the Ford Cabinet, told a Marriott Hotel news conference he does not consider California "Reagan country" despite the former governor's past hold of GOP organizational machinery here.

Reagan has not yet decided whether to run against Mr. Ford, although he has permitted his supporters to start raising funds for that purpose.

Some of the President's advisers have suggested one way to avoid a Ford-Reagan showdown next year would be to clear the way for Reagan to become the vice presidential nominee in place of the incumbent, Nelson A. Rockefeller.

On June 17, Mr. Ford praised Rockefeller's work and said "I am confident both of us can convince the delegates individually and as a team we should be nominated."

The President also authorized his press secretary to say "the President will be for Nelson Rockefeller for nomination."

Mr. Ford since then has stopped short of saying he would campaign for the Ford-Rockefeller team, rather than just for himself.

Callaway said he talked to Rockefeller last Monday, to the President last Tuesday, and this is the situation now:

"He (the President) supports Rockefeller as Vice President and as part of his team for this term of the Administration. The President is not committed to Rockefeller at the (1976) convention for a second term as Vice President. The President will keep an open mind on that."

Callaway said both Mr. Ford and Rockefeller agreed with him that "it would make no sense for the President to make up his mind now."

Conservative Republicans have complained bitterly about Mr. Ford's selection of Rockefeller, who is not well-regarded by the political right.

Reagan repeatedly has said he has no intention of being No. 2 man on a ticket headed by Mr. Ford.

Callaway, who met here with the 44-member, California campaign committee for Mr. Ford, said he recognizes Reagan's strength here and with conservatives across the land.

"Right now, we want delegates who are for Ford and Rockefeller, or Ford and Reagan, or anybody else. I think there are 20 or 30 bright young Republicans who all think they would make excellent Vice Presidents, I want them all with us, right now."

Before the meeting of the Ford California committee, Callaway met privately with Assembly Republican Leader Robert C. Beverly (R-Manhattan Beach), state Sen. Robert Stevens (R-Santa Monica) and Assemblyman Mike Antonovich (R-Glendale), Robert C. Cline (R-Northridge), Paul Bannai (R-Gardena) and Paul Pinto (R-Pacific Palisades).
Can Ford carry California?

WASHINGTON — A bit of electoral history for Gerald Ford to ponder: No Republican has been elected President during this century without carrying California. Back in 1912, GOP nominee Charles Evans Hughes went to bed on election day thinking he had won but he woke up the next morning to find that California had slipped away, and with it the electoral votes needed for national victory. Hughes had been knifed by dissident Republicans led by Senator Hiram Johnson.

Then in 1968, Richard Nixon did not see victory at hand until the wee hours of the morning. Only when California fell into line did his aides break out the champagne.

If you look back through political history books, California has been nip-and-tuck. For this reason, Gerald Ford is potentially vulnerable to the consequences of a primary challenge by ex-California Gov. Ronald Reagan. The conservative animosity engendered in any such fight could come home to roost in November, 1976.

My assumption here is that the 1976 contest in California will be close. Gallup and Harris polls suggest as much. Gallup indicates that in a three-way race, George Wallace would take away enough national GOP support to tip the contest to, say, Edward Kennedy.

For Mr. Ford, a three-way race in California promises to be doubly tricky because of the way several Ford operatives — notably State Republican (and Ford re-election committee) Chairman Paul Haerle — have offended GOP Reagan and Wallace supporters.

Whatever the situation may be in other states — and it varies — there is already the certainty of a third party in California. The American Independent Party, being already fully qualified, will be on the 1976 ballot with a presidential candidate. Nor is this something to be taken lightly.

If George Wallace is the third party candidate, then Mr. Ford's trouble is obvious. Wallace would draw from both parties, but a May California (Mervin Field) poll showed that 26 per cent of the state's self-identified Republicans would pick Wallace in a head-to-head contest with the President. Presumably most of these would also back the Alabaman in a three-way race. (As a footnote, 21 per cent of state Republicans were mad enough to back Wallace even against Ronald Reagan.)

But even if Wallace is not the American Independent candidate and the party nominates a lesser figure, such a nominee is likely to exceed the 3 per cent John Schmitz won in 1972. I say this because of: 1) the May indexes of right wing Republican anger; 2) the level of AIP strength in the 1974 elections; and 3) the bitterness of some Reagan supporters against the tactics of Chairman Haerle. For all these reasons, it seems fair to surmise that even a little-known AIP candidate could expect 4 to 6 per cent of the vote as a protest. And if Nelson Rockefeller is the vice-presidential candidate, the AIP protest vote could reach 8 to 8 per cent.

This wouldn't matter in a national GOP landslide. But in a close race, a 5 to 6 per cent AIP showing, would probably defeat Ford in California and perhaps in the country. It is a possibility that Ford strategists will doubtless be considering.
Tom Braden

Watergate and the Ford Campaign

Howard H. Callaway, President Ford's campaign manager, showed himself to reporters the other day and instantly demonstrated that he has at least one major talent. He can whistle in the dark.

"Anyone who thinks they can taint Gerald Ford with the Watergate scandal," he told reporters, "will find that it won't wash." He went on to say that Richard Nixon would play no role in the Ford campaign.

They are brave words. But Callaway must know that any Democratic candidate who will not remind the American people that Gerald Ford granted a full and complete pardon to Richard Nixon would be derelict in his duty. He must also know that there are some other Watergate matters likely to bubble up between now and election time and which might be embarrassing to the man whom Nixon chose as his Vice President.

Who caused the 18½-minute gap on the tape? Who prepared those fake transcripts which Mr. Nixon put out with the assurance that they told the full story, "the rough as well as the smooth"? Was it anyone still on the White House staff? Is it possible that Gen. Alexander Haig, who was Gerald Ford's choice for Commander-In-Chief of NATO, did not know that those tapes had been edited? And what about Morton Halperin's suit against Henry Kissinger? By next winter, the courts will have decided whether Kissinger acted legally when he put a wiretap on his colleague in the National Security Council.

Halperin says he might not have brought that suit if the wiretap had been cancelled when he left Kissinger's staff. But the tap continued, and continued for 17 months, during much of which time Halperin was working for Sen. Edmund Muskie.

Why did the taps continue? If Kissinger authorized them, and the court so holds, will it be possible for Callaway to keep that issue out of the campaign?

There's also the matter of Bebe Rebozo and the $100,000 he got from Howard Hughes and returned three years later. Not that Rebozo is a Gerald Ford crony, but Callaway is really asking a lot when he asks us to regard Gerald Ford as though Gerald Ford had never had anything to do with Richard Nixon. He is also asking a lot when he asks us to regard the Republican Party as totally divorced from the man it presented to the voters for its national ticket in five of the last six elections.

The Democratic candidate, whoever he may be, might also suggest that Gerald Ford play us the tapes of his conversations with Richard Nixon. Those tapes have never been subpoenaed because the relations between the two men were never in question until the pardon.

But when Mr. Ford pardoned Nixon, a lot of people were reminded that the White House tapes show Nixon suggesting Mr. Ford as the man to stop Rep. Wright Patman's (D-Texas) early move to investigate the Watergate break-in. Was Mr. Ford informed of the role Nixon wanted him to play? Was he ever told why the White House didn't want an investigation? One way to silence any lingering suspicions of a Nixon-Ford deal would be to make public the tapes of Nixon-Ford conversations.

In short, the idea that the next presidential campaign can be conducted without any reference to Watergate is ridiculous. Watergate is the reason Gerald Ford is President of the United States. Does Callaway really believe the voters won't remember that? Or that the Democratic candidate will not remind them?
Recalling Ford 'no' to '76 race

THE MOST PRECIOUS commodity a Chicago politician has is his word—in City Hall or party headquarters. Politicians can be the bitterest of enemies on issues, but time and time again I’ve seen mutual respect built on the tribute, “His word is good.” I think that is the foundation of Mayor Daley’s power.

Washington is another story. Credibility, believability, “a person’s word” have eroded in the nation’s capital, from the top down.

When President Ford announced he would run for election next year, I expected to see some reference made to his Senate Vice Presidential confirmation hearing statement that he would not run.

Apparently they’re so used to distortions, shadings, misleading phrases, and half-truths in Washington that what Ford said last year isn’t important today.

IF YOU’VE FORGOTTEN these words, they came when Sen. James B. Allen [D., Ala.] was questioning President Nixon’s nominee for the Vice Presidency. Allen suggested that if inflation were checked in 1976, the energy crisis were over, and peace prevailed, Mr. Ford might reconsider his statement of intention not to run. The following exchange ensued:

Ford: Well, Sen. Allen, humorously, if all those things take place, and since President Nixon could not run again, it sounds like you are writing a prescription for a landslide.

Allen: Do you think you might be subject to a draft?

Ford: Well, the answer is still “no.” I have no intention to run, and I can foresee no circumstances where I would change my mind. I have no intention of seeking public office in 1976.

The answer was carefully phrased but it doesn’t inspire much confidence in Mr. Ford’s ability to foresee circumstances.

Nor will anything he says during the coming campaign have any particular believability. And almost everything he says from now until November, 1976, will in some way be campaign talk.

SURPRISE: “IT HAS been a surprisingly good congressional session so far,” United States Rep. Sidney Yates [D., Chicago] reports back to his North Side constituency. “Many good bills have been enacted, including a major tax-reduction bill, bills to speed up highway construction to promote employment, to provide funds for summer jobs for youth, to stop an increase in the price of food stamps, to adopt a federal budget ceiling, to extend voting rights protection, and to continue federal funding of the Amtrak railroad system and bankrupt railroads.”

Yates points out the drama of a veto attracts headlines but the few veto actions are only a small part of Congress’ work.

Yates’ ideological opposite in Congress from this area, U.S. Rep. Phil Crane [R., Mount Prospect] another politician whose word is good) keeps sending back little nuggets about the nuts and bolts of government to his constituents.

Crane has strongly protested the spending of $1.3 million to automate elevators in the House office buildings. Why? Because after putting out all that money, they’re still going to have operators running the elevators. Patronage.

55 LIMIT ILLEGAL? A.J. Clauter of Geneva sends a clipping from a Colorado newspaper reporting that a state judge has ruled the 55-mile-an-hour speed limit in that state unconstitutional. He tossed out charges against a driver accused of going 65 m. p. h. in a 55 zone.

Judge Fred C. Calhoun of Montrose, Colo., ruled that neither the Congress nor the President has the power to determine where, when, or how the operating of a motor vehicle in Colorado will or can be a crime.

AND NOW THE GOOD NEWS: Twenty states are considering laws to make pay toilets illegal, with the biggy, busted old New York, having already passed legislation banning them.

The New York ban will be effective Sept. 1 if Gov. Hugh Carey doesn’t veto it—and he doesn’t dare. So if you’re traveling and you’re outraged by soaring costs, take comfort in a free public convenience in New York.

Naturally there are some jollity during debate over the bill, most of it not worth repeating. I could sympathize with N.Y. Sen. Karen Burstein, a sponsor of the bill. “I was going to crawl under the door one day at the Commodore Hotel,” the senator, who had tried unsuccessfully to obtain change from numerous persons in the rest room and in the lobby, said.
Ford election team wants to see no evil

By Aldo Beckman
Chicago Tribune Press Service

THE PRESIDENT had not yet even officially declared his intentions to seek a full term in the White House, but Donald Rumsfeld, his chief of staff, was lecturing senior Presidential aides on the need for campaign integrity.

Telephone calls, telegrams, even letters, must be segregated so that no one can charge the taxpayers are being saddled with any of the political campaign costs, Rumsfeld cautioned.

Later that same day, after President Ford had made his official declaration of candidacy, Howard [Bo] Callaway, his campaign manager, contacted Presidential Press Secretary Ron Nessen, seeking help in publicizing a telegram of endorsement from Michigan Gov. William Milliken.

MILLIKEN, as a close friend of Ford's and governor of his home state, was anxious that his be the first official endorsement of the chief executive. Callaway wanted to be certain it got the widest possible exposure.

"Sorry, but I can't help you," Nessen replied. "That's a political project and we're determined to stay away from things like that over here."

Altho the problem of separating political activities from the costs of operating the Presidency, when the candidate is an incumbent, has always been an irritant, few have taken it as seriously as Ford aides are taking it.

"This is a whole new law," said one senior aide, referring to the new Campaign Reform Act, "and you have a horrible example to live down."

RUMSFELD DENIED, however, that the shadow of the Watergate campaign abuses that drove Richard Nixon from office were really that much of a factor.

"It's not Watergate," he said. "It's just Rumsfeld."

"I'm always trying to look around corners so we won't be embarrassed," said Rumsfeld during an interview in his office just down the hall from Ford's Oval office. "Vigilance is the answer."

Some general rules already are in effect, such as the Republican National Committee being billed the more than $3,000 an hour it costs to operate Air Force One, when Ford is on a trip for the Republican Party.

ORDERS HAVE gone out that there will be no political letters written on White House stationery, and the President is going out of his way to pay from his own pocket expenses for social activities dealing strictly with politics.

Tuesday night, after his announcement, Ford invited some of his political advisers and key campaign aides to the White House for a cocktail reception, and he was billed for this.

And the mailgrams that went out Monday night from Ford, giving GOP leaders advance notice of his announcement, were paid for by the election committee, typed at campaign headquarters, and sent from a commercial Western Union office rather than the one in the White House.

THE WHITE HOUSE is so cautious that a "hold" order has been put on any incoming letters with campaign contributions. This mail will not be returned until Ford's attorneys determine it is proper to suggest to the sender he may want to send the money to the campaign committee.

Traditionally, Presidents receive two to three letters a week with some small donation, generally less than $10, from some admirer, who wants to help. For the last several years, and under Richard Nixon, they have automatically been returned.

White House lawyers are trying to work out a formula that will cover all possibilities. One senior White House aide said they will have plenty of time to figure out an answer.

"HE HAS JUST gone thru a ritual of American politics," said the official, referring to the announcement. "Now I would be very surprised if you see the president doing any campaigning before the end of the year."

White House officials are convinced that private meetings with local Republican officials, such as one Ford held Saturday morning in Chicago, don't count as campaigning. There are no plans to try to pro-rate the costs of a trip that includes such perfunctory political sessions.

FORD AIDES are aware of potential criticism from political adversaries over the issue of taxpayers footing the bill for politicking.

"Every candidate has his own kind of problems," said Rumsfeld, subtly suggesting White House strategy if Democrats push the issue.

"Has anybody checked to see who is traveling with Sen. Jackson [the Washington Democrat who is seeking the Presidential nomination]...? Are any of those people on the Senate payroll while they devote all of their time to politics?" Rumsfeld asked.
Ford Debuts at Favorable

By CARL P. LEUBSDORF
AP Political Writer
WASHINGTON (AP) — President Ford formally entered the 1976 presidential race at a time when his political prospects appear far brighter than when his friends started making his campaign plans two months ago.

At the same time, however, the possible opposition of Ronald Reagan spotlights just one of a series of obstacles that could quickly darken the brightened White House hopes of recent weeks.

Other factors include the state of the economy and whether Democrats can put together a strong ticket backed by a united party.

Less than two months ago, many Republican senators and congressmen were saying privately they doubted Ford could win in 1976. Some top party officials were among those who doubted he would run.

But the President's approval rating in public opinion polls moved upward in the wake of his success in forcing freedom of the captured U.S. freighter Mayaguez and its crew.

And four successful veto battles with the Democratic controlled Congress, plus Ford's trip to Europe, contributed to a feeling in the White House that Ford was coming into his own as president.

At the same time, Ford named Howard H. (Bo) Callaway, a Georgia conservative, to run his presidential campaign, showed conservatives he meant what he was saying about rejecting Democratic “spending” programs and won pledges of support from key Republicans in Reagan's home state of California.

Although the President had only led Reagan 30 to 23 in a Harris Poll in early spring, his margin leaped to 40 to 17 in the latest tally.

Nevertheless, Reagan could complicate the President's election plans, partly because he has an emotional appeal to the conservatives who dominate GOP conventions and partly because of the 1976 primary timetable.

Though a survey by the liberal Ripon Society optimistically predicted Ford would defeat Reagan by 1,429 to 811 if the GOP convention were now, it assumed a Ford victory in the opening New Hampshire primary and a standoff in Florida.

Other GOP officials, however, believe that, if Reagan does decide to run, he would have a good chance in both states, and that could set off a chain reaction that might undermine Ford.

A key to Reagan's hopes, as well as those of the Democrats in 1976, is the nation's economy. A lot may depend on whether the recession does recede and Ford succeeds in persuading the 92 per cent of working Americans that inflation is a greater evil than unemployment.

Hanging over the predicted economic upturn is the threat of another large jump in gasoline prices, as a result of possible decontrol of U.S. domestic prices and the Arab intention of another hike in their price.

Last week's increases in fuel prices, put into effect as many motorists were setting off on July 4 holidays, were just the first step.

Finally, assuming Ford wins his party's nomination, there are two final threats: the Democrats and a possible third party headed by George C. Wallace.

Few Democratic leaders believe Wallace has any chance of winning a spot on the party's 1976 ticket. Many believe their chances would be improved by a Wallace third party candidacy, noting that with the Alabama governor in the race, Democrat Hubert H. Humphrey nearly won the 1968 election.

Though the Democrats appear divided and leaderless now, their leaders still are hopeful they can put together a ticket next year that will provide a reasonable alternative to Ford and unite all but the fervent pro-Wallace Democrats.

Under those circumstances, top Democrats believe their party's built-in plurality in the country would enable them to regain the presidency and make Gerald R. Ford the first man in this century to inherit the White House and then lose it.
Joseph Kraft

A Confident President

President Ford starts off his campaign for election to the post he inherited in a mood of striking confidence. In an interview with this columnist shortly before his announcement, the President expressed the view that he held a decisive edge over all possible competitors.

He surveyed the country region by region and found the outlook pleasing. In the process moreover, he showed that he has been thinking long, hard and in detail about the campaign now coming up.

Mr. Ford pushed the subject himself against a background of questions having to do chiefly with his record as President since last August. Among other things he said that he felt his deeds in the White House had made him "entitled to trust." "People," he said, "know what I've done. They know I'm an honest man."

He went on to say that having public trust was "a major asset in seeking the Presidency." He repeated that point a second time, claiming that having public trust was "a big advantage in the present context" no matter what the issues.

He explained whenever the Democrats nominated "have to prove that people can trust him." That same reasoning, of course would apply to any Republican who might challenge the President in the primaries. Though Mr. Ford didn't mention him by name, my impression was that he did not feel he faced a serious challenge for the Republican nomination from Ronald Reagan.

With a little—but not much—coaxing, Mr. Ford then went on to evaluate his strengths and weaknesses region by region. He said he anticipated trouble in the Northeast. "Not so much in Vermont and New Hampshire and Maine, but in Massachusetts and Rhode Island and Connecticut."

He added that "We may not be so strong in New York City." But he specifically excepted New Jersey, saying it was a "potentially good state." Thereafter he skipped around among the regions.

Mr. Ford said: "In the South we have good support. We're in good shape in the Middle West. In the Rocky Mountain states there are more pluses than minuses. On the West Coast we're okay."

Subsequently Mr. Ford told me that one of the pluses was the new Secretary of the Interior, former Gov. Stanley Hathaway of Wyoming. The President indicated that Roger Morton, who was shifted from Interior to Commerce, had gotten himself caught in the crossfire between energy producers and environmentalists. Mr. Ford said that Mr. Hathaway as Secretary of the Interior would "strengthen us in the Mountain states." "He's in touch," Mr. Ford added, "with their feelings."

In separate interviews White House aides indicated that two recent appointments were expected to appeal to conservative opinion in the South. One was the nomination of David Matthews, former President of the University of Alabama, to be Secretary of Health, Education and Welfare. The other was the designation of Howard (Bo) Callaway, former Congressman from Georgia, as manager of the President's Campaign.

My own feeling is that Mr. Ford may be slightly more vulnerable than he looks now. He himself is a conservative Republican. His handling of the Mayaguez Affair, his positive action on defense spending, his crime message, and his vetoes on social spending all suggest that he is now emphasizing his conservative stance.

That impression is further strengthened by the efforts made to run well in the South and the Rocky Mountain states. Moreover, Mr. Ford told me that contrary to reports circulated here and elsewhere, he was going to stick with his present cabinet, including the conservative ideologue William Simon who serves as Secretary of the Treasury.

It seems clear that Mr. Ford feels he has the moderate wing of the Republican party safely in tow. He is moving to bind to his side the party's activist conservatives. That means he will be in poor position to turn toward a stimulative fiscal posture should the economy recover only very slowly.

So Mr. Ford may be in for a rough time—and not only in New York but in all the big industrial states. A centrist Democratic candidate who emphasized the job issues could give him trouble in New York, Pennsylvania, Ohio, Illinois, California and even his home state of Michigan.

Barring a bad break in the economy, however, Mr. Ford's analysis seems wholly right to me. He has established trust and personal standing. The country feels comfortable with him as President—a claim that can be made for no other possible candidate. Indeed, given the fact that the economy is low, that the country has lost a war and suffered a major scandal, that he is not a brilliant personality, that the party represents a distinct minority which has been in the White House for seven years, Mr. Ford's chances to win the campaign on which he is now embarked seem miraculously good.
Ford Surveys His Chances, and He Comes Up Smiling

BY JOSEPH KRAFT

WASHINGTON—President Ford starts off his campaign for election to the post he inherited in a mood of striking confidence. In an interview with me shortly before his announcement, the President expressed the view that he held a decisive edge over all possible competitors.

He surveyed the country region by region, and found the outlook pleasing. In the process, moreover, he showed that he had been thinking long, hard and in detail about the coming campaign.

Ford pushed the subject himself against a background of questions having to do chiefly with his record since last August. Among other things, he said he felt his deeds in the White House had made him "entitled to trust." "People," he said, "know what I've done. They know I'm an honest man."

He went on to say that having public trust was "a major asset in seeking the Presidency." He repeated that point, saying that having public trust was "a big advantage in the present context," no matter what the issues.

He said whomever the Democrats nominated would "have to prove that people can trust him." That same reasoning, of course, would apply to any Republican who might challenge the President in the primaries. Though Ford didn't mention Ronald Reagan by name, my impression was that he did not feel he faced a serious challenge for the Republican nomination from him.

With a little—but not much—coaxing, Ford went on to evaluate his strengths and weaknesses region by region. He said he anticipated trouble in the Northeast. "Not so much in Vermont and New Hampshire and Maine. But in Massachusetts, and Rhode Island and Connecticut."

He added, "We may not be so strong in New York City." But he specifically excepted New Jersey, saying it was a "potentially good state."

Thereafter he skipped around among the regions: "In the South we have good support. We're in good shape in the Middle West. In the Rocky Mountain states there are more pluses than minuses. On the West Coast we're OK."

Subsequently, Ford said one of the pluses was the new secretary of the interior, former Gov. Stanley Hathaway of Wyoming. The President indicated that Rogers C. B. Morton, who was shifted from Interior to Commerce, had gotten himself caught in the crossfire between energy producers and environmentalists. Ford said Hathaway as secretary of the interior would "strengthen us in the mountain states." "He's in touch," Ford added, "with their feelings."

My own feeling is that Ford may be slightly more vulnerable than he looks now. He is a conservative Republican. His handling of the Mayaguez affair, his positive action on defense spending, his crime message and his vetoes on social spending all suggest that he is now emphasizing his conservative stance.

That impression is further strengthened by the efforts made to run well in the South and the Rocky Mountain states. Moreover, Ford told me that, contrary to reports circulated here and elsewhere, he was going to stick with his present Cabinet, including conservative ideologue William E. Simon as secretary of the treasury.

It seems clear that Ford feels he has the moderate wing of the Republican Party safely in tow. He is moving to bind to his side the party's activist conservatives. That means he will be in poor position to turn toward a stimulative fiscal posture should the economy recover only very slowly.

So. Ford may be in for a rough time, not only in New York but in all the big industrial states. A centrist Democratic candidate who emphasized jobs issues could give him trouble in New York, Pennsylvania, Ohio, Illinois, California and even his home state of Michigan.

Barring a bad break in the economy, however, Ford's analysis seems wholly right to me. He has established trust and personal standing. The country feels comfortable with him as President—a claim that can be made for no other possible candidate.

Indeed, given the fact that the economy is low, that the country has lost a war and suffered a major scandal, that he is not a brilliant personality, that his party represents a distinct minority that has been in the White House for seven years, Ford's chances to win the campaign on which he is now embarked seem miraculously good.
What? Ford Worry (About Wallace)?

Andrew Tully

WASHINGTON. — President Ford's campaign aides are not just whistling Dixie when they say privately that they are not worried about Gov. George Wallace of Alabama.

The conventional wisdom among pundits seems to be that if Wallace ran for President as a third-party choice he would wreck Ford's chances by collecting a huge chunk of conservative votes. These experts note that the only reason Hubert Humphrey ran such a close race against Richard Nixon in 1968 was that Wallace cut into Nixon's support.

Politically, however, 1968 was a long time ago. Since then, Wallace has been paralyzed by a would-be assassin's bullet, posing the question whether he would be healthy enough to handle the Presidency's man-killing chores. Even the most ardent Wallacites have to be concerned about that question.

THUS, AS the Ford people see it, Wallace will be even more of a 'protest' candidate in 1976. That is to say, the Wallace voter will be casting his ballot not for a candidate he believes can win but to call down a plague on both the Democratic and Republican nominees.

If that is so, Ford will not be in as bad a shape as the Democrats predict. Wallace's strength is among conservatives and nonconformist Populists. Given a choice between Ford, a moderate conservative, and any one of the present Democratic candidates — none of them conservative — the Wallace supporters may play safe and go for Ford.

Or, as Ford's campaign chief, Howard (Bo) Callaway, put it at a recent strategy meeting: "It just doesn't make sense for a voter to risk electing a Democratic President just to show his loyalty to George Wallace. The conservative may not believe Ford is conservative enough, but he knows damn well Ford is more conservative than any guy the Democrats can nominate."

In short, Callaway is banking on the hard fact of political life which says the electorate always, if reluctantly, chooses the lesser of two evils. Given the state of Wallace's health, his supporters must consider whether they can afford to waste their votes on him.

Meanwhile, Ford has given his conservative flank aid and comfort by his ambivalent stand on Vice President Rockefeller. He heaps high praise on The Rock, but refuses to name him as his running mate next year. Ford has said only that he and Rockefeller hope they can convince the GOP convention to nominate them "individually and as a team."

AND, IN case the conservatives didn't get the point, Ford trotted out Press Secretary Ron Nessen the other day to tell reporters that he (Ford) and Callaway "are completely together" on Callaway's announcement that the Ford campaign will confine its operation to nominating only Ford. The President may want Rockefeller, but he will not try to force him on the party's right wing.

Indeed, Nessen obviously was under orders not to disagree with Callaway's statement that "we want" conservative support for Ford, whether or not Rockefeller gets that support.

Well, Presidential politics often is a cruel business, and although Gerald Ford is not a cruel man, he is a practical one. Ford may want Rockefeller, but he is not convinced that he needs him — not yet anyway. The name of the game is to elect a President, and The Rock will just have to sweat it out, as Nixon did in 1956, while Ford spends the next several months counting votes left, right and center. "That's what I had to do," Eisenhower admitted later when asked about his delay in anointing Nixon.
Ford’s plans to regain GOP lead

By Godfrey Sperling Jr.
Staff correspondent of The Christian Science Monitor

Washington

President Ford now is plotting his strategy of regaining public favor.
His first move will be a State of the Union message which he hopes will capture the superego and imagination of a large segment of America. Sources say:

• The President will look not just to next year, but to goals he feels the United States should achieve in the next four years.
• He will propose:
  1. A national health program (not a nationalize program).
  2. A national welfare program (he may accept the negative income-tax concept tied in with more federal revenue-sharing for the states).
  3. An expansion of the Food for Peace program — with increased emphasis on using food as leverage in achieving peace.
  4. A tax program which will emphasize equity (taking out tax loopholes) and creating jobs.

Ford fights to regain lost ground, public favor

Continued from Page 1

5. A defense policy which will include short-term cuts within an overall concept of a big budget he feels is needed in keeping the United States's guard up; and

6. A proposal for putting retirement programs (not only social security but also city and personal retirement programs) on a sound basis.

* A close associate and adviser of the President, Melvin Laird, told a group of reporters over breakfast: "I think he [the President] is personally working hard on this message and that this program will be most apparent in this message."

Mr. Laird says he has talked to Mr. Ford about this message and has received this kind of assurance of the President's intentions.

Previously, the President has indicated there would be no new programs for next year.

Now, apparently responding to both advice and the perceived need to show the public the President has ideas and is leading, Mr. Ford seems moving toward these new programs.

* The President also is understood to be convinced his major problem now is "one of communication."

Thus, Mr. Ford is expected to make a greater effort to make his positions clear to the public.

For one, he is known to feel that he helped New York City and New York State in achieving a sound position with regard to finances — and that he was wrongly faulted in the process for being unfair or even inhuman.

Thus, the President is expected to put new emphasis on improving all aspects of his administration's information activities to see to it his positions are better understood by the public.

* Those around Mr. Ford describe him as "not being discouraged" by the Gallup Poll which showed Ronald Reagan taking a decided edge over him in public opinion.

The President does not discount the poll. But he is said to see it as helpful as well as damaging. That is, he is said to believe the poll will cause his campaign workers throughout the country to work harder at a much earlier moment than otherwise.

Thus, he is said to believe that, conceivably, the poll, in the end, could turn out to be a boon — but only if such efforts in his behalf will cause the next and subsequent polls to show public opinion to be moving in his direction.
Drawings by Albert J. Forbes, staff artist

... over Reagan in primary battle

Ford — leaders see him winner...
Top Republicans still see Ford over Reagan  

But Gallup poll shakes up stalwarts, raises doubts

By Godfrey Sperling Jr.
Staff correspondent of The Christian Science Monitor

Washington

At the same time a Gallup poll shows President Ford dropping considerably behind Ronald Reagan in popularity among Republican voters, 84 top state GOP leaders told the Monitor they are confident Mr. Ford will lead the ticket next year.

The findings of the Monitor survey of Republican leaders across the United States come at a time when the President's campaign finds itself being buffeted by:

* Angry reaction from some of the 300 Republican politicians from 13 Southern states to remarks made by President Ford's campaign manager, Howard (Bo) Callaway in Houston.

* A strong showing by Ronald Reagan forces at the Houston meeting of the Southern Republicans Conference over the weekend.

* Growing Republican pressure for the President to veto three bills — on energy, construction site picketing, and tax extension reduction — which it is believed he would sign.

The recent Gallup Poll — based on the customary small preprimary sampling, showed that Mr. Reagan was favored over Mr. Ford, 43 percent to 32 percent. A poll in October indicated Mr. Ford had 45 percent to Mr. Reagan's 28 percent.

In the Monitor sampling of top GOP officials, 133 questionnaires were sent (to all Republican state chairmen and national committeemen and women) and more than 65 percent (190) responded. Nine disagreed with the majority and the remainder were undecided.

The Monitor survey was conducted in the same period of the Gallup poll — since the President's top-level administration shifts were made.

The GOP leaders see the President winning the New Hampshire primary (they divided 48 to 34 with the remainder undecided). They see Mr. Reagan winning the Florida primary (33 to 26).

But when asked who would win the most primaries, the party leaders said Mr. Ford would (73 to 10).

In Washington, the Gallup poll has caused a stir.

Some highly respected observers are saying the President was "finished" as possible nominee. Some guessed he would withdraw from the ticket after the first couple of primaries.

Said one observer: "If he loses in New Hampshire and then loses in Massachusetts, he'll show he can't win in the North. So he'll have to step aside."

But those who know the President are certain he is far from giving up — and that even if he suffers some early defeats, he will stick on through the full primary process if he possibly can.

The official presidential view is, of course, that he is going to win. But it is known that the Gallup poll did shake up some top people within his administration.

"Polls are mainly valuable in showing movement not in showing precisely how much that movement may be," said presidential adviser Robert Hartmann. "We were not surprised that there was movement toward Reagan at this time. But we were surprised at how much movement the poll indicated."

"But this poll was taken a year before the election. You can look back and see how often such polls, so far in advance, have been wrong. Also one poll does not make a summer. We are hopeful the next poll will show movement toward the President."

"The President has said that he expects to continue right on — and that he expects to win both the nomination and the election."

It has been noted that the Gallup poll carries a possible error of 6 to 8 percentage points either way.

Don Adama, state chairman in Illinois, said, "We have taken polls in Illinois that don't come out the same way as the Gallup one. Ours show Ford is stronger than Reagan. We took one just last week that came out that way."

Mrs. Nat U. Hill, national committeewoman from Indiana, said Sunday, "I think that the President still is probably stronger than Reagan in Indiana. But I don't discount Reagan's popularity either."

The Monitor survey, backed up by conversations with some of these key leaders in all geographical regions, provides this picture of GOP leadership views on the presidential nomination.

* There are growing doubts among the leaders over the prospect of the President emerging as the winner.

There were 38 who said "yes" to the question: "Is it possible that Reagan will build up momentum in early primaries and become unstoppable later on? 45 said "no," the remainder were undecided.

* Most of these leaders, in past surveys, have expressed a loyalty to the President.

* But an increasing number of these key Republicans are raising questions about the President's campaign organization. Campaign director Callaway is under increasing criticism as was seen in Houston.

* As shown in several surveys, these leaders continue (or many of them do) to fault the President for his frequent traveling. They think he would do better politically if he would stay closer to home, showing voters he is giving full time to domestic problems.
WASHINGTON—Nobody can ever be altogether sure about that unknown god to whom we all turn incense, public opinion. But, as a disparity between the latest Gallup and Harris polls suggests, there is something peculiarly uncertain and insubstantial about President Ford's standing in the country.

It is not at all clear that Ford can square public support with responsible government over a long period. It is far from clear, as widely supposed, that he can beat any Democrat in next year's election.

For the moment, to be sure, fortune favors Ford. His election campaign is off and running smoothly. The worst part of the recession is over.

He has Congress on the defensive. An interim settlement in the Near East seems likely. At the end of this week he will begin an extensive foreign trip (including meetings with Soviet party leader Leonid I. Brezhnev in Helsinki) that will almost certainly show him to good advantage.

But if events are working for the President, the public seems unresponsive to the trend. A Gallup poll, concluded June 30, shows that Ford is gaining in popularity and enjoys a 52% favorable rating in the country. A Harris poll, concluded 10 days later, breaks with the normal pattern of similar findings; it shows Ford declining in popularity, and having only a 48% favorable rating.

Statistical fiddles could explain the disparity. But one of the smaller pollsters, Peter Hart, has fresh results suggesting that Ford is moving down. According to Hart, recent polls of a highly representative Midwestern state give the President only a 36% favorable rating.

Even assuming that Gallup is right and Harris wrong, however, Ford cannot be said to be doing well. A 52% favorable rating is relatively poor for a President.

For example, President Nixon, except for a brief period in 1971, stayed well above the 50% approval mark all through his first term. He was over 60% when he ran for reelection, and hit nearly 70% at the time of the Vietnam settlement.

The contrast between Ford and Nixon suggests a change in the basic climate of opinion. Watergate combines with a general sense of alienation and poor economic performance over a long period to take its toll. The Presidency is much less popular now than it used to be.

Moreover, there is the curious impact of the Mayaguez affair. Before that incident, Ford's standing in the country had been trending steadily down. Swift action to rescue the captured ship reversed the trend in both the Gallup and Harris polls.

That an event so trivial in importance and so ambiguous in character could have had such impressive public opinion results also says something about the general climate. It suggests that the country is hungry for leadership. Any assertion of authority is preferred over mere drift and confusion.

But limited actions to give the impression of leadership do not have enduring results. The
Ford Aide Calls Rockefeller a Liability

BY JULES WITCOVER
The Washington Post

WASHINGTON—President Ford's 1976 campaign manager Wednesday bluntly identified Vice President Rockefeller as a liability in the job of obtaining the broadest possible support for Mr. Ford's nomination as the Republican candidate next year.

With a candor in keeping with Mr. Ford's promise to run "an open and aboveboard campaign," Howard H. (Bo) Callaway, the Ford campaign manager, acknowledged that running Mr. Ford and Rockefeller as a 1976 team could hurt the President's chances of wooing away Republicans who might be attracted to the impending candidacy of former Gov. Ronald Reagan of California.

"A lot of Reagan people are not supporters of Rockefeller," Callaway said. "And I want it clear to them that we want their support (for the President) whether they support Rockefeller or not."

Callaway, at an open house at the new headquarters of the President Ford Committee in Washington, said he believed he was acting with Mr. Ford's approval in that approach.

He emphasized that it was not his intention to undercut Rockefeller, whom the President has called his personal choice as a running mate in 1976.

Although Mr. Ford and Rockefeller are a team in the current Administration, Callaway, former secretary of the Army, said, they are "not one team" for 1976 in the eyes of those responsible for obtaining the nomination for the President.

"The Rockefeller and Ford campaigns are separate campaigns," Callaway said. "I'm not authorized to say we're going to dump Rockefeller. I'm not authorized to say we're going to keep Rockefeller.

"I'm asking no delegates to support Rockefeller. As I understand the President's position, they're free to support anyone they want (for Vice President) in an open convention. I don't even know if that's what Rockefeller wants to do. He might want to be something else in government, or out of government.

"I'm not trying to start speculation, the President certainly doesn't want to build disloyalty to the Vice President."

When told of Callaway's remarks concerning Rockefeller, White House Press Secretary Ron Nessen referred reporters to Mr. Ford's statement of June 16 in which he expressed "great admiration" for Rockefeller and added:

"Both of us in these coming months will be submitting ourselves to the will of the delegates at the Republican National Convention. I am confident both of us can convince the delegates that individually and as a team we should both be nominated."

The Vice President, told in Atlanta of Callaway's remarks, said he was in total agreement with him.

"We see eye to eye, and that's the way it should be," Rockefeller said. "The nomination is for President. When he's nominated, he decides whom he wants to be his Vice President." Rockefeller said he was "not a candidate" and asked, "Have you ever heard of anyone running for Vice President?"
And Mr. Callaway has seemed to feed the criticism by repeatedly shifting directions in the campaign against Mr. Reagan. His original premise was evidently that an early announcement of Mr. Ford's candidacy and the enlistment of well-known Republicans, especially in California, could dissolve Mr. Reagan from entering the race.

Mr. Callaway's next task, perhaps on the theory that Mr. Reagan wanted to be Vice President, was to declare Vice President Rockefeller's place on the ticket the No. 1 problem in the way of Mr. Ford's own nomination. But when Mr. Rockefeller took himself out of the contest last month, the effect was to open Mr. Ford's left flank to attack without easing the pressure on the right.

Mr. Callaway's next move, somewhat behind the Reagan forces, was to begin systematic organization in Iowa, where the first Presidential caucuses will take place next month, and in New Hampshire, Florida and Illinois, the early primary states. Because it uses an incumbent's leverage with elected officials and party officers at every level, organization may yet be Mr. Ford's most promising tactic.

Attack on Reagan Record

But no sooner had the work begun in earnest than Mr. Callaway opened an attack on Mr. Reagan's record — first in a column, then in a radio address, and over the weekend among Southern Republicans in Houston. "This great fiscal conservative," Mr. Callaway's mocking description, had raised income taxes and doubled state spending in eight years as California's Governor. "His rhetoric is great and his record is poor."

Republicans in Houston took umbrage at the attack in itself, but they also wondered at the angle of Mr. Callaway's fire: In accusing Mr. Reagan of pragmatism, he said in effect that Mr. Ford's opponent was more moderate, less extreme than other Republicans might have feared.

Mr. Ford leads in the first four primary states: New Hampshire, Massachusetts, Florida and Illinois.

Campaign contributions are improving after a long drop. Ford headquarters reported raising $130,000 last week — 10 percent of the $1.3 million the campaign has collected since June.

Months ago there was a joke around Washington that if Mr. Reagan routed Mr. Ford in the early primaries, if John F. Kennedy of Texas, Mr. Rockefeller and others jumped into contention and the fight for the nomination got out of hand, Mr. Ford might make a good compromise candidate at the convention next August in Kansas City, Mo.

The story is being retold in earnest in some Republican circles these days. It is at least imaginable, the scenarios say, that if Mr. Ford could not defeat Mr. Reagan early, he would sooner return to the White House and do a President's work than chase Mr. Reagan through 30 primaries for three months, and further, that if the economy turned up and he found a convenient crisis to manage, he might be an attractive candidate again by midsummer.

The story illustrates at least a widespread apprehension among Republicans in Congress that Mr. Reagan, even if he defeats Mr. Ford in the primaries, could prove a dangerously divisive standard-bearer. In the November election, as Senator Barry Goldwater of Arizona was in 1964, against that risk, the reasoning is, Mr. Ford might still be the candidate with whom other Republicans want to run.

But that story, as do all the other Ford scenarios, requires the President, by new-found luck or skill, to make his office work for him.

To the Reagan camp, the Ford campaign has been a picture of President Ford doing his job — must inevitably work in favor sooner or later, the Ford camp assumes. Mr. Callaway stresses the line that Rockefeller was the only President the problem, not Ford," one we've got — a sobering thought among Republicans. Both the White House and the Ford campaign office maintain they see silver linings in every dark cloud. A bad Gallup Poll is good, according to Stewart Spencer, the campaign's political director, because it alerts the President's idle supporters to get busy. Mr. Reagan peaked too soon," Mr. Rockefeller volunteered last week.

But there may be more solid grounds for hope. For a President who is thought to be in trouble, Mr. Ford still has broad sympathy in his party: none of the polls suggest large or implacable anti-Ford sentiment among Republicans. In Iowa, which will produce the first re-
WASHINGTON, Dec. 21—President Ford's campaign plan, a key adviser says, is "to be the best President he knows how." His central campaign problem, the same counselor adds, may be an impatient public's sense that through 16 months of his accidental term, Mr. Ford has not been the best President he knows.

Mr. Ford's peculiar advantage in a large field of Presidential candidates is that he commands center stage as the campaign curtain goes up. In his State of the Union and budget messages next month, he will write the agenda of official business and have a chance to define the political debate for the coming year. Yet Mr. Ford's peculiar advantage is also a major disadvantage: He is being seen in his own polls, as he sees in many American polls, as a "Presidential". as rivals in both major parties. An un-elected President, he has not yet, in the opinion of many, answered the question that sitting Presidents usually use against challengers: Is he competent? Does he measure up to the role of underdog and continually express confidence that the improving economy will enhance his position next year, feels enough with the late Harry S. Truman—another beleaguered, accidental President who was widely written off in 1948, to hoist an American campaign banner and challenge to the Truman memory in speeches and conversations.

There is, however, a not quite parallel: Mr. Truman, despite splits with some Democratic leaders, was the overwhelming favorite of voters in his own majority party. Mr. Ford has been precariously precariously in 1948, but in the last Gallup Poll of the pre-election year, he had the approval of 55 percent of the country—more than Mr. Ford has at the end of this year.

Mr. Ford's situation is different. He is seen as a leader. The slogan and the substantive content of Mr. Ford's State of the Union Message are yet to be written, as Robert F. Kennedy's political adviser and speech writer, who today left for the Virgin Islands, with a suit-case of suggestions, to work on the speech.

Possible Scope of Speech

Other advisers hope the speech can provide a strategic advantage to the year's campaign with "big government" rivals. They also want to present concrete legislative initiatives including some form of national health insurance, sweeping welfare amendments and perhaps a conservative income tax," an expanded Food for Peace program, innovation in transportation and energy development and more generous Social Security benefits.

Mr. Hartmann says only that it will be a broad view of the whole range of America's problems. It will be a frank and open talk. Mr. Ford has a "one-on-one" relationship with the people, who say they don't know very much about Gerald Ford and what he stands for.

Whether it represents hope or fear, that assessment is likely unprecedented in the long record of Presidents who set out to extend their lease on the nation's highest office. A Question of Legitimacy

In large measure President Ford's troubles reflect how hard it is for the White House to be the first man ever to win his job by appointment—by appointment, moreover, from the first President ever to quit the face of impeachment and imminent removal. From the beginning a question of legitimacy has hung over the Ford Presidency.

But in large measure, too, some of Mr. Ford's closest friends attribute his troubles to the "unpresidential Presidency" of a man who never saw himself as an executive, who, until two years ago planned to be retiring from politics in 1976, after what would have been 28 years in Congress.

"Gerald Ford is not the sort of person who inspires you, one of his early White House aides remarked to a reporter for Representative Howard W. Callaway of Georgia, "The hope for his success has been that somewhere deep inside him he has the instincts of a leader. None of us has reason to expect that, or to condemn him for lacking it."

One other possibility is that he has the right general sense of the country and could get a high-quality staff that understood what the Presidency does. Instead he surrounded himself with people he feels comfortable with, and they've brought second-rate people to the White House.

Ratings in Gallup Polls

The public's appreciation of Mr. Ford and the Presidency, as measured in Gallup approval ratings, began with an unusually high "honey moon," slipped quickly in the news of the pardon for former President Richard M. Nixon, recovered briefly last spring at Mr. Ford's military rescue of the merchant ship "Wawona," and dipped toward 40 percent again last month after the President's reshuffle of his Cabinet.

Increasingly, it's seen that relief that Mr. Ford's transparent personal decency has been offset not only by economic anxieties but also by the nation's confused policy signals.

Mr. Ford's first major domestic initiative, a "WIN" button for tax increase proposal designed to "whip inflation now, turned into a tax-cut proposal addressed to economic stagnation. At various times Mr. Ford's aides have proclaimed deregulation, a $10 billion energy investment, and an attack on crime (couched in constitutional language about "domestic tranquility") as major themes of the 1976 campaign, but he has not yet given these the Presidential emphasis needed to build an image.

Earlier this fall he charmed Republican audiences in the hinterlands with promises not to "bail out New York City, but then he sealed New York's package of self-help taxes with a proposal to advance the city $2.3 billion worth of loans.

The Ford campaign, to the degree it can be viewed apart from his Presidency, has shown outsiders and many friendly Republicans a similar lack of strategic assurance.

In picking a campaign manager, as in staffing his White House, Mr. Ford reached back to a former Representative Howard W. Callaway of Georgia, it's appropriate and a jolt to Reagan supporters in the South, but otherwise unknown and unknowing in the special world of nomination politics.

Mr. Ford's first deputy campaign manager, Lee Nunn of Kentucky, quit in anger, his first chief fund raiser, David L. Packard of California, quit in silent frustration. But there are only two examples of the sometimes mutinous acrimony that has been a mark of the Ford campaign. Unlike Presidents who have fought their way to the White House, Mr. Ford lacks his own band of comrades in arms, proved and bonded in past campaigns.

Criticism by 2 Allies

Melvin R. Laird, long a Ford ally in the House Republican leadership, keeps sniping at Mr. Callaway, for example, "I hope the campaign committee can get organized and get moving." Mr. Laird commented last week, six months after Mr. Callaway got started. In the same vein, Representative Barber B. Conable Jr. of upstate New York, another friend of Mr. Ford's, was quoted last week as saying, "I don't view the guy who is filling the gap between Watergate and the next election."
A Fine Line Divides 2 Categories of Travel Costs

Washingto, Jan. 12—With the national election campaign building up a head of steam, the White House is developing a kind of applied schizophrenia—sometimes the occupant is President Ford and sometimes he is Candidate Ford.

This split personality is of very practical significance. As President, Mr. Ford finds that his travels are paid for out of the public purse. But as a candidate, he has his travel expenses picked up by his campaign committee under the new election law.

The law also provides that a Presidential candidate must spend no more than $10 million plus $2 million for raising funds before the nominating convention.

But there is no limit, except that provided by the Federal budget, on how much Mr. Ford may spend on his travels when he is being Presidential. The problem, therefore, is what standards are applied to determine when he is being political and when he is being Presidential.

Today, for example, Ron Nessen, the White House press secretary, announced that Mr. Ford would make a political trip to New Hampshire on Feb. 7 and 8. The nation's first Presidential primary will be held in that state on Feb. 4. Mr. Nessen said it was the first planned political trip of Mr. Ford's campaign.

Why is it a political trip? "Because the President is clearly going to New Hampshire to campaign for himself," Mr. Nessen said.

A week ago, Mr. Ford flew to St. Louis to address a meeting of the National Farm Bureau Federation. In his speech, he made a number of far-reaching promises to help farmers and farm income and told his audience that he stood for such things as "hard work," "basic morality" and "dependable qualities."

A number of farmers in the audience interviewed after the address thought they had listened to a political speech. But the trip to St. Louis was designated by the White House as a Presidential rather than political event and was paid for by the public.

"The President didn't ask for votes and he didn't ask for money," Mr. Nessen explained when asked why the St. Louis trip was not billed as a campaign expense.

Robert Visser, general counsel of President Ford's campaign committee, stated that the standards used a little more broadly.

"We have two tests," he said. "One is the advocacy test—is he advocating his own candidacy? The other is fund raising—does he have there raising money of his own behalf?"

Because this is the first Presidential election to be conducted under the new rules, Mr. Ford's actions are likely to set an important precedent for how the campaign law is to be administered in the future.

Provided the law, which is being examined by the Supreme Court, is not struck down.

At the Federal Election Commission, where the law is administered, there is an awareness that the decisions reached during this election will establish a kind of common law for the conduct of future campaigns.

A spokesman for the commission, David Fiske, said that it had applied the rules in determining whether an event should be charged to an individual candidate or could be considered the official business of an incumbent.

One test was "the nature of the solicitation"—how was the event advertised? A second was the establisment of the event—were there Ford banners or pictures of elephants? The third was the contents of the remarks made by the speaker—did he ask for votes or money?

Mr. Fiske said that these tests were still very broad and amorphous. The commission will build up standards on a case by case basis as complaints come in or on its own initiative, he said, adding: "There are enormous gray areas."

Not Total Guidance

He said that, over the long run, "the system has to be self-governing. There is no way a government agency can give total guidance."

One example of self-regulation was demonstrated by the Ford campaign committee last year after the President traveled to Boston on what was supposed to have been a trip to raise funds for the state Republican committee in Massachusetts. As such, the trip should have been charged to the Republican National Committee.

But Mr. Ford, growing increasingly expansive during a series of cocktail parties and receptions, started talking about his own candidacy late in the evening. Afterward, his campaign committee volunteered to pay for a part of the cost of that trip.

"We are being very conservative," Mr. Visser said. "We are not acting by feel as to what is appropriate and reasonable."

The White House counsel's office has also taken pains to face the new restrictions squarely. Philip W. Buchen, legal counsel to the President, wrote to the commission explaining the plans for compliance with travel expense regulations and soliciting guidance.

But gray areas unmistakably abound. For example, when President Ford was vacationing in Vail, Col., over Christmas week, a niteclub owner there gave a dinner in his honor. The same host also sent out solicitation for contributions to many of the people invited to the dinner.

Was it a fund-raising dinner? If so, should the Ford campaign committee have paid for part of the travel expenses?

The President and his committee did not think so. The Vail trip was considered Presidential and paid for entirely by the public.

Most commentators, including Mr. Visser at the Ford campaign committee concede that the election law gives an advantage to the incumbent.

In an election year, almost anything a candidate does it political, including official acts of candidates already in office.

But, from the point of view of the Ford campaign committee at least, that is now a fact of life, not another obstacle to the President's campaign.

"We can't stop the President from talking about what his policies are," Mr. Visser said. "If every time he went on a trip and said something that could be political were charged to us, we'd be out of business in three months."

"We are being very conservative," Mr. Visser said. "We are aware that the President is in the spotlight and we are bounded over backward to do the right thing."

2 Sides Hit Ford on Abortion

By Edward Walsh
Washington Post Staff Writer

President Ford's attempt to stake out a cautious political middle ground for himself on the explosive issue of abortion has backfired, bringing him criticism from both pro-life and anti-abortion groups and disagreement with his wife, Betty.

Archbishop Joseph L. Bernardin of Cincinnati, the head of the nation's Roman Catholic bishops who are pushing for a ban on abortion in most circumstances, called the President's position on the issue "inconsistent and disappointing.”

Women's rights advocate Gloria Steinem accused the President of encouraging "lawlessness" by saying that he disagrees with the Supreme Court's 1973 abortion decision.

And Mrs. Ford, in a statement released by her office, reaffirmed her support for the court decision. "I am glad to see that abortion has been taken out of the backwoods and been put in the hospitals where it belongs," she said.

All of this occurred yesterday in the wake of the President's carefully worded statement Tuesday that he believes the Supreme Court's decision on abortion "went too far” and that he would support a constitutional amendment giving the states the right to enact their own abortion regulations.

It was clear from the reaction that Mr. Ford's self-described "moderate" position was satisfactory to neither side in the emotional abortion dispute that is rapidly becoming a major issue in this year's presidential campaigns.

The court decision the President says went too far gives women an unrestricted right to abortion during the first three months of pregnancy and allows states to regulate only the medical aspects of abortion during the second three months of pregnancy. In the final three months, states may still outlaw abortions except those necessary to preserve the mother's life or health.

Former California Gov. Ronald Reagan, Mr. Ford's rival for the Republican presidential nomination, has already taken the position favored by pro-life groups, calling for a constitutional amendment that would in effect overturn the court decision and allow abortions only in certain circumstances, for example in cases of pregnancy resulting from rape.

In his statement Tuesday, the President specifically opposed such a constitutional amendment, saying that in his view it would, like the court decision itself, "go too far.” That in turn, gained him the censure of the pro-life groups, which may now be expected to swing toward Reagan in the GOP primaries.

The pro-life March for Life group, for example, said it would accept "no compromise" on the issue.

"The President is trying to squander this politically hot issue by what he characterizes as a moderate position," the group said in a statement. "He establishes so many loopholes that he achieves a position of de facto abortion on demand." The group issued its statement, which also described the President's comment on the issue as "so negative and equivocating that it is useless," as the House Judiciary Committee's Civil and Constitutional Rights subcommittee opened two days of hearings on proposed constitutional amendments to modify the court's abortion decision.

While the President failed to please the pro-life groups with his statement, he was equally ineffective in gaining support from women's rights groups and other advocates of liberal abortion laws. These groups believe what Mr. Ford suggested — turning the abortion issue over to the states — would result in the enactment of restrictive state abortion laws that in many cases would nullify the court's decision.

The National Women's Political Caucus, describing itself as "extremely dismayed" by the President's statement, said Mr. Ford's position is "clearly regressive.” Sarah Weddington, one of the lawyers who successfully argued the abortion case before the Supreme Court, called it a step backward that would reintroduce the situation in which abortions would be denied to "the poor, uneducated or young" while "women of wealth could travel ... to a state where the law was more liberal."
President favors letting each state establish own laws on abortion

* FORD
Continued from Page One

policy, Daniel P. Moynihan, resigned Saturday with the announced goal of returning to a Harvard professorship.

On busing, Mr. Ford did not specifically cite the Boston court orders of US District Court Judge W. Arthur Garrity Jr.

But he was apparently thinking of last week's limited court order for busing in Detroit. Last Friday, the President told, some radio and television executives:

"I think the courts themselves are beginning to find some better answers. They have implemented, beginning this last week, a modified plan in the city of Detroit and to my knowledge there has been a minimum of difficulty.

"Now what happened was the original order of two or three years ago was a very harsh order, it called for massive busing, not only in the city of Detroit but in the county of Wayne. A new judge took jurisdiction of that problem."

Mr. Ford continued:
"He modified the court order, modified it very substantially, and apparently it is working. So I think some good judgement on the part of the courts following the guidelines set forth in what is called the Esch Amendment is the proper way to treat the problem."

He added, "I think the courts ought to follow those guidelines."

The Esch Amendment was adopted by Congress and signed into law by Mr. Ford. It urges that busing be the last recourse in attempting to deliver equal public education to blacks as well as whites.

When Mr. Ford criticized the Boston and Louisville busing orders last fall, an aide said he was trying to "send a message" to other Federal judges considering desegregation cases to go easy on busing because it was a divisive tool.

The President's remarks in praise of the Detroit decision represent the first time since last fall he has commented on Federal judges and busing.

Regarding Reagan, the right-wing challenger to his nomination, Mr. Ford said that while the two are similar philosophically, he must, by virtue of his job, employ "practical day-to-day answers."

Without naming Reagan, he continued:
"Some man who is running for office can use words to express how he's going to meet a problem whether it is domestic or foreign and that (are) sometimes totally unreal when you have to deal with the actual problems that come to this desk."

White House Press Secretary Ron Nessen ran into a storm of criticism yesterday for his handling of the exclusive interview granted CBS. Nessen eventually reversed his field, and after refusing to release to the press the exact wording of President Ford's stand on abortion, instructed an aide to release to reporters a hastily typed two-page section of transcript relating only to that topic.

While Nessen had released official transcripts of many other presidential interviews, such as the one given two weeks ago to seven New Hampshire editors, he chose yesterday, after Cronkite's interview, to announce a "White House decision" that henceforth transcripts of such interviews would not flow.

Nessen realized, "Hall the people in this room have had private interviews with the President, and the other hair."

A moment later, he would say only "it was a distribution of transcript."

"I don't think the President himself was aware of it."

The President has had 56 private interviews, and Nessen was simply trying to stop a story with the White House decision, Nessen said.

Mr. Ford continued:
"I think the courts ought to follow these guidelines."

The Esch Amendment was adopted by Congress and signed into law by Mr. Ford. It urges that busing be the last recourse in attempting to deliver equal public education to blacks as well as whites.
Ford holds narrow lead as Reagan gains steadily

Ronald Reagan has gained steadily on President Ford in the contest for the GOP nomination. According to the most recent Harris Survey, the President only holds a 46-44 percent lead over the former California governor.

These latest findings emerge from a test conducted among a solid cross-section of 1710 Republicans and independents nationwide.

Within these overall trends, there are some significant regional differences in the standings between President Ford and Reagan. In the East, where the first New Hampshire primary will be held, the President holds a 47-40 percent lead, which has scarcely changed from the 46-39 percent edge he had back in the November-December period.

By contrast, Reagan is ahead in the South, where the equally pivotal Florida primary will be held, by a 50-44 percent margin. This is a turnaround from the November-December reading, when the President was ahead in the South by 50-38 percent.

In the Midwest, President Ford has gained marginally and is ahead by 49-40 percent. But in the West, Reagan edges out the President by a 47-45 percent margin. Reagan holds a decisive 54-41 percent lead among conservatives, up slightly from the 50-41 percent edge he had back in November and December. But the President is ahead by 49-39 percent among middle-of-the-road Republicans and independents.

President Ford has a substantial lead among three other groups, all of whom also tend to vote in substantial numbers. Among the college educated, he is ahead by a wide 52-41 percent; among professionals, by 48-44 percent and among business executives, by 49-40 percent.

Ford's national campaign chiefs taking over Florida primary bid

By Walter R. Mears
Associated Press

ORLANDO, Fla. — President Ford's national campaign managers are taking command of his Florida presidential primary operations in a shakeup they hope will end bickering and strengthen the organization for a key test with Ronald Reagan.

At this point, they believe the Republican race is close, but they are not satisfied with their Florida campaign — despite the claim of their state chairman that everything is in top shape.

Indeed, it is as though Mr. Ford had two campaigns going in Florida: The one his top lieutenants are worried about, and the one his state allies say is a sure winner.

"We think we've got it locked up," said Rep. Lou Frey Jr., who has been commuting between his House duties in Washington and his chairman's tasks in Florida.

That is not the view at Mr. Ford's national headquarters. Strategists there concede there are serious problems in the Florida campaign. "It's late, but it's not desperately late," one said.

Hence the decision to send in a new team, with instructions to help Frey — and a private mandate to take charge during the five weeks left before the March 9 primary.

Frey had asked for more manpower and a full-time, experienced campaign expert. "We need somebody to make sure we're doing it right," he said.

The man who'll do that starting this week, is William Roberts, 50, a Los Angeles political consultant. Roberts managed Reagan's first campaign for governor of California.

Frey remains chairman, and Mr. Ford has praised his performance.

The Florida primary will be the second major test between Mr. Ford and Reagan, who meet first in New Hampshire Feb. 24. Reagan is bypassing the March 2 primaries in Vermont and Massachusetts, and concentrating on Florida.
Reagan: Loyalist, Defector Views
Both Give Positions on the Shift to Ford

BY RICHARD BERGHOlz
Times Political Writer

"We had a hero in Ronald Reagan. We worked hard for him and he made a great governor. But now we have an incumbent Republican President. We have a party duty to support him."

It was Nita Ashcraft's way of explaining why, as a longtime volunteer worker for the former governor and his appointee to the state Personnel Board, she now is supporting President Ford for election next year, even if it means opposing Reagan as a prospective presidential candidate.

But consider the other side:
"The White House panicked. They stampeded. When the President gets on the phone and twists arms to get people to support him, that's wrong. It implies some kind of White House favors if you agree. I thought we were all through with that sort of thing."

That was Holmes Tuttle's reaction to the announcement that 44 Californians, all of them prominent in Republican affairs and most of them active in past Reagan campaigns, have formed a California campaign team for Mr. Ford's election next year.

Tuttle, an auto dealer and one of the handful of men who made up a "kitchen cabinet" of wealthy men who were close to Reagan in his gubernatorial days, was distressed by what he considered strongarm methods used by the White House to line up campaign support in Reagan's home state.

"When the President calls you up personally and asks you to be on his campaign committee, that's pretty strong stuff," Tuttle said. "It makes people do funny things."

"It implies future invitations to White House dinners and other favors. It's wrong to do this, to twist arms."

Tuttle declined to name the Californians called personally by Mr. Ford. A spokesman for the California Ford Committee said Tuttle's accusation was untrue.

In Washington, Lawrence Speakes, assistant White House press secretary, said "to say the President made any concerted effort in this area would be inaccurate."

"The President may have talked to one or two people in California but it was on other matters. Whatever was done there was done by people in California."

Reagan has not said yet whether he will run against Mr. Ford, but a committee of prominent conservatives—not including Tuttle—is being formed to raise money for Reagan and scout his chances against the President.

The same thing happened 10 years ago, and Mrs. Ashcraft, who now divides her time between San Francisco and Santa Cruz, recalled it Thursday.

"I was one of the volunteers in July of 1965 when 'Friends of Reagan' was formed to find out what kind of support he would have in a race for governor."

"We worked hard for him and he was our hero. He became a great governor and now is a good spokesman for the conservative cause."

"But now we have an incumbent President. I'm not anti-Reagan. I'm pro-Ford. I simply made a practical, pragmatic decision to support Mr. Ford over Gov. Reagan, and I don't think our party could stand a (primary) fight between them."

Another member of what once was Reagan's "kitchen cabinet"—entertainment industry executive Taft Schreiber—also emphasized that his decision to back the President over Reagan was based on what he said were Mr. Ford's strengths, not Reagan's failures.

"I think he (Reagan) was a good governor, totally honest. But I don't buy everything he does. I'm not a rubber stamp."

"This is a different ball game than the campaigns for governor."

Fri., July 11, 1975  Los Angeles Times
"Mr. Ford is doing a good job. He is open, honest, courageous, hard-working. These attacks on him, this sniping and knifing, are unwarranted."

Schreiber apparently referred to criticism of Mr. Ford by conservatives, including Reagan, for his fiscal and foreign policies.

"So I went to him (the President) when he was in Palm Springs last April and told him I was for him."

Schreiber said he did not consult Reagan before committing himself to the President.

Nor did David James, Pasadena business executive who headed Reagan's campaign in Southern California in 1970, when asked to choose between the former governor and the President.

"I never considered checking it out with Reagan. If there is a Reagan organizing committee set up thus far, I'm unaware of it. I hadn't been contacted by any Reagan people as to future support.

"And even if I had been so contacted, my response (for Mr. Ford) would have been the same."

Tuttle did not mention any names, but he contended some of those on the Ford committee in California "just want to be on the White House invitation list."

"I'm disappointed in some of these people," he said. "If the President is sincere in trying to do a good job, what's the rush in lining up Californians for his committee?"

He said, again without naming names, that 60% to 70% of the Ford committeemen in California were of questionable allegiance to Reagan, and he suspected them of having backed then Mayor George Christopher of San Francisco against Reagan in the 1966 Republican campaign for governor.

Henry Salvatori, oilman and another member of the Reagan "kitchen cabinet" when Reagan was governor, declined to talk for publication about his reason for joining the Ford committee at this time.

However, it is known that he and some other longtime Reagan boosters were distressed at the former governor's indecision about whether to run.

Other members of the "kitchen cabinet" include Leonard Firestone, now ambassador to Belgium; Jaquelin Hume, San Francisco financier; Leland Kaiser, San Francisco insurance executive; Edward Mills, former Republican national committeeman and a business associate of Tuttle; Arch Monson Jr., San Francisco businessman; the late A. C. (Cy) Rubel, Union Oil Co. president and board chairman; William French Smith, Reagan's personal attorney and member of the University of California Board of Regents.

Of that original group, only Tuttle, Mills, Hume and Smith generally are rated as sure Reagan backers in a test with the President.
Ford Europe Trip Called a 'Success'

By Murrey Marder
Washington Post Staff Writer

ROME, June 3—President Ford is returning to Washington tonight from Western Europe to try to convince Congress that he has made a successful start in restoring confidence in American leadership abroad and that he requires greater support on Capitol Hill to accomplish that goal.

In many respects, Ford administration sources privately concede, this may be the most challenging task in the post-Indochina revitalization of American foreign policy.

The President's first diplomatic venture into Europe was an intensive, four-week trip of major consultation on all trans-Atlantic problems, including an initial meeting with Egyptian President Anwar Sadat on the Arab-Israeli crisis. It ended here today when the President met with Italy's leaders and with Pope Paul.

Italian President Giovanni Leone said Mr. Ford's trip has confirmed America's firm intention of making the maximum contribution to the Atlantic alliance, whose spirit of solidarity has been reaffirmed by the Brussels summit last week of the North Atlantic Treaty Organization.

At the President's jet reached Rome early this morning from Salzburg, Austria, where he had conferred for two days with Sadat, Secretary of State Henry A. Kissinger told reporters that the President's European trip has been "very successful."

Apparently most European leaders agree, and they are giving Mr. Ford good marks for a newcomer's first encounter on the scene with the complexities of alliance diplomacy, the Middle East tangle and East-West relations.

What Europeans ask is whether President Ford can similarly induce Congress to follow his lead in shaping American policy abroad. The President apparently is asking the same question himself. In Salzburg, he was heard saying to Austrian Chancellor Bruno Kreisky, "I've got to go back and work on the Congress."

Kissinger told reporters that European concern has been eased— if not eliminated— about where the United States is headed after its policy setbacks in the stalemate of Kissinger's Arab-Israeli diplomacy in March and the Indo-china debacle in April.

In fact, most European leaders told the President they never doubted the steadfastness of the United States, but they were most concerned about post-Watergate divisions between the U.S. Congress and the Executive Branch over cutting executive authority in foreign policy.

A priority subject on President Ford's agenda in Washington will be an attempt to induce the House of Representatives to follow the Senate in lifting the embargo Congress imposed on American arms shipments to Turkey.

Mr. Ford's case will be that he is convinced from talks with the premiers of Turkey and Greece that ending the Turkish embargo can help to produce a Turkish-Greece compromise in their conflict over Cyprus.

In a statement issued after President Ford's talks with Italian leaders on major world issues, the American side noted that Mr. Ford's meetings with Egypt's Sadat had produced "positive results but no final results" in opening new negotiations in the Arab-Israeli conflict.

The search for a diplomatic road through the Arab-Israeli conflict continues next week when Israeli Prime Minister Yitzhak Rabin is to arrive in Europe to discuss the President's travel and talks in Europe. He told the President that the visit "emphasizes the importance that you attach to the moral aspects of the problem."

Mrs. Ford and Secretary Kissinger, and other members of the President's party also had audiences with the Pope.
Ford Denies Charge
His Campaign Aides
Employ Dirty Tricks

By Fred Barnes
Washington Star Staff Writer

President Ford, in his first direct rebuttal of a campaign charge by Ronald Reagan, denied yesterday that his campaign officials are using dirty tricks against Reagan.

"Any allegation as to dirty tricks is completely without foundation," Ford said in response to a question from a group of broadcast executives gathered in the White House's East Room.

Reagan, who is challenging Ford for the Republican presidential nomination, made the charge while campaigning on Thursday in New Hampshire, where the first presidential primary will be held on Feb. 24.

THE FORMER California governor said the assertion by Ford campaign officials that he would jeopardize the Social Security system comes "under the heading of dirty tricks."

The President's supporters brought up the Social Security issue in a press release stating that Reagan "has at various times advocated voluntary Social Security... and favorably called attention to a voluntary plan that would ruin it." Reagan has disputed the contention that he would harm the Social Security program or reduce benefits.

Ford, in response to a question yesterday, declined to disassociate himself specifically from the accusation against Reagan. He merely denied that any dirty tricks were being used in his campaign.

"We are running a campaign in full support of the law," he said, "... in full support of the campaign fair practices committee. And we'll stand firmly on that."

Despite reports that his campaign against Reagan in Florida is lagging, Ford expressed approval of his campaign chairman in that state, Republican Rep. Louis Frey.

HE SAID HE has no intention of firing Frey, adding that he "has done a good job." Moreover, Ford said, his campaign is going well in Florida, which will hold the third presidential primary on March 9.

"I think we are on the right track (in Florida)," he said. "I think the campaign will produce results. We are moving and I'm optimistic as to how we will do in Florida."

There has been considerable friction in recent weeks between Frey and officials of the President Ford Committee. The campaign officials believe that Frey has failed to build an adequate campaign organization in the state.

The Florida campaign was the subject of a meeting on Wednesday at the White House involving Frey and several presidential aides, including White House chief of staff Richard Cheney.

AS A RESULT of the meeting, two political organizers from the Ford committee are to be dispatched to Florida to help build up the organization. Ford is expected to make two campaign swings through the state, one in mid-February and the other in early March.

Since Reagan announced his campaign two months ago, Ford has refrained from making any direct accusations against Reagan. However, he has several times voiced thinly veiled criticism of Reagan's plan to transfer $90 billion in federal programs over to the states, the President usually adds that simply "dumping" programs on states would be inadvisable.

However, he never mentions Reagan or the $90 billion plan directly, leaving the more overt attacks to his campaign aides. In turn, Reagan has been restrained in attacking Ford's performance as President.

IT APPEARS that the give-and-take between the two candidates may become more heated now, though, with the Social Security issue and others emerging as points of dispute.

In other comments in response to questions from the broadcasters, the President said:

• That the United States "will live to regret" the congressional decision to bar military aid to America-backed factions in Angola. He said that failure to help the factions gives U.S. allies "the right" to question whether the country will honor its foreign commitments.

• That covert U.S. operations in Angola were not unusual. "It was a typical operation such as has been going on for 25 years in this country," he said, adding that "a number of covert operations" around the world have been "successful."

• That the surge in the stock market is bound to reflect growing confidence around the country in the economic policies of the Ford administration.

• That the Soviet Union is probably going to make another sizable purchase of American grain, in this case corn. He characterized a rumor about this new grain sale as "solid."
HAMPSHIRE, From A1

Hugh Gregg, Reagan's New Hampshire chairman, said today that he had told Reagan at the conclusion of the former governor's visit yesterday that the $90 billion plan "is our issue now and we ought to club them with it."

However, Lake and Gregg both refrained from claiming a prospective victory for Reagan in New Hampshire, with Lake saying only that the challenger should receive "between 45 and 50 per cent of the vote."

The decision by the Ford campaign to abandon any real hope of grass-roots organization represents a write-off of several months' work by Michels and his four paid field staffers. They set up a network of 22 area chairmen and worked to recruit coordinators for each of the 239 towns and cities in the state. Gregg, working with a smaller staff, set the same goal for Reagan and published the names and phone numbers of his local coordinators in a full-page newspaper ad on the morning Reagan arrived to begin his campaigning on Jan. 5.

One reflection of the apparently superior Reagan organization was seen Thursday night when about 500 Reagan workers and their spouses turned out for a dinner with Reagan and his wife, Nancy, and a meeting at which they were given instructions for distributing campaign materials in their communities.

Today, Michels acknowledged he has "turned away from reliance on town chairmen. The canvassing thing flat-out wasn't going to work."

Spencer said, "We've changed concepts and decided to put everything that exists into the phone operation." It is questionable how much "everything" is. A list shown to a reporter in the Ford headquarters today had names of coordinators in 74 towns and city wards, with 228 towns and wards blank.

Where Michels had spoken hopefully in December of conducting "the first real door-to-door canvass in Manchester any Republican has ever had," the list showed only one of 12 wards in the state's largest city with a Ford coordinator.

A telephone canvass had always been part of the Ford campaign plan, but now it becomes the chief weapon for the Feb. 24 vote-turnout effort. With ten phone centers opening around the state, the Ford volunteers plan to call 85,000 Republican households.

Both campaigns will attempt to turn out their "favorable" voters by phone calls on election day, with supplemental help from local workers.

The President's campaign has been almost invisible in New Hampshire until now, but that is scheduled to change next week. Mr. Ford will make his first visit here Feb. 7-8, and Spencer said today that a one-day return visit before Feb. 24 is "possible."

The first Ford radio commercials will begin Tuesday and a parade of presidential "advocates" led by San Diego Mayor Pete Wilson and Federal Energy Administrator Frank G. Zarb also begins next week. Ford television spots will begin showing on Manchester and Boston stations Feb. 10.

Reagan has eight days remaining of the 15 campaign days allotted to New Hampshire, with his next two visits bracketed on either side of Mr. Ford's weekend. Radio spots and television commercials for Reagan have been on the air for about 10 days.
Ford N.H. Campaign Shifts

By David S. Broder
Washington Post Staff Writer

CONCORD, N.H., Jan. 30 - President Ford's campaign has written off its effort to build a local grass-roots organization in New Hampshire as a failure.

The decision - confirmed today by a meeting between Stuart Spencer, No. 2 man on the President's national campaign committee, and John Michels, the New Hampshire Ford chairman - is to throw the available volunteer manpower into an effort to reach Republican voters by telephone before the Feb. 24 primary with Ronald Reagan.

The New Hampshire decision comes on the heels of a similar switch in strategy in Florida, where Mr. Ford's campaign organization has failed to attract a significant number of volunteers. In Florida, also, the Ford committee is now putting an emphasis on phone banks in an effort to match the Reagan campaign.

The Reagan campaign has already completed one phone canvass of New Hampshire and is starting on a second round, while the Ford campaign is recruiting volunteers to man its 73 phones.

Reagan also enjoys a lead on personal campaigning and radio-television spots, but the Ford campaign will challenge in all three of those fields, as well.

Despite the apparent need for a catch-up effort in every phase of the campaign, Spencer pronounced himself "very satisfied" with the New Hampshire situation today and said a poll taken for Mr. Ford last weekend shows "we have a lead... and we think we can win."

Spencer gave no figures but said the survey showed "it's a horse race, but our support is firmer than it was."

He asserted that controversy about Reagan's proposal to transfer $90 billion worth of federal domestic programs to state and local governments had weakened the former California governor's support among undecided voters and had firmled up the President's backing.

That assertion was sharply challenged by Reagan's backers. Jim Lake, the deputy director of the national Reagan campaign, said that polling in New Hampshire after the first of Reagan's three January visits to the state showed high awareness of the plan and 70 per cent approval of the proposal among those

See HAMPSHIRE, A3, Col. 5
Ford's Domestic Council Staff

By Fred Barnes
Washington Star Staff Writer

For the third time in a matter of weeks, a White House staff is undergoing a shake-up.

First it was the press office. Then it was President Ford's speechwriting operation. And now the Domestic Council staff, which helps formulate administration policy on social and domestic issues, is being revamped.

The council staff, which functions as a part of the White House though it is statutorily separate, will lose its deputy director and expand its attention on two areas.

James Cavanaugh, a Nixon holdover who has gained wide respect in the Ford administration, soon is to be named a special assistant to Ford for domestic affairs.

In the new job, which is considered a promotion, he will work closely with the council, however. In fact, he will be the deputy to James Cannon, the director of the council, in Cannon's other capacity as an assistant to the President for domestic affairs.

THE TWO FUNCTIONS of the Domestic Council that will be expanded are those dealing with long-term domestic problems and inter-governmental relations.

Last February, when Ford assigned Vice President Nelson Rockefeller to oversee the work of the council, he gave the council the task of mulling over long-range social issues.

But because of the pressure of day-to-day operations, such as developing a new domestic policy for Ford, the council has been unable to spend much time on this assignment.

Cannon, a Rockefeller protege, explained in an interview yesterday that no one on the council staff was available full time to study long-term problems.

Under the new setup, though, several members of the council staff will have this duty. "We don't know yet," he said, "how many there will be as yet."

THE INTERGOVERNMENTAL affairs unit of the council, which largely deals with local and state officials on various domestic issues, will be enlarged from three to five people, according to Cannon.

He said the alteration of the council setup was delayed temporarily because the staff was working full time on developing material for Ford's State of the Union speech, which the President delivered Jan. 19.

"Now that that's behind us, we want to get ready for the next (State of the Union) speech and the budget for fiscal year 1978," Cannon said.

Should Ford fail to win election to a full term in the White House, this work may go to waste. But Cannon said he is confident that the President will win both the Republican presidential nomination and the general election against a Democratic candidate.

The White House is expected to announce the changes in the council staff soon, perhaps as early as today. Three jobs on the staff must be filled because of departures.

Is Being Overhauled

BESIDES Cavanaugh's position as deputy director, the White House will replace Tod Hulin, the associate for housing and community development. He is leaving to become deputy press secretary at the Pentagon.

In addition, a replacement is to be named for James Falk, another associate director of the council staff. He left the White House a month ago.

A White House official insisted that the changes on the council staff do not reflect any dissatisfaction by Ford with the way the council has performed. "There's no unhappiness on his part," the official said.

As with the press office and speechwriting operation changes, though, the official said that Ford wanted these carried out before the crunch of the election campaign begins.

"Everybody has got to settle down and formalize his staff before get into the heat of the election," the official said, adding that the changes were not evidence of disarray on the White House staff.

THE OVERHAUL of the press office was carried out last month. But the shake-up of the speechwriting operation, which saw four writers leave the staff for other administrative jobs, has not yet been completed.

Two new writers are expected to come aboard next week. One them is David Boorstin, the son of historian Daniel Boorstin. The elder Boorstin recently became the Librarian of Congress.

In another staff addition at the White House, Asst. Commerce Secretary James Pate will join the public liaison office to deal with consumer affairs, regulatory reform and relations with public interest groups.

Pate's appointment to the White House post has not been officially announced. But his replacement at the Commerce Department, Richard Darman, was announced yesterday.
Ford's 'Steady' Policy
His Stand Against Speeding Recovery Is Likely to Be Major Campaign Issue

By LEONARD SILK
Special to The New York Times
WASHINGTON, Jan. 27—The economic report of the President, in spelling out the case against policies to promote a more rapid recovery despite the persistence of what Mr. Ford himself calls "too high" unemployment, has posed what is likely to be the major issue of the 1976 presidential campaign.

The President's Council of Economic Advisers—Chairman Alan Greenspan, Paul W. McCrery and Burton G. Malkiel—argue that a "steadier" policy course will result in a more durable recovery and that past changes in economic policy have been the source of economic instability.

This plea for steadier policies is a restatement of the case for a "steady-as-you-go" line enunciated in 1973 by George P. Shultz, when he was the Secretary of the Treasury.

The year 1973, despite "steady as you go," ended with the economy sliding into what was to become the worst recession of the postwar period. Real gross national product—the nation's total output adjusted for inflation—fell by 6.6 percent from the fourth quarter of 1973 to the first quarter of 1975. The economy is still not back to its preslump level in real terms.

Unemployment Rose Steeply
Most seriously, to the individuals concerned as an election issue in 1976, the economy lost jobs, and the unemployment rolls rose steeply. Total employment fell 2.2 million during the slump. Thus far, the recovery has restored only 1.3 million jobs.

With the labor force and productivity growing, unemployment climbed from an average level of 4.9 percent in 1973 to 8.3 percent at the end of 1975, and is expected by the President's economic advisers to average 7.7 percent in the current year.

The cautious economic policies favored by Mr. Ford and his advisers would still leave unemployment at a little higher than 7 percent on election day and at 6.9 percent on the average in 1977. The jobless rate would not get down to 5 percent, according to their plan, until the very end of 1980.

Continued on Page 45, Column 1.
Ford's Florida Campaign Held in Peril

Continued From Page 1, Col. 3

It is already pretty well won. It's only a question of how big the margin is. "If the primary election were today, we'd get clobbered," said Ron Nessen, the White House press secretary. "Suspect that by the time the Florida primary rolls around, we will still get clobbered."

The main problem, he added, has been Mr. Frey, a Winter Park conservative who is in over-all charge here.

"It has not been the most delightful experience in my political career," said Norman Watts, the deputy national political director of the Ford campaign, who has spent much of his time in Florida in recent weeks in an attempt to improve things. "We're at least a month behind."

With six weeks to go until the voting here, the consensus in Florida is that Mr. Ford trails Mr. Reagan, although some Republicans think that a reorganized campaign might give the President a chance to catch up. It is almost universally agreed that organization is crucial to the Ford effort, because the President plans to make only one campaign trip of two or three days to the state.

In a telephonic interview from his Washington office, Mr. Frey dismissed the campaign complaints as "the product of the Machiavellian world of Washington."

"We have all the leadership in the legislature," he said. "We have the members of Congress for the President and the Young Republicans. The campaign is doing so many things wrong..."

Not all the gaffes have been committed by Mr. Frey or his friendly administrative assistant, Oscar Juarez, who is now the executive director of the Ford campaign here. At least one involved Howard H. Callaway, the President's national campaign manager, who is known for making impolitic comments.

Some weeks ago, he conceded in an interview that he had tried and failed to persuade the White House to delay the second trial of former Senator Edward J. Gurney, for bribery. He wanted the trial postponed, he said, so as not to infuriate Florida conservatives who still like Mr. Gurney.

"That was brilliantly handled," a Ford supporter in Miami said. "On one hand, you show the world a campaign manager of a President who claims to be above petty politics; but a week later, you tell the Florida conservatives who still like Mr. Gurney.

"That was brilliantly handled," a Ford supporter in Miami said. "On one hand, you show the world a campaign manager of a President who claims to be above petty politics; but a week later, you tell the Florida conservatives who still like Mr. Gurney..."

Some Problems Local

But the operational problems are local. Mr. Watts said, for example, that Mr. Frey and Mr. Juarez had "a provincial view" of politics, believing that they could use in-person canvassing techniques statewide that work in one Congressional District instead of the telephone banks that the Washington professionals want.

According to Paula Hawkins, a public utilities commissioner who also serves as Florida's Republican National Committee woman, Mr. Frey "has practiced the politics of exclusion from the beginning."

Both Mrs. Hawkins, publicly neutral but privately leaning toward Mr. Reagan, and other Florida Republicans said that Mr. Frey had used the Ford campaign as a vehicle to promote his own ambitions for the governorship or other office.

The result has been to re-activate and bring to the President all of the animosity generated in 1970, when Mr. Gurney and former Gov. Claude Kirk split the party by backing G. Harrold Carewell, who had just been rejected for a Supreme Court seat, in a contest for the Senate nomination with former Representative William C. Kramer.

One consequence of the infighting can be seen in Broward County, which is centered on Fort Lauderdale, just north of Miami. Forces allied with Mr. Ford have filed candidates against Gray Boylston, the longtime party chairman in the county, challenging him as a pro-Greybo. St. Petersburg Times poll

A Reagan Partisan

Mr. Boylston, a wealthy, indefatigable party worker, has turned into a Reagan partisan.

Mr. Frey also astonished the Ford camp by agreeing to serve this Friday as master of ceremonies for a Lincoln Day dinner in Melbourne despite the fact that Mr. Reagan is the main speaker. He argues that he made the commitments months ago and cannot back out now, but Ford officials in Washington take this as evidence that he is more interested in promoting himself than in winning for Mr. Ford.

So the squabbling between Washington and Orlando has continued without pause. "They are defeating themselves," said Jay D. Starling, a political science teacher at Southern Methodist University, who resigned recently as the fund-raising coordinator for Mr. Ford here.

"Communication has been terrible," he told The Palm Beach Post in an interview. "They get crossed and re-crossed, and it has created confusion and discontent—not only on the campaign staff, but also among the party faithful."

Meanwhile, the Reagan campaign rolls along. L. E. Thomas, the former Governor's campaign manager, said that 10,000 to 12,000 Democrats had registered as Republicans to vote for Mr. Reagan, and that phone calls had been made to nearly 200,000 registered Republicans in 20 counties.

Campaigning in north Florida yesterday, Mr. Reagan drew big crowds, including 1,200 at breakfast in Pensacola.

Mr. Thomas said that Mr. Ford appeared to be ahead in Pinellas County, where a St. Petersburg Times poll showed that to be the case last week, but behind elsewhere in the state. Mr. Frey said that Pinellas County typified the state.
Ford Florida Drive Held in Peril
Over Discord and Poor Planning

By R. W. APPLE Jr.
Special to The New York Times

ORLANDO, Fla., Jan. 27—Mr. Ford's associates in Washington make no attempt to hide their apprehension about the Florida campaign, which will offer the second test between the President and the former California Governor. Campaign officials met today and will meet again tomorrow to decide what to do.

Internal discord and organizational failures of a severity rarely seen in a Presidential campaign are plaguing President Ford's campaign in Florida, according to well-placed Presidential aides.

The resulting "confusion and discontent," as one former staff member put it, have jeopardized the President's uphill effort to wrest a victory from Ronald Reagan in this conservative state's Presidential primary March 9.

Among possibilities under consideration are the dispatch of more organizers from Washington and the replacement of Representative Louis Frey Jr. as campaign manager.

"The thing has finally gotten to the point where something drastic has to be done," said Peter Kaye, a spokesman for the President Ford Committee. The fact that our polls show us close when we're

Continued on Page 56, Column 2
Ford Attacks Proposal For Public-Sector Jobs

By Bill McAllister
Washington Post Staff Writer

DEARBORN, Mich. Jan. 31—President Ford, claiming credit for policies he said have helped reverse the recession, denounced the promise of "full employment overnight" as a "cruel illusion" and vowed to continue to fight any federally funded programs for public service jobs.

In a speech to Republican Party leaders from 13 Midwestern states, Mr. Ford attacked proposals for what he called "another quick fix public-jobs program" and called instead for tax incentives to private businesses.

Speaking in a state which has 12.2 per cent unemployment, the President conceded that his proposal would not lead to quick solutions to the nation's economicills.

"It is true that what I am proposing is not going to get the unemployed back to work overnight," he said. "But it will get them back to work, with lasting and secure jobs—not dead-end jobs supported by the government."

His 21-minute speech was interrupted by applause 11 times as he spoke to more than 1,000 party officials at the Midwestern Republican Conference in this Detroit suburb.

Despite the White House's denial of political implications of his trip, even though the Ford campaign committee paid for it, the President was cheerfully introduced by Minnesota party officials as a superior candidate to Ronald Reagan, the former California governor who is challenging the President for the Republican nomination.

Mr. Ford never mentioned Reagan during his speech, but referred to an emerging "great national debate" within his party and the Democratic Party over the role of the federal government.

Although he sounded a conservative theme in opposing new jobs programs, Mr. Ford also said that the Republican Party has become "the party of change."

Acknowledging that unemployment remains too high, Mr. Ford said the nation has already recovered "three-fifths of the jobs lost by the recession," and said the policies of his administration are responsible for what decreases in unemployment that have occurred since March, 1975. The nation's unemployment rate is 8.3 per cent, down from last March's rate of 8.7 per cent.

Michigan remains hard hit by unemployment, but Mr. Ford said: "The good news, however, is that the U.S. automobile industry is turning around," and cited an increase in automobile sales of 37.2 per cent in the first 20 days of the year as evidence.

Still, Mr. Ford said, "One cannot promise full employment overnight, and I hope nobody does in the upcoming debate, because it is a cruel illusion."

Mr. Ford's Michigan speech was the first of two addresses today.

Later, in Williamsburg, Va., before a Bicentennial meeting of the Virginia General Assembly, Mr. Ford again renewed his call for a limited role for the federal government.

Speaking in the restored colonial capital of Virginia, Mr. Ford called for increased roles by state and local governments, to give individuals "more say in how their taxes are spent and how they live, how they work, how they fight crime and how they go to school."

In Hampton, Va., the President was greeted by a crowd of approximately 3,000 at Langley Air Force Base and, for the first time since the shooting incident in San Francisco last September, the President waded into the crowd, shaking hands and accepting a bouquet of red roses from an Air Force wife.

Mr. Ford had dinner tonight with the founders of the Williamsburg restoration before returning to Washington.

Betty Ford canceled plans to join the President for the Williamsburg speech because she was not feeling well this morning, presidential press secretary Ron Nessen said. "Her neck has acted up a bit," Nessen said. She has been bothered for years by a pinched nerve in her neck.
Ford aides cast about for election-year assets

By Congressional Quarterly

Washington

Gerald R. Ford's 1976 campaigners are worried that they have no dramatic 1975 presidential triumphs they can point to — at least none that can be reduced easily to a few words on a bumper sticker.

For example, they contend that Mr. Ford has succeeded in holding the nation's economy on a steady course of gradual recovery from the recession. That was no small achievement, they say. But it takes some explaining to get the point across to the average worker.

Mr. Ford's top economic advisers depict the President as having resisted the temptation to improve his election chances this year by aiming for a fast but short-term upswing in the economy at the expense of more substantial economic recovery over the next several years.

"The President set a course and stuck to it in the face of all the pressures against him to panic in the face of 9 percent unemployment," last year, says Richard B. Cheney, White House chief of staff.

Mr. Cheney speaks against a backdrop of resentment among Mr. Ford's conservative economic advisers over what they feel was a major blunder by former President Nixon as he approached his own election campaign four years ago.

In their view, former President Nixon's imposition of wage and price controls in the fall of 1971 was aimed at creating a short-term improvement in the economy to bolster Mr. Nixon's re-election chances in 1972.

Mr. Ford made a major shift in policy one year ago, when he turned from fighting inflation to tackling the recession. Mr. Cheney acknowledges that the President initially had underestimated the unemployment threat.

But Mr. Cheney defends another presidential economic switch: Mr. Ford's first vetoing of the extension of the 1975 tax cut and then, several days later, signing a compromise that fell short of his demand for a $395 billion ceiling on fiscal 1977 spending.

The veto was "a very effective way, whether you win the fight or not, of keeping the debate alive" about the ceiling, Mr. Cheney says. "We won the fundamental issue of linking a spending cut with a tax cut. That reversed the trend of the past 20 years."

Looking back to other areas of Ford's 1975 record, Mr. Cheney acknowledges that the President's November shakeup of his national security advisers, in which he fired Secretary of Defense James R. Schlesinger, "in the short term had a negative impact on the way we were forced to handle it."

Mr. Cheney says that news leaks of the shakeup "forced us to move up the timetable" of the announcements and made the changes appear abrupt and not well thought-out.

The President's pressure on Congress last spring for continued military aid to South Vietnam and Cambodia, even as the Communist victory appeared inevitable, "probably didn't do him any good," Mr. Cheney admits. But, he says, the effort was necessary to keep the Saigon and Cambodian governments from collapsing long enough to evacuate Americans stationed there.

Not much else happened in 1975 that Ford could count on as election-year ammunition. The President and Congress remained at a stalemate over energy policy most of the year.
Joseph Kraft

The Ford Plan

President Ford has stuck to his philosophic guns and confidently staked out for the election year a position which would normally be quite risky. In his state of the union and budget messages, he concentrates on holding down public spending with results certain to insure high unemployment on election day, and for many years thereafter.

But the political risk is eased by the temporary mood of the nation and the confusion of the Democrats. Whatever the cost to President Ford, however, the nation is apt to suffer from a muddying of debate on the vital subject of inflation, and the prospect that in this bicentennial year there will not be an initiation of the sustained growth required to satisfy the aspirations of millions of Americans.

The striking feature of the President's state of the union message was the emphasis on domestic policy. Foreign affairs, normally a strong point for an incumbent President, received scant attention and only in the most general terms.

Domestic matters not only predominated. They were sharply pointed. Mr. Ford made big government spending the villain of our worst internal problem. "To hold down the cost of living we must hold down the cost of government," he said. His recommended course of action is fully in accord with that rhetoric. The core of his program is to hold federal spending below $385 billion. That involves a cut of about 5.5% per cent in the normal course of federal spending. Since the inflation rate is at 6% per cent, the real budgetary impact is deflationary.

That is a truly deflationary policy. It assures that next year at election time unemployment will hang high at over 7% per cent and that growth will be so anemic that full employment will not be reached until 1989. Despite these sacrifices, inflation will continue high at about 6% per cent this year.

Judging by the past, that policy would be highly dangerous. Studies going back to 1932 show that there has been a kind of political business cycle at work. Incumbent administrations generally win another term when they run the economy in an election year. They lose when economic growth is low and unemployment high.

But that norm is broken this year by two considerations. First, all signs indicate the country is fed up with big spending and big government. I think that mood is probably a temporary aftermath of Vietnam and Watergate, which will not last through a long bout of economic stress. But for the moment anyway, Mr. Ford's emphasis on budgetary stringency and holding down the size of government is undoubtably what the voters want to hear.

The more so given the posture of the Democrats. The recovery now under way and the prospect of 6% per cent economic growth foreseen by the President for this year is not entirely the work of the Ford administration. It would be unthinkable without the tax cuts forced on the administration by the Democratic Congress.

Even though the Democratic Congress has pulled some of the President's chestnuts out of the fire, there is still a strong case to be made against his stand on big government and government spending. The regressive sales and property taxes prevalent in the states and municipalities—not to mention the cozy corruption inevitable when local administrators suggest that small government is poorly equipped to manage problems affecting major economic questions. Thus the problem is not to eliminate big government but to improve it.

As to government spending, there is no merit in the President's claim that public outlays are evil and inflationary while private purchases are good and anti-inflationary. Both have the same impact on total demand or inflation.

The big difference is that tax cuts help those of us who have jobs, while government programs help those whose basic aspirations for decent work and housing and other things are now unmet.

But this strong case cannot be made effectively as long as the Democrats are caught up in the agony of choosing a presidential candidate. Until they have a standard-bearer, the Democrats let the demagogic arguments on government and spending go by default, and put Mr. Ford in a good wicket for election in November.
Ford Aides Helping Local Officials in New Hampshire in Attacks on Reagan

By CHRISTOPHER LYDON
Special to The New York Times

WASHINGTON, Jan. 25—President Ford's spokesmen are contending that criticism of Ronald Reagan's $90 billion budget transfer plan and Social Security "reforms" comes "not from Washington bureaucrats" but from local officials. This is particularly true in New Hampshire," Peter Kaye, press secretary at the President Ford Committee, commented last week.

Part of the explanation is that Ford headquarters has circulated fill-in-the-blanks press statements for local officials to release—such as this one for New Hampshire: "Ronald Reagan today was challenged to make clear his views on Social Security and Federal aid to the elderly. Calling Reagan's public statements "a shabby collection of contradictions and calculations," (blank) said senior citizens of New Hampshire and elsewhere are entitled to know just where he stands on key issues affecting them.

"Over the last 12 years," (Blank) said, "Reagan has at various times advocated voluntary Social Security, praised the present system and favorably called attention to an alternative plan that would ruin it."

"(Blank) said there has been neither consistency nor evolution in Reagan's thinking."

Mr. Kaye doesn't believe that probing an opponent's record violates the "11th Commandment" that Mr. Reagan likes to cite—"Thou shalt not speak ill of other Republicans." But Mr. Kaye adds, "We are in agreement with the President, who says the first 10 commandments are good enough for him. I particularly like the 10th, which begins, "Thou shalt not covet thy neighbor's house."

The Democratic caucuses in Iowa last week meant money for Jimmy Carter of Georgia.

While his Iowa staff was claiming first place Monday night, Mr. Carter was talking to about 100 New York contributors, including Edgar Bronfman, the whisky distiller, at the home of Howard Samuels, who was a candidate for Governor.

By Wednesday the Carter campaign felt sufficiently encouraged to announce plans for 200 "Georgia Loves Jimmy" parties, coinciding with a statewide telephone on Feb. 14, Valentine's Day. The host of each party is committed to raising $1,000.

At the same time, Mr. Carter ordered the printing of one million new fund-raising letters to reach the mail in mid-February. "And if we have a big success in Florida," said Mr. Carter's mail specialist, Morris Dees, of the March 9 showdown against Gov. George C. Wallace, "we'll go with four million more mailing pieces right away."

Meanwhile, in the organization, Representative Morris K. Udall of Arizona the first effect of a fourth-place, 6 percent showing in the Iowa caucuses was that Ken Levine, director of field operations, who was a candidate for Governor.

By Wednesday the Carter campaign felt sufficiently encouraged to announce plans for 200 "Georgia Loves Jimmy" parties, coinciding with a statewide telephone on Feb. 14, Valentine's Day. The host of each party is committed to raising $1,000.

The Udall mistake in Iowa, Mr. Levine said in an interview, was ignoring advice from Stewart Udall, the candidate's brother, and from Richard G. Stearns, the caucus-state organizer of Senator George McGovern's 1972 campaign, to back out of Iowa last fall, when Mr. Carter first showed his strength, and to concentrate instead on the New Hampshire primary.

The more general problem and Mr. Levine's particular downfall was explained in his eight-page memorandum to the candidate last week, in which he said that Mr. Udall's thoughtful but unspecific campaign had not given people "a reason to vote for him."

"The only candidate talking issues is Fred Harris," said Mr. Levine, attributing Mr. Udall's disappointment to the enthusiasm 10 percent of the Iowa caucuses that went to Mr. Harris, the populist-liberal and former Senator from Oklahoma.

Jack Quinn, the Udall campaign manager who dismissed Mr. Levine, said the problem was friction with local campaign workers—and that he had never read the Levine memo.

Mr. Harris had another unexpected triumph last week in a candidates' speaking contest here before more than 50 state and local political directors of the International Association of Machinists, one of the richest and most active labor unions in Democratic politics.

After eight candidates, one noncandidate and one former candidate had spoken, a straw poll of the machinist leaders found 22 votes for Mr. Harris; 17 for Senator Hubert H. Humphrey of Minnesota, who says he is not running for the Presidential nomination—seven for Senator Birch Bayh of Indiana—and one each for Mr. Carter, Senator Henry M. Jackson of Washington and Gov. Milton Shapp of Pennsylvania.

Gov. George C. Wallace of Alabama and Senator Lloyd Bentsen of Texas did not speak to the machinists. Sargent Shriver and Mr. Udall apparently spoke in vain alongside with former Gov. Terry Sanford of North Carolina, who took himself out of the running last week.
FORD, REAGAN neck and neck

By George Gallup

American Institute of Public Opinion

PRINCETON, N.J. — President Ford and Ronald Reagan are in a dead heat in the latest showdown test among Republican voters. Ford is the choice of 44 per cent for the nomination to 43 per cent for Reagan, with 13 per cent undecided.

The latest results, based on interviewing between Jan. 23 and 26, represent a decline for Ford, who, in the previous (early January) survey, won the support of 53 per cent to 42 per cent for Reagan. Ford's losses, as the findings indicate, have not translated into direct gains for Reagan but have instead increased the undecided percentage.

While Ford has suffered some loss in support among Republicans since the previous survey, the race has remained little changed among voters who classify themselves as independents. The contest continues to be tight, with Ford currently winning the support of 45 per cent of independents to 41 per cent for Reagan, with 14 per cent undecided.

Reagan's support among both Republicans and independents increased steadily between June and December. Since December, however, it has leveled off.

This question was asked of Republicans and independents to determine the relative strength of the two men:

Suppose the choice for President in the Republican convention in 1976 narrows down to Gerald Ford and Ronald Reagan. Which one would you prefer to have the Republican convention select?

Here are the latest results and the trend among Republican voters:

<table>
<thead>
<tr>
<th>Date</th>
<th>Ford</th>
<th>Reagan</th>
<th>Undecided</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan. 23</td>
<td>53</td>
<td>42</td>
<td>13</td>
</tr>
<tr>
<td>Oct. 17-20</td>
<td>51</td>
<td>40</td>
<td>9</td>
</tr>
<tr>
<td>June 27-30</td>
<td>61</td>
<td>33</td>
<td>6</td>
</tr>
</tbody>
</table>

Here is the trend among independents:

<table>
<thead>
<tr>
<th>Date</th>
<th>Ford</th>
<th>Reagan</th>
<th>Undecided</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan. 23</td>
<td>41%</td>
<td>41%</td>
<td>14%</td>
</tr>
<tr>
<td>Oct. 17-20</td>
<td>51</td>
<td>40</td>
<td>9</td>
</tr>
<tr>
<td>June 27-30</td>
<td>51</td>
<td>36</td>
<td>14</td>
</tr>
</tbody>
</table>

Reagan wallops Ford in straw ballot in Florida

DAYTONA BEACH, Fla. (UPI) — Former California Gov. Ronald Reagan beat President Ford almost 3 to 1 and won by a wide margin over Democratic Gov. George C. Wallace of Alabama in a straw vote Sunday at a state convention of the politically active Florida Junior Chamber of Commerce.

Reagan claimed 298 votes, 36 per cent of the total, in the vote, which came after weekend appearances by him, Wallace, Pennsylvania Gov. Milton Shapp and Sen. Robert C. Byrd (D-W. Va.)
Ford not taking it for Granite

By William Braden

President Ford will not return to New Hampshire before the Feb. 24 primary unless it appears he is going to win, his own campaign people there are speculating.

That report was filed late Tuesday by Sun-Times correspondent Roger Simon in Manchester, N.H.

According to Ford's people in the Granite State, the strategy is designed to provide Ford as an excuse if he loses the primary to Republican challenger Ronald Reagan. Ford could say he didn't make much of an effort in New Hampshire, where he stumped for perhaps the only time last Saturday and Sunday.

Ford's campaign in New Hampshire was carried on Tuesday by his new secretary of commerce, Elliot L. Richardson.

The President's surrogate defended Ford's policies and accused Reagan of confusing voters with "ill-defined and varying" campaign positions. He also criticized a Reagan proposal to invest Social Security trust funds in the stock market as a possible way to reduce the Social Security deficit.

And then there were nine . . .

Sen. Lloyd Bentsen dropped out Tuesday as a national candidate for the Democratic presidential nomination. He said he will limit himself to a favorite-son candidacy in the May 1 primary in Texas, where he also is running for re-election to the U.S. Senate.

The announcement followed Bentsen's weak showing Saturday in the caucuses in Oklahoma, where he had campaigned extensively. Bentsen thus became the second of 11 declared Democratic candidates to withdraw. Former Gov. Terry Sanford of North Carolina pulled out Jan. 23.

Ronald Reagan is a human being, the political editor of the liberal New Times magazine learned to his apparent surprise. Robert Sam Anson toured with Reagan to do a profile in the current issue of the magazine. And while the profile faults the candidate for his political views, it is sentimentally friendly to Reagan the man.

What appeared to turn Anson into a marshmallow were Reagan's airport encounters with his wife Nancy (whom Reagan calls "Mommy"). Reporting one parading scene, Anson wrote:

"They kiss, long and lingering. And then again. She puts his face and, with a worried look, tells him to take care of himself . . . Again they hug, and again they kiss, and Reagan brushes her neck. They are about to break when there is a deafening roar behind them. An Air National Guard Phantom, afterburners on full, screams off the runway. Nancy cringes and blocks her ears, and Reagan pulls her close . . . For a moment, they seem very ordinary and very vulnerable. One is embarrassed to witness such intimacy . . . There is, in this moment, a humanness one does not often witness in politics."

Reagan should be thankful he wasn't profiled by Steven Brill, 25, a free-lancer who reassed former Georgia Gov. Jimmy Carter in the current Harper's magazine. Brill's article is titled "Jimmy Carter's Pathetic Lies." And it accuses the Democratic presidential hopeful of fibbing about everything from his gubernatorial record to his assertion he opens and reads all the mail addressed to him in his home town of Plains, Ga.

Carter during a campaign swing here last weekend expressed outrage over the article, which charges him with running "the most sincerely sincere, politically antipolitical and sickly unsick campaign of the year." Brill contends: "Carter was a good governor." He adds: "But whatever good Carter did as governor is blurred now by the legend he is trying to make of it."

Brill was so blistering that Time magazine does a job on him and his article in its current issue. Time raises questions about Brill's own honesty, suggests he was "out to do a hatchet job" on Carter and quotes an unnamed "Washington-based political correspondent" as saying: "Brill is a hit man. He's the liberal enforcer."

Anson also was charmed by Reagan's crowds. Of one, he wrote: "This is not a Wallace crowd. There is not a twisted-face cracker or teased-hair harpy among them. They are, in fact, just what the candidate says they are: the backbone of this country. And they have found that it doesn't work for them."

According to Anson, the crowds aren't interested in the controversy over Reagan's plan to transfer $90 billion in federal programs to the states and local governments. "Perhaps the most notable fact to emerge from all these question sessions," wrote Anson, "is that not once in a week with Reagan will anyone ever ask about the $90 billion. It is, exclusively, a preoccupation of the press."

Quote of the Day: "You're not electing an acrobat to the Presidency, as Al Smith once said in support of Franklin Roosevelt."

Thus spoke Alabama Gov. George C. Wallace after greeting a crowd of about 300 supporters Tuesday in Columbia, S.C., added Wallace, who has been paralyzed from the waist down and confined to a wheelchair since he was shot in a 1972 assassination attempt:

"Roosevelt went through four presidential campaigns in a wheelchair."
Leisurely’ pace marks initial strategy in Ford N.H. campaign trip

By Aldo Beckman

NASHUA, N.H. — President Ford, admittedly in danger of losing the nation’s first presidential primary, campaigned across New Hampshire Saturday in what he called the beginning of his efforts to win a full term in the White House.

The pace was leisurely and the schedule was designed to eliminate any injurious comparisons of how he and former California Gov. Ronald Reagan draw crowds. About 500 persons at the airport in Manchester greeted President and Mrs. Ford’s arrival Saturday morning as they began their two-day visit in New Hampshire.

Ford drove to Concord, where he spent 12 minutes answering questions from 250 elected New Hampshire state and local officials, then moved on to Nashua, where he addressed the 50th annual dinner of the Nashua Chamber of Commerce.

HIS STYLE was deliberately presidential, with the only reference of the day to politics being a line in his Nashua speech, when he said, “I have come to New Hampshire to ask for your support on Feb. 24.”

Peter Kaye, the chief spokesman for Ford’s campaign committee, told reporters the pace between Ford and Reagan is “very, very tight right now.”

“We’ve got the numbers,” Kaye insisted when asked to predict the outcome of the Republican primary. “It depends on the turnout. The bigger the turnout, the better chance we have.”

Even Ford supporters here concede that Reagan might win, adding that the vote, regardless of the winner, will be extremely close.

Ford was greeted by sharp attacks from newspaper publisher William Loeb and Republican Gov. Meldrum Thomson, both supporters of Reagan. Loeb ran a front-page editorial in his Manchester Union Leader calling the President “stupid” and “underhanded.”

THE EDITORIAL, headlined “Devilish Gerald,” said “We did give him credit for being — while not very bright — at least honest.”

“Now . . . Mr. Ford appears to be not only rather stupid but underhanded,” it said. The editorial praised a columnist’s statement that Ford “makes up and follows his own rules about truth-telling.”

Thomson said he would not meet Ford on his arrival in New Hampshire and would attend a University of New Hampshire football banquet instead of a dinner honoring the President. The governor also issued an open letter criticizing Ford’s energy and economic policies.

ALTHOUGH FORD originally had planned only one visit to New Hampshire, administration officials said Saturday he might return here the weekend before the primary if campaign officials here advise it.

Kaye said the “essentially negative campaign” that the Ford forces have been conducting against Reagan has “been pretty effective.”

“We’ve cast considerable doubt on his competence to campaign and by implication, his ability to govern,” Kaye said.

“He’s now viewed as something of a political opportunist, a vacillator, and his plan to reduce the federal budget by $90 billion is a controversial, if not outright screwy scheme.”

Ford hammered all day on his efforts to reduce the size and scope of federal government. “Freedom is today misinterpreted by too many to mean the instant equalization of everyone’s social and economic situation, at the public expense, through the machinery of the federal government,” Ford told the Nashua dinner.
Ford Shuffles Speech-Writing Staff, Reportedly in Anger Over Its Quality

BY PHILIP SHABECOFF
Special to The New York Times
WASHINGTON, Jan. 21 — President Ford, reportedly unhappy with the quality of his speeches, has reshuffled his speech-writing staff, the White House disclosed today.

Ron Nessen, the White House press secretary, said in response to questions that four speech writers on the staff of Robert T. Hartmann, counselor to President Ford, had left for other jobs within the administration.

Robert Orben, a former speech writer for Red Skelton and the World, has been put in charge of speechwriting operations under the direction of Mr. Hartmann.

The change follows what White House sources described as an outburst of anger last week by President Ford over what he was told to regard as unsatisfactory performance in the preparation of his State of the Union Message.

Although the President was reported to be happy with the final version, he was said to have displayed sharp irritation last Friday over squabbles among his staff about the speech and delays in completion of a satisfactory draft. He was said to have demanded an acceptable draft from Mr. Hartmann in 24 hours.

New Jobs of the Four

Mr. Nessen reported today that Paul Thies, who had been the number one speech writer under Mr. Hartmann, was leaving to become Deputy Assistant Secretary of Agriculture for Public Affairs and Congressional relations. Robert Reusek, who has been on detail to the White House from the General Services Administration, is returning to that agency.

Another speech writer, Jack Casserty, is moving to an unspecified job in the Interior Department. And Ray Pulien is becoming a speech writer for Mr. Ford.

Two speech writers reportedly will be hired next month to replace the four who have departed.

President Ford was said to feel that a number of his speeches were not couched in a straightforward, simple rhetoric he believes is his proper style. He is also said to have been concerned that some of the substance of his speeches emerged as policy deci-
East Coast Republicans generally prefer Ford

By George Moneyhun
Staff correspondent of
The Christian Science Monitor
Newark, New Jersey

Most Republican on the populous East Coast look at President Ford as a fresh breeze to blow away the last remnants of the Watergate scandal.

"Many qualified candidates never had a chance, as usually Republican districts went Democratic in the wake of Watergate," explains Van Dyke Pollitt, an active party leader in northern New Jersey. Like many Republicans who paid $100 a plate to hear President Ford speak at a fund-raising dinner here over the weekend, Mr. Pollitt speaks glowingly of the openness and integrity he says Mr. Ford has restored to the White House — and to the Republican Party.

Although many East Coast Republicans consider themselves a bit more "moderate" or "liberal" than Mr. Ford, most share the President's views on holding down government spending. State committees in Pennsylvania and New York already have endorsed President Ford for the Republican nomination next year, and other Eastern states are likely to follow suit.

But Republican regulars concede that GOP presidential candidates traditionally do not fare well in the largely liberal Northeast. For that reason, they are urging Mr. Ford to keep Vice-President Rockefeller, who has a more liberal record, on the ticket next year.

"If Rockefeller were jettisoned, I don't think the ticket would be successful anywhere in the country," argues New York State Committee Chairman Richard M. Rosenbaum. Most Republicans here see a Ford-Reagan ticket as too narrowly based to attract the "Moderate" voters they will need next November.

A sore spot with many New Yorkers has been the President's refusal to provide New York City with federal backing in the city's current budget crisis. But it is mainly Democrats who are calling for support; Republicans generally agree with the President's view that the city should set its own house in order.

Republicans see New York City as a "bottomless pit" or "a Mecca for welfare recipients from across the country." As one high party official put it, "There isn't enough money in the world to bail out New York City." They add that there isn't a ghost of a chance New York City would vote Republican anyway.

Democrats, however, saw some irony in President Ford's choosing to speak in Newark, a city that symbolizes most of the urban problems they charge Mr. Ford with neglecting.

Mayor Kenneth Gibson told this reporter outside the hotel where the President spoke that he would not attack Mr. Ford's policies while he was acting as official host, but the Democratic Mayor did say that financially hard-pressed Newark was paying $30,000 for some 500 city policemen to protect the President during his visit.

Security for the President's visit was extremely tight. Policemen lined the streets for blocks around; several were on roofs of surrounding buildings; a helicopter hovered overhead; all visitors to the hotel were checked and some were frisked.
Ford Beefing Up in Florida

By Lou Cannon
Washington Post Staff Writer

President Ford yesterday moved to bolster his sagging campaign organization in Florida, where his strategists now believe he has the opportunity to defeat Republican challenger Ronald Reagan.

Rep. Lou Frey Jr. (R-Fla.), the President's campaign manager in Florida, today is to announce the names of two political organizers sent by the national campaign organization to manage the Ford campaign in Florida.

One of them is William Russo, former executive director of the North Carolina GOP and a politician with a reputation for organizing ability.

So far, as the President's national campaign managers freely acknowledge, the organization is what has been almost totally lacking in Mr. Ford's Florida campaign.

"It is very frustrating," one of the President's leading strategists said yesterday. "On the one hand we're tied with Reagan in the polls in a state where he is supposed to win going away. On the other hand we haven't done a damn thing to take advantage of it."

Reagan's campaign, under the leadership of former state chairman L.E. (Tommy) Thomas, is making extensive use of "telephone banks" designed to identify friendly voters.

Mr. Ford's campaign, which appears to have drawn far fewer volunteers than Reagan's, has barely begun the important organizational effort of identifying prospective Ford voters.

Mr. Ford's strategists think that the President is doing well politically in Florida at this point only because Reagan isn't. They believe that the California governor's plan to transfer six major federal programs to state and local government has made GOP voters, particularly elderly voters, uneasy about prospective increases in state and local taxes.

The President is expected to do all he can to promote such uneasiness when he visits Florida on Feb. 15 in the first of two scheduled campaign trips into the state.

One Republican strategist said that Mr. Ford is expected to stress "anti-inflation issues" and depict himself as a President who is trying to help the elderly and others on fixed incomes by cutting spending and lowering the inflation rate.

At the same time, this Republican said, Mr. Ford will remind voters, as he did in his State of the Union address, of the dangers of abrupt changes in federal programs.

Reagan has called for the "systematic transfer" of federal programs to the states rather than any abrupt change. But it is the opinion of Mr. Ford's strategists that the program is not well understood and has caused some elderly voters to be concerned about possible loss of Social Security and Medicare benefits.

Published Florida voter opinion surveys show Mr. Ford with a lead among older voters, who usually turn out in disproportionately high numbers in Florida elections.

Paul Cohen of Gainesville, head of Opinion Research Inc., where publishes the Florida Poll, found in a survey earlier this month that Florida Republicans were divided almost equally in three ways among Reagan, Ford and undecided voters.

Cohen said in a telephone interview this week that the Ford support is "extremely volatile."

"The majority of people trust and like him but think he is indecisive," Cohen said. "They have doubts about his handling the economy and doubts whether he can win."

Cohen said Reagan's support has remained relatively undecided, while many of Mr. Ford's supporters have moved into the undecided category as the President's fortunes have gone up and down. The fact that they have not shifted to Reagan is significant, and may indicate that Mr. Ford can regain their support, he said.

But it is the opinion of officials at the President Ford Committee that Mr. Ford needs a far better organization than he now has in Florida to make the most of his opportunity.

The principal criticism of Frey and his administrative assistant, Oscar Juarez, who is managing the campaign, is that they have involved themselves in local Republican affairs in an effort to promote Frey for a future gubernatorial race.

While the Ford committee was moving to bolster the Florida organization, the President's campaign was encouraged by a spot check of state voter registration which showed only slight increases in GOP strength. Reagan forces had attempted to re-register Democrats for the March 9 primary.

Mr. Ford got another boost from the results of GOP precinct caucuses in Hawaii, which showed him with nearly two-thirds of the vote and a prospective 17-to-2 lead over Reagan in delegates.

Money for MIT

OSAKA, Japan, Jan. 29 — A leading Japanese electric appliance maker announced today that it will contribute $1 million to the Massachusetts Institute of Technology to establish a "Mitsubishi professorship." The Mitsubishi electrical industrial company said the money was aimed at expanding researches in electrical engineering in the medical science field.
President Ford has presented the nation with a budget that has been honed and polished to meet the right-wing challenge of Ronald Reagan—but still leaves a significant gap between them. In terms of political skill, Mr. Ford appears to have the edge at the moment.

Both men strike the same theme: They are appalled, they say, by the monstrous size of today's federal government.

But where President Ford would cut spending by $28 billion from some theoretical Economic Impact level that has never been well-defined, Reagan—no piker—would slash expenditures $90 billion by turning scores of welfare, education and health programs over to the states.

Reagan has come in for much scorn and criticism since the first launched the $90 billion figure in a speech to the Executive Club of Chicago on Sept. 26, 1975.

Perhaps the unkindest cut of all, as Reagan views it, has been the comparison of his scheme to Sen. George McGovern's $1,000 giveaway program in 1972. McGovern has lately admitted that his idea wasn't carefully researched, and it is becoming painfully clear that Reagan's wasn't either.

At a budget press briefing for reporters (incidentally, where President Ford successfully played out one of Harry Truman's favorite roles—that of budget expert) both Mr. Ford and Vice President Rockefeller gleefully pounded the Reagan plan.

"Totally impractical," Mr. Ford snapped. "I can't imagine 50 states having all of these programs dumped on them and then having to increase taxes if they want the programs continued."

"Not unexpectedly, Reagan is trying to soften the harsh outlines of his proposal, stressing that the $90 billion sum wouldn't come all at once, but would be phased in over a period of time."

But whatever Reagan and his people now say, a re-reading of the Chicago speech leaves little doubt that the $90 billion "cut" is a hollow idea, recklessly tossed out, with little thought to its economic or social consequences.

In an interview a few weeks ago, Reagan aide Jeff Bell said that the former California governor "doesn't make value judgments on which federal programs are necessary or harmful, good or bad—that should be up to the states."

His basic objective, rather, is to reduce the size of the federal government, and return power to the states.

That this philosophy has had an impact on President Ford can be seen from his budget proposal to consolidate 59 categorical grant programs into four "block" grants that would give states total discrimination in spending money. But under the Ford plan, Uncle Sam would still supply the money—growing more slowly year to year if Mr. Ford had his way.

The President's suggestion, "See IMPACT. C11. Col. I"
Ford Invites Reagan Comparisons

By Edward Walsh
Washington Post Staff Writer

DURHAM, N.H., Feb. 8 — President Ford today invited the American public to contrast his record in Congress and the White House with the "rhetoric and words" of his rival for the Republican presidential nomination, Ronald Reagan.

Coming as close as he has to direct criticism of Reagan, the President told a news conference at the University of New Hampshire here that he will not debate the former California governor, nor does he think it is necessary.

"I've got a record," Mr. Ford said. "The public knows what my record is. If they want to compare it to the rhetoric and words of former Gov. Reagan, I think that would be a very legitimate study for the American people to make.

"We can't say one thing and do another.

"We have to deal with reality, and we have. When the chips are down, I think the people will want a proven quality, rather than one who has never had to make those hard decisions."

Mr. Ford also reiterated his determination to stay in the GOP presidential race through the Republican National Convention in Kansas City in August, regardless of the outcome of the Feb. 24 New Hampshire primary or the other primaries. He said he is optimistic about his chances here and in the other primary states, and that he expects to win the nomination.

Mr. Ford's questions at the news conference here were representatives of the New Hampshire press and several questions involved local issues, among them delays in constructing a nuclear power plant near Seabrook, N.H., that would mean about 3,000 new jobs in the area.

William Loeb, publisher of the conservative Manchester Union Leader newspaper and an avid Reagan backer, has demanded that Mr. Ford speed up issuance of a federal permit to build the plant.

Mr. Ford, noting that nuclear power plants are regulated by an independent federal agency, struck back at Loeb today.

"This President is not going to exert any illegal or unethical pressure on an independent agency," he said.

The President traveled here by motorcade from Concord this afternoon. Arriving on the University of New Hampshire campus, he was greeted by several hundred students who waved signs and shouted slogans calling him the President of "big business."

Tonight, Mr. Ford spoke to 3,500 people in the campus gym and then answered questions from students.

More than an hour. There were a few students with anti-Ford signs and some heckling from the audience, but overall Mr. Ford received a warm, enthusiastic response.

The President's appearance in the campus gym, the largest and most public event of this initial two-day campaign swing, was considered by Ford aides to be the most successful appearance of his trip. After the question session, Mr. Ford was surrounded by students reaching to shake his hand.

In Concord earlier today, Mr. Ford said he welcomed the competition brought on by Reagan's challenge.

Although less than a week ago Mr. Ford said in a television interview that there are no major differences in philosophy between himself and the former California governor, the President told more than 1,000 Ford campaign workers today that "there are very, very important differences that ought to be discussed" in the primary campaign.

"We know something about running the federal government," Mr. Ford added pointedly.

This remark, with its unspoken message that Reagan has had no experience in national office, is a central theme of the Ford campaign here. Casing himself in the role of the incumbent with heavy responsibilities in Washington, Mr. Ford, unlike Reagan and the pack of Democratic presidential candidates, has moved through New Hampshire this weekend at a somewhat leisurely pace, speaking to selected audiences such as the Nashua Chamber of Commerce Saturday night.

His message to the conservative Republicans here on this two-day trip has been in effect, that he wants to return power and responsibility to state and local governments as much as Reagan does, but that he has a better way to do it — revenue sharing and block grants from the federal government.

By campaigning as President, Mr. Ford has been prevented from doing much of the personal hand-shaking type of campaigning that many New Hampshire residents reportedly have come to expect. The President's campaign manager here, Rep. James C. Cleveland (R-N.H.), complained about that today.

"I can't take him down the main streets to meet the people the way I campaign and the way he used to campaign in Grand Rapids," he said.

Cleveland and former New Hampshire Republican Sens. Norris Cotton, honorary chairman of the Ford campaign here, said they have detected an upswing in the President's standing among the state's GOP voters in recent days.

Nevertheless, Ford campaign officials here, believing the race between Reagan and the President to be close, expect Mr. Ford to return here the weekend before the primary for at least one more day of campaigning.
CHICAGO — Grass roots support for Ronald Reagan within the dwindling but ever more conservative Illinois Republican Party threatens to make a Waterloo out of a state still regarded by President Ford’s national strategists as total insurance against early reverses.

The Illinois primary March 16 has always been counted on in the Ford campaign for an overwhelming victory in a major industrialized state to negate possible earlier losses in less significant New Hampshire and Florida. But if Mr. Ford loses those primaries, at best he could hope for a narrow win in Illinois and at worst a shattering defeat — a Waterloo — that would conceivably bring an incredible early end to the incumbent President’s campaign for the nomination.

Rowland Evans and Robert Novak

The problem in Illinois, as elsewhere, is that the regular Republican organization and its hierarchy constitutes a Potemkin Village without substance. Although Mr. Ford still leads in private Illinois polls, far greater Reagan intensity at the grass roots makes it unwise for the President to depend on this state to salvage his campaign.

This contrasts sharply with assurances given Republicans nationwide by Howard H. Callaway, the Ford campaign chairman. Scarcely three months ago, Callaway was privately predicting 90 percent of the vote in the preferential primary (called the “beauty contest” here because it does not affect delegates) plus 100 out of 101 delegates (the only Reagan delegate being his state chairman, Rep. Philip Crane).

This nonsense has been counteracted by sober, confidential reports to the White House that Reagan could win a third of the delegates elected by district on March 16. But, seemingly bemused by presidential invincibility, even those Ford partisans assume a runaway in the beauty contest.

Such continuing unrealistic forecasts are based on a gross overestimate of what the President gained in enlisting almost the entire Republican hierarchy, headed by Ogilvie and Sen. Charles H. Percy.

Rowland Evans and Robert Novak are syndicated columnists.
WASHINGTON—A few weeks ago, a dozen "liberal" and "moderate" Republican Senators visited President Ford and urged him to get off the conservative kick they thought he was on.

They argued that he had the GOP nomination locked up and didn't have to worry about conservative defections at the convention. But, they warned, his current conservative stance is creating a hard-to-change image that will cost him needed independent and Democratic votes in the final election.

Both propositions may be correct, but not necessarily.

The Senators are right in emphasizing that an aspiring candidate might worry about two constituencies—one that nominates and one that elects—and that these are often philosophically quite different. But they are not always so different, that a campaign aimed at the former inevitably estranges the latter.

The general electorate unquestionably is less conservative than the Republican nominating constituency. Yet quite conceivably many Democrats and independents will vote in a passionately antispending mood next fall, and a strongly conservative Ford line may suit a majority of 1976 voters very well.

Admittedly, though, this is debatable. What is not debatable is that the Republican nominating constituency is highly conservative, and that despite Mr. Ford's advantages as an incumbent, the Ronald Reagan appeal is sure to be substantial.

All one needs to do is note the near-hysteria in the conservative establishment each time Mr. Ford buys a liberal-appearing proposal (such as the $100 billion energy development plan) or gives Vice President Rockefeller even the slightest pat on the back.

Human Events, for instance, plugs Mr. Reagan hard in every issue, and the American Conservative Union's latest Battline newsletter front-pages a picture of Rocky in a Mouseketeer hat, a headline that "Rockefeller Pushes Big Government Despite What He Says in the South," and a lead that declares: "Chris Jorgensen went to Denmark and became Carlisle Jorgensen; Nelson Rockefeller went South and became Adam Smith."

Just how did the Republican establishment become quite so conservative? It used to be, back in the 1940s and early 1960s, that the more liberal Eastern wing dominated the party. Most GOP governors and Senators from battleground states are still in the party's moderate-to-liberal wing: Senators like Jacobs of New York, Percy of Illinois, Taft of Ohio, Scott of Pennsylvania; governors like Mikkelsen of Michigan and Rhodes of Ohio.

Thus it would seem logical to expect these same men and their supporters to have a strong voice in the national party. Yet actually, in the past 15 or 20 years, they've had progressively less weight.

Witness how one-sidedly the liberals lost their 1972 effort at the Miami convention to give populous states a larger share of future convention delegates. Or how the national committee recently watered down proposals to increase the party role of women, young people and minorities. Or the way extremely conservative Sen. Curtis of Nebraska defeated Mr. Javits this year to become chairman of the Senate Republican Conference.

The reasons for this liberal loss of strength are many. As participation in the two parties steadily declines, it's the more moderate, independent-leaning men and women who drop out. Jobs, contracts, and other concrete rewards for party activity are largely gone, and ideology becomes the dominant motivation. The more conservative elements thus bulk ever larger in Republican ranks, just as the more liberal elements bulk larger in Democratic ranks, and it's these true believers who are particularly active in battles for convention delegates and other key party posts.

The make-up of Congress and the state legislatures also limits the influence of the more liberal Republicans. The GOP governors and Senators who must run statewide in big states with large numbers of Democrats and independents frequently feel obliged to tack left, or at least not go too far right.

But in the House of Representatives and in state legislatures, most Republicans—at least those who remain around for several terms and thus build party seniority and power—tend to come from safe districts. And safe Republican districts tend to be very conservative districts, just as safe Democratic districts tend to be very liberal.

The areas of rising Republican strength also are well to the right. Republican organizations have been losing ground in the Northeast and other places where GOP leaders have long leaned to the liberal side. The GOP has been gaining ground in the South, Southwest, and Rockies, places where the Republicans are extremely conservative, and thus reinforce the more traditional Republican conservatives from the Midwest and Plains.
Spending on White House Politicking Reaches $300,000; More Is Budgeted

BY ROBERT SHOGAN
Times Political Writer

WASHINGTON—The Republican National Committee disclosed Thursday that it had already spent about $300,000 on White House political activities this campaign and had budgeted about $200,000 more for such items for the remainder of 1975.

The figures were made public in response to press inquiries prompted by the White House announcement last week that it expected Ford's political travel expenses for the rest of 1975 to be paid by the Republican National Committee rather than by Mr. Ford's own campaign committee.

Mark Siegel, executive director of the Democratic National Committee, said he was "stunned" by the size of the Republican committee's spending, in view of the present $5,000 federal legal limit on the amount of money that a political committee, such as the Republican National Committee, can spend on behalf of a presidential candidate, such as Mr. Ford.

Siegel said the Democratic committee was considering asking the Federal Election Commission for a ruling on the Republicans' expenditures.

"We are looking at this very seriously and we have met with our counsel," he said.

Both the White House and the Republican committee have defended expenditure of larger sums on the grounds that Mr. Ford has been conducting his political activity in his role as party leader, not as a candidate for nomination.

"Historically, the two national parties have paid certain expenditures of the President incurred in his role as head of the party in serving party goals," Republican National Chairman Mary Louise Smith said. She said the present budget and expenditures for such activities "are comparable" to previous years.

In 1974 the Republican committee budget for party-related activities of the White House was $538,000 and in 1973 it was $372,000, a spokesman said.

But the Democratic committee's Siegel called such references to traditional practices ridiculous because of the new standards for federal campaign financing enacted by Congress in 1974 in the wake of the Watergate scandals.

The new law, in addition to imposing a $5,000 limit on contributions by a political committee, puts a $10 million ceiling on spending by a candidate for the presidential nomination.

If Mr. Ford's 1975 political activities are all considered to be in fulfillment of his role as a party leader, as the White House and the Republican committee contend, then the spending to cover his costs would not be charged against the $10 million spending limit as a candidate.

Chairman Smith described the Republicans' spending as "White House expenditures incurred by the President, Vice President and members of their staff when engaged in party promotional matters."

Under this heading, approximately $309,000 has either been paid out or is awaiting payment by the Republican committee so far this year, she said. She noted that there is a 60- to 90-day lag between the date some expenditures are incurred and the time the bills come in to GOP headquarters.

A Republican committee spokesman said no breakdown was available on how much of the $309,000 had been spent since Mr. Ford officially declared himself a candidate in July, or how much had been spent for Vice President Rockefeller's travel. But he said that most of the expenses had been incurred on behalf of the President.

In her prepared statement, Smith said that the Republicans' counsel was preparing a request for an advisory opinion from the Federal Election Commission "which will illustrate the purpose of the expenditures and offer a rationale for these costs being assumed by the national political parties rather than the taxpayers."

Earlier in the day, one aspect of the growing controversy surrounding Mr. Ford's campaign finances came before the election commission. It ruled, over Democratic objections, that the President's political committee did not have to pay the costs of an anticipated trip by Mr. Ford to New Hampshire to take part in the special Senate election campaign.

The commission endorsed an opinion by its general counsel, John G. Murphy, who held that the expenses for Mr. Ford, and for Ronald Reagan, who is scheduled to campaign in New Hampshire next week for Republican candidate Louis Wyman, could be covered by Wyman's campaign organisation.

Murphy acknowledged that the New Hampshire appearances might have some "carryover effect" on the presidential campaigns of Mr. Ford and of Reagan.

But he contended that their visits would probably have greater impact on the Senate election, scheduled for Sept. 16, than on the New Hampshire presidential primary next March in which both Mr. Ford and Reagan may well compete.
Ford having second thoughts about N.Y.?

By Richard L. Strout

Staff correspondent of The Christian Science Monitor

Washington

Evidence grows that the Ford administration is taking a more serious view of a possible default of the biggest city in the country, New York.

As values of New York municipal bonds sank under unfavorable news, New York State bonds also declined and Gov. Hugh L. Carey hurried to urge federal aid.

The president of the U.S. Conference of Mayors, Mayor Moon Landrieu of New Orleans, characterized the Ford administration's attitude to a breakfast group of reporters this week as "callous" and "insensitive."

Sen. James L. Buckley, New York Conservative-Republican, apparently thought better of an earlier statement that he opposed direct federal intervention and persuaded President Ford to review the claim that the city is being short-changed by Washington.

One of those making the quick survey is Treasury Secretary William E. Simon who told the Joint Economic Committee of Congress, Sept. 24, that the effect of the city's possible default on U.S. capital markets would be "tolerable and temporary."

Mayor Landrieu was one of 14 mayors who appealed in person to Congress last week in a situation which, they asserted, was growing toward national disaster.

Mayor Landrieu, reiterating his views to reporters here, noted two latest blows to New York in its touch-and-go melodrama:

A state court has banned investment of $125 million from state pension funds in a rescue operation that Albany is organizing, and bankers have intimated to the state Housing Finance Agency that they will not buy its forthcoming $69 million offering in the next two weeks.

Thus the crisis of the city is involving the state, in Mayor Landrieu's view, and may move to the nation at a time of recession and unemployment. What is happening to New York, he says, may happen to Boston, Detroit, New Orleans, and other big cities.

New York City may have lived "beyond its means," the chairman of the U.S. Conference of Mayors said, but consider these facts: The city charges an 8 percent sales tax, "the highest of any place I know"; it charges an 8.5 percent property tax, described as "astromonal"; furthermore, the welfare burden in New York is unique, Mr. Landrieu says. State and federal governments pay welfare costs for most cities, but New York picks up a quarter of the $4 billion bill.

Yes, there's an "anti-city feeling" in America, Mr. Landrieu, says, though it is diminishing; but something must be done as the middle class and wealthy flee the central cities, slums grow, buildings deteriorate, and tax bases fall.

Russian icons found in museum basement

By Reuter

Moscow

Hundreds of priceless Russian icons and manuscripts dating to the 15th century have been found rotting and uncared for in the vaults of one of Moscow's most famous museums, a Soviet newspaper reports.

The trade union daily Trud said the discovery was made when a new director took over at the Kolomenskoye Museum earlier this year.

The Kolomenskoye is a former church settlement where Peter the Great and other czars spent their childhoods.

An investigation team found icons of the 15th, 16th, and 17th centuries piled up under a damp staircase, paint flaking off the rotting wood, and manuscripts lying in moldy heaps on the floor, Trud reported.

At least 120 items from the collection had been stolen or lost during the 18-year management of the former museum director, Boris Zheronsky, the newspaper said. He is now a senior official in the Culture Ministry, it said.
I. Of publican primaries, there are some eerie scores of citing, his backers conceded, but he has strong personalities and strong positions. Having false assumptions and false optimism. Govem's analogy breaks down and have a chat to hit upon a theme that York City—but, like Ed Muskie; he makes them sound. He and makes them sound. Spending too much money, then proposed idea and stops the financial scheme. His big-name endorsements by anonymous doorbell ringers. Does all this sound like anyone we know? Gerald R. Ford is exciting, his backers concede, but he's a decent sort of fellow, familiar and reassuring. "He comes across as a guy you could sit down and have a chat with." Like any comparison, the Muskie-Ford analogy breaks down if one carries it too far, but there are still more similarities.

Gerald Ford has taken some controversial stands—his pardon for Richard Nixon, for example, and his refusal to help New York City—but, like Ed Muskie, he has yet to hit upon a theme that unifies his actions and makes them sound exciting. His speechwriters have tried cut, and apparently abandoned, "The New Agenda" and "A Fresh Start" as campaign themes. He has failed Congress for spending too much money, then proposed a $100 billion energy financing scheme of his own, and then seemed to lose interest in that idea, and returned to flailing Congress. Through all these starts and stops the only theme that has remained constant is the Muskie-like emphasis on personality. Gerald Ford, as his spokesmen keep reminding us, is "open" "decent" and "honest." You can almost see the bumper stickers: "Trust Ford."

Like Ed Muskie, Gerald Ford has pledged to enter every single primary, even though his prospective opponent, Ronald Reagan, is concentrating heavily on New Hampshire and Florida. And like Ed Muskie, he has big-name endorsements by the score. There is reassurance in their very heft and bulk.

"Take Wisconsin," says a political adviser to the President. "There's no question the people will have all the party leaders behind him for the primary there. They're convinced he's going to be nominated. And when you get to the convention (non-primary) states, they're wired for him already."
WASHINGTON WIRE

A Special Weekly Report From
The Wall Street Journal's
Capital Bureau

FORD'S SHAKE-UP fails to attain its goal of showing strong leadership.

Washington sees a President struggling to stay on top, playing "musical chairs," dependent on a few old House cronies. Ford already retreats a bit, asking CIA chief Colby to stay for now. Democrats, at Senate confirmation hearings, will loudly challenge the qualifications of Rumsfeld and Bush. Liberals will try to extract a no-politics pledge from the CIA nominee.

Ford angers Republican moderates with Rockefeller's departure from the ticket, yet fails to appease party conservatives. The right cares more about Schlesinger's firing. Reagan, sensing disorder in the White House, steams ahead harder than ever toward a contest with Ford. Press reaction to the shake-up, from both liberal and conservative pundits, is highly critical.

The ordinary voter may care little about Cabinet changes. At a dinner for 1,200, Ohio Rep. Hayes offered $100 to anyone who could name all 11 Cabinet members; there were no takers.

FORD'S STRATEGISTS grope for a campaign theme to captivate the voters in 1976. Some favor innovation—new ideas, new programs. Others lean to caution—repackaging of old programs, with ceilings to hold down costs. They argue that efforts at fiscal responsibility would fit the voters" mood, counter the Reagan threat. Yet they wonder how to make a negative approach seem positive. "How do you make responsibility sexy?" one adviser asks.

Ford's men recognize that Democrats will attack some of his proposals as pro-business, others as "anti-people." A struggle rages in the administration over next year's agenda, with economizers opposing advocates of social programs. Some new initiatives, perhaps a limited health-insurance plan, could emerge. But they probably wouldn't affect the budget till after 1977.

Richard Cheney, Rumsfeld's successor, will probably take over as White House contact man for the election campaign. But unofficial political advisers will compete.

WALLACE'S ORGANIZERS map elaborate plans to back his presidential bid. Campaign chief Charles Snider offers impressive evidence that damaging mistakes of 1972 won't be repeated. In advance of Wallace's formal announcement next Wednesday, aides have already put together a tentative delegate states in most primary states. They have held hundreds of meetings with grass-roots workers around the country—13 sessions in Massachusetts, 28 in Florida, 16 in California.

The Wallace money-raising apparatus identifies 100,000 reliable contributors to direct-mail appeals, according to Snider. Each mailing costs $60,000 but raises $180,000 to $280,000, by his account. The Wallace campaign now deploys 55 paid operatives; five full-time staffers work just on the big California primary campaign.

Wallace insists he is aiming exclusively for the Democratic nomination, but Snider gives advice to groups seeking to qualify a third party for next November's ballots.

RICHARDSON FACES a likely disappointment on his return from London to become Secretary of Commerce. He anticipates serving as chairman of Ford's Energy Resources Council, just as Secretary Morton has. But the two posts don't automatically go together. The chairmanship will probably go to either Interior Secretary Kiepe or Energy Administrator Zurb.

DID HENRY GOOF? One reason for cooling of Sino-American relations may be animosity between Kissinger and Deputy Premier Teng Hsiao-ping. After their meeting last year, Kissinger reportedly called the Chinese leader "a nasty little man." True or not, the story has gotten back to Peking.

FORD'S CHOICE of former Rep. Black-burn of Georgia to head the Home Loan Bank Board is in real trouble. Labor, consumer, civil-rights groups attack his legislative record. Surprisingly, savings-and-loan trade groups remain neutral. Industry observers see a 50-50 chance the Senate Banking Committee will reject the nomination next week.

CRITICS REAPPRAISE HUD Secretary Hills. Once-hostile home builders now credit her "persuasive talents" with winning administration revival of a housing-subsidy program. Mrs. Hills impresses skeptics with a crackdown on FHA loan abuses. She wins a reputation as a tough boss, orders closing of her department's executive dining room as an unneeded frill.

RUMSFELD'S TAKE-OVER as defense chief promises softer Pentagon positions. The new Secretary, while eager to look like an advocate of strong defense, probably won't push as hard as departing Schlesinger for a budget boost for new weapons. Rumsfeld, loyal to Ford, will hardly battle White House economy edicts; some detractors call him "the plastic man." He won't be as tough as Schlesinger in demanding Soviet concessions on arms control.

But the Pentagon's special interests get set to pressure their new boss. The Navy hopes to gain. Schlesinger tentatively ruled out building of more giant aircraft carriers; the admirals will urge former naval aviator Rumsfeld to reverse that decision.

A few officials will follow Schlesinger out of the Pentagon, but an insider says: "This isn't hara-kiri time. Most of the guys are just hanging up pictures of Rumsfeld."

MINOR MEMES: A Washington TV station got several hundred protest letters after it dropped a popular sports commentator program in order to show Ford's Monday evening news conference. . . . New York City jokes spread in Washington; comedian Mark Russell claims the real reason Mayor Beame refused to welcome Ford to New York was that the mayor didn't have carfare to the airport.
President seeks N.H. votes today

Continued from Page 1

from testing his troops, also will mark the beginning of a more visible campaign effort, that his strategists say will build gradually to the Feb. 24 primary date.

Another visit by the President closer to voting day may be scheduled, but that has not been definitely established, aides said.

How good is the Ford campaign organization? Even its organizers aren't sure. In the absence of a candidate who can make periodic visits to the state—something a President cannot easily do—the organization has not been challenged in the field, where weakness can be most easily found and corrected.

Political experts believe they have detected one weakness already in the Ford campaign here—a decision to shift away from a previously announced plan to make door-to-door canvases of voters in favor of a telephone survey.

But John Michel, the 31-year-old director of Mr. Ford's New Hampshire effort, insists the house-to-house canvass and the telephone survey were both held open as options, and the telephone survey won out because it was more practical for reasons of economics and manpower.

Seventy-five telephones have been spread across the state in 10 locations. They operate 12 hours daily and are manned in several shifts by volunteers. They have been in place since Jan. 19.

Ford aides said they have between 1000 and 1500 volunteers and are continuing to recruit.

Michel said they expect to phone every Republican household in the state by Feb. 22, two days before the primary vote.

In contrast, Reagan's organization has been operating a five-phone bank in Laconia since October. The phones are manned by professional, paid operators skilled in voter contact.

The risk of using volunteer operators is evident from one isolated incident this week.

A Republican voter received a call from a Ford worker who asked if the President could depend on his vote on primary day. The man, momentarily flustered, finally replied that he did not want to declare himself. The caller abruptly hung up with a grunt, leaving the potential Ford voter with a hostile feeling toward the Ford campaign.

Radio commercials for the President began Wednesday on 37 radio stations around the state, which has only a single commercial television station.

No television time has been purchased as yet by the Ford campaign in either New Hampshire or Boston, where the three television outlets serve the bulk of heavily populated southern New Hampshire.

Reagan has been running radio spots in both New Hampshire and Massachusetts for several weeks and has recently placed spots on television stations in Boston and New Hampshire.

A direct mailing to Republican voters went out last November from Ford headquarters, but campaign officials declined to say if and when another one is scheduled, although another reportedly is ready to go out in the wake of Mr. Ford's visit.

The reluctance of Ford and Reagan officials to discuss the details of how they are allocating their funds for such things as radio and television and direct-mail campaigns is another measure of the closeness of the campaigns.

Ford officials are hesitant to say they will buy Boston television time or even say how much they are paying the 11 salaried workers in the state.

They argued that the $200,000 spending limit for presidential campaigning in the state constrains them from discussing how they will spend their money, since such disclosures would expose their strategy to the Reagan forces.

Such disclosures also would foreclose changing their options later without, as in the case of the house-to-house canvass, appearing to be dissatisfied with their own game plan.

"We are running an open campaign," said Richard E. Mastrangelo, 37, Mr. Ford's Northeast coordinator, "but we have to be circumspect. There is a premium on planning."

Financial trade-offs are part of the reason for not advertising their intent.

A later visit by the President, which would be estimated to cost the New Hampshire Ford operation about $20,000, might not be as important as buying more campaign buttons or additional radio and television time as Feb. 24 draws closer, according to a Ford lieutenant.

"We need to have a flexible program so we can switch later if we think we should."

A loss by Mr. Ford in New Hampshire could prove fatal to his political future, especially since he faces another tough struggle with Reagan a week later in Florida.

Despite the fact that New Hampshire is a small state, no man has ever won the Presidency without first winning his party's popularity contest here.
By Richard H. Stewart
New England Correspondent

CONCORD, N.H. — President Ford and his campaign organization face their first political test in New Hampshire this weekend.

How they fare could very well be crucial to the outcome of the Republican presidential primary here Feb. 24, in which Mr. Ford faces a strong challenge from former California Gov. Ronald Reagan.

The President is scheduled to arrive in Manchester at 11 a.m. today and return to Washington late tomorrow.

With only 17 days remaining, the contest between Mr. Ford and Reagan is believed to be close, with both sides claiming an edge.

Underscoring the closeness was a remark this week from a ranking Ford campaigner:

"The President can't screw up, but neither can Reagan. There's no room for it."

Even the previously undecided voters are splitting almost evenly between the contenders as the race moves toward finality, according to one well-placed Republican source who is privy to survey data. He estimates the undecided vote now at about 10 percent.

In such a neck-and-neck race, the outcome is likely to rest heavily on the efficiency and planning of the campaign organization.

Up to now, Mr. Ford's New Hampshire operation, which by most estimates was late in forming, has been occupied primarily with building an organization, recruiting volunteers and establishing telephone banks for contacting voters.

Mr. Ford's visit, his first since the organization was formed, aside from
My present scenario is to have a final draft by the first week in June, about the time of the California primary. That should make no difference. You will get better press coverage in Washington with me than in Los Angeles without me. All the networks will be there, and you could be placed so that as I was speaking the cameras could pan in on you sitting right behind me.

I've been invited to Iran. As long as I'm in the neighborhood, I'll probably go to Cairo. That means I'll have to hit Jerusalem, too. Let me know if you want any input on the talks.

I'll need extra staff, obviously, especially if I go to Rhodesia — they want me, too. You better send Air Force One. It would emphasize the continuity of American foreign policy.

I GAVE YOUR REGARDS to Mao, by the way. I have his answer on tape someplace, but the gist of it was, "Why doesn't Gerald Ford give Richard Nixon the help he needs to continue in his great work of bringing peace to the world?"

To get back to August, Chairman Mao will be making a private visit. We're still negotiating, but I think his preferred date would be during the week of the Republican convention. They won't need you until your acceptance speech — if you're the nominee — so feel perfectly welcome to come and join us. I'm sure the chairman won't mind. Plan to send cooks, anyway. I'm planning at least two state dinners, and I don't want the country to be disgraced.

He has expressed an interest in attending the convention for an hour or two. He doesn't want to interfere in domestic politics, of course, but he's fascinated. I thought we might sit with the New Hampshire delegation. It would make excellent PR, another historic first. I made my PR trip to China during the 1972 New Hampshire primary and my second during the 1976 New Hampshire primary, and I think a lot of people all over the world are sentimental about it.

WHAT HAPPENED to you in New Hampshire, Jerry? That was pretty close, wasn't it?

I watched the returns with Chou En-lai's successor — I forget his name now, and my secretary is out watering the lawn. He was quite surprised, too.

Call me if you need any information about my plans. I'd like to give you daily briefings, I really would, but I just don't have the personnel.

Henry's a little over-zealous about keeping in touch. I like Henry in many ways, but he tends to meddle.

As Chairman Mao said, "America should speak in the world with only one voice."

Best wishes,
R.N.
ROWLAND EVANS, ROBERT NOVAK

A sweep for Ford in Florida?

BOYNTON BEACH, Fla., — The astonishing strength of President Ford in the middle-income retirement village of Leisureville here raises the possibility of a Florida primary win Tuesday decisive enough to crush Ronald Reagan’s hopes for the presidential nomination.

We found signs that the President’s popularity, based on 18 months in the Oval Office, was high and still growing in the last crucial days before the Florida test. This is no weathervane Republican precinct (practically unknown in this state of shifting population growth). But if the President’s burgeoning strength here applies to other Republican strongholds—which, like this one, are full of northern transplants—it could mean a Ford sweep.

Armed with a questionnaire prepared by Patrick Caddell’s Cambridge Survey Research, we interviewed 56 registered Republicans with the help of Caddell’s polltakers and found these results: 37 for Ford; 13 for Reagan; 6 (about 10 percent) undecided.

Leisureville in Boynton Beach is a 10-year-old retirement village of pleasant, small homes surrounded by green lawns, whose owners consistently vote conservative, even more conservative than the rest of very conservative Palm Beach County in the 1972 Senate Republican primary.

Most surprising was the paramount explanation for backing the President: Mr. Ford’s experience in office, a discovery that raises doubts about Reagan’s self-promotion as the anti-Washington candidate.

“Politicians are basically crooked,” a 63-year-old retired hospital management official told us, “but we’ve had 18 months to look Ford over and he seems better than most.”

Expressing similar sentiments, a 58-year-old portrait photographer described Mr. Ford as “a damn sight better than six months ago and really learning his job.”

An elderly housewife said the President “started out on the wrong foot with that pardon, but he’s learned his lessons.”

The experience-in-office rationale was an unbroken threat running through our interviews with pro-Ford Republicans, coupled with the companion argument that an “experienced” incumbent President would hold a head start over any Democratic opponent. “Put a new man in at the head of our party” a 62-year-old ex-contractor said, “and he’s on an equal basis with the Democrat.”

Not even committed Reagan voters showed much anger against Gerald Ford, basing their choice of Reagan on his performance as governor of California rather than Mr. Ford’s mistakes. Only one Reagan voter mentioned the Nixon pardon (“Ford hasn’t yet told the whole story on that,” he complained) and only one voter attributed his support for Reagan to the President’s attacks on Reagan as an extremist.

But an undercurrent of anti-Reaganism from these mostly retired Republicans was clearly apparent regarding the care and feeding of senior citizens in general and Social Security in particular. “There’s not much difference between them, but we know what we got in Ford.”

Rowland Evans and Robert Novak are syndicated columnists.
Is incumbency a help to Ford . . . or burden?

In analyzing the outlook for the Ford-Reagan primaries, it is usual to observe that the fact of incumbency gives the President a built-in advantage over his challenger.

Not so. Incumbency places the man from Grand Rapids at what may well turn out to be an insuperable disadvantage in this paradoxical primary year.

Jerry Ford inherited a White House in a state of disrepair and dilapidation, ravaged in the onslaughts of the Johnson and Nixon years. No longer a national monument to popular sovereignty, it had come to symbolize for millions the arbitrary and even criminal misuse of power.

The extraordinary circumstances of the Ford succession, the indispensable but politically unpopular Nixon pardon and the ordeal of recession cannot fairly be blamed upon the incumbent, but, in the public mind, he is held accountable for them.

In a time of collapse of certainties, with severe and unprecedented problems affecting the nation domestically and overseas, the President must act, in public, on the record, in the knowledge that he bears responsibility for the consequences of his actions, in the face of a power-hungry, partisan opposition, which knows he puts his trousers on one leg at a time. This opposition is free to indulge its uninhibited, demagogic and irresponsible criticism.

None of which is to be construed as an endorsement of the Ford performance in office. It is simply intended to explain why holding office, in 1976, amounts to a handicap rather than an advantage.

This is particularly true when you reflect that Ronald Reagan is as well known to the public as the President and, before 1974, enjoyed far greater celebrity. The technical advantage of the White House is that its occupant is known. Against Reagan, that is no advantage at all. He, also, is known.

These problems are probably in sum less of an obstacle to the Ford nomination than the adversary culture that dominates our contemporary political style.

The adversary culture holds the elected officeholder guilty until proven innocent. It dominates the media, creating a tactical situation in which the rigid, structured necessities of incumbency become prey to the guerrilla warfare of almost compulsive criticism.

Is the President entitled to the presumption of innocence afforded criminal defendants? He is not. The adversary culture has shifted the burden of proof.

The other night, a nationally televised comedy show closed with a terribly funny, terribly cruel blackout skit in which it was suggested that the President's intellectual equipment was inferior to his dog's. A lot of such constitutionally privileged slander is floating around the networks and the comic strips.

A satirical accusation of stupidity directed at the head of the American state seems peculiar to our times. What is the poor man to do, demand equal time to assert that he is smarter than his dog? Sue Johnny Carson or pester his advertisers? If Mr. Ford weren't President, of course, the jokes would fall flat.

This is not intended to be a recommendation of the Ford intellect. It is simply to assert that the terminology of political discourse has changed as the politics that is theater becomes increasingly intermingled with the theater that is politics.

To which must be added that the President is engaged in persistent adversary proceedings with the press and television. These institutions perceive their duty to be to hold the presidential feet to the fire.

But insofar as that duty's constructive result is to place a burden on the incumbent that his rivals do not share, incumbency can be seen to be a handicap.

The situation tends to support the view of such Ford henchmen as Howard Calloway and Richard Mastrangelo that an even split or a close defeat for the President in New Hampshire ought not to be fatal to his candidacy.

By August, when the Republicans pick their nominee, they will know whom the Democrats have chosen. And by August, the President could look a lot better than he has recently.

David B. Wilson is a Globe columnist.
**Ford Taking Advantage of Incumbency**

By Edward Walsh

Washington Post Staff Writer

TAMPA—Standing on a platform at a shopping center rally in Boca Raton Sunday, the President of the United States apologized for his appearance. He had been standing in an open car in a motorcade for hours, often in heavy rain. His hair was disheveled, his suit and shirt badly wrinkled.

"I don't look very good," Gerald R. Ford said, "but I think I'm a darn good President."

The remark could sum up the state of the Ford campaign effort here less than two weeks before the March 9 Florida primary. For a long time, it didn't look good. Now it seems better, so much so that the President and his aides are openly predicting a victory over Ronald Reagan in Florida.

That Mr. Ford is, indeed, a "darn good President" is the basic Ford campaign theme here and elsewhere. The President is portraying himself as an experienced and steady chief executive who knows how to use the office and thus much less of a risk than a former governor of California.

To further that image, Mr. Ford completed a second, two-day campaign swing through Florida Sunday, bringing to bear some of the power and mystique of the presidency as political advantages.

As for mystique, it was everywhere evident. Despite the heavy rains, along the 50-mile motorcade route the crowds by the end of the day were large and enthusiastic. The motorcade also provided one other reminder of what the presidency entails. Mr. Ford, standing in his open car and waving, wore a bullet-proof vest.

The President stayed overnight Saturday in Sarasota, bringing with him the full entourage of aides, Secret Service agents and reporters. Sunday's editions of the Sarasota Herald-Tribune heralded: "Sarasota: White House for a Day."

Ronald Reagan brings a political campaign to town. Gerald Ford brings the White House.

Mr. Ford's advisers are well aware of the advantages of incumbency and they plan to use them. The President plans to campaign heavily on weekends—he will be in Illinois next Friday and Saturday, for example—while during the week he projects the image of the experienced chief executive hard at work back in Washington.

In Sarasota Sunday, in hot, sunny weather, about 5,000 people came to see Mr. Ford at an outdoor rally at the local Shrine hall, once the winter headquarters of the Ringling Bros. and Barnum & Bailey circus.

There and in a later speech to several thousand supporters at another outdoor rally in Tampa, the President stressed his main campaign themes—his experience and record in office, an apparently improving national economy, a strong defense.

In both speeches, Mr. Ford reiterated his commitment to keep the Social Security system solvent—a key issue here because of Florida's large elderly population.

Not once during the two days of campaigning did the President mention Reagan or even allude to any of his more controversial proposals. This was in marked contrast to Mr. Ford's first campaign trip to Florida two weeks ago, when he sharply criticized some of Reagan's suggestions for improving the Social Security system.

The President's advisers, although they say they remain prepared for a prolonged primary struggle with Reagan, conceded last weekend that they hope to deliver a near-fatal blow to the Reagan campaign here in Florida, and force Reagan to withdraw after the March 16 Illinois primary.

With Mr. Ford having won the first primary in New Hampshire last week, they reason, a second Ford victory in Florida, no matter how narrow, would have a crippling psychological impact on the Reagan campaign in the next key primary state—Illinois. After Illinois, it would be all over, one Ford adviser said, leaving plenty of time "to patch up the party."

En route back to Washington aboard Air Force One Sunday night, the President described the psychology of the Florida primary this way:

"Florida is really the key. If we win and win very well in Florida, they ought to know they can't win."

---

By Edward Walsh

Washington Post Staff Writer

TAMPA—Standing on a platform at a shopping center rally in Boca Raton Sunday, the President of the United States apologized for his appearance. He had been standing in an open car in a motorcade for hours, often in heavy rain. His hair was disheveled, his suit and shirt badly wrinkled.

"I don't look very good," Gerald R. Ford said, "but I think I'm a darn good President."

The remark could sum up the state of the Ford campaign effort here less than two weeks before the March 9 Florida primary. For a long time, it didn't look good. Now it seems better, so much so that the President and his aides are openly predicting a victory over Ronald Reagan in Florida.

That Mr. Ford is, indeed, a "darn good President" is the basic Ford campaign theme here and elsewhere. The President is portraying himself as an experienced and steady chief executive who knows how to use the office and thus much less of a risk than a former governor of California.

To further that image, Mr. Ford completed a second, two-day campaign swing through Florida Sunday, bringing to bear some of the power and mystique of the presidency as political advantages.

As for mystique, it was everywhere evident. Despite the heavy rains, along the 50-mile motorcade route the crowds by the end of the day were large and enthusiastic. The motorcade also provided one other reminder of what the presidency entails. Mr. Ford, standing in his open car and waving, wore a bullet-proof vest.

The President stayed overnight Saturday in Sarasota, bringing with him the full entourage of aides, Secret Service agents and reporters. Sunday's editions of the Sarasota Herald-Tribune heralded: "Sarasota: White House for a Day."

Ronald Reagan brings a political campaign to town. Gerald Ford brings the White House.

Mr. Ford's advisers are well aware of the advantages of incumbency and they plan to use them. The President plans to campaign heavily on weekends—he will be in Illinois next Friday and Saturday, for example—while during the week he projects the image of the experienced chief executive hard at work back in Washington.

In Sarasota Sunday, in hot, sunny weather, about 5,000 people came to see Mr. Ford at an outdoor rally at the local Shrine hall, once the winter headquarters of the Ringling Bros. and Barnum & Bailey circus.

There and in a later speech to several thousand supporters at another outdoor rally in Tampa, the President stressed his main campaign themes—his experience and record in office, an apparently improving national economy, a strong defense.

In both speeches, Mr. Ford reiterated his commitment to keep the Social Security system solvent—a key issue here because of Florida's large elderly population.

Not once during the two days of campaigning did the President mention Reagan or even allude to any of his more controversial proposals. This was in marked contrast to Mr. Ford's first campaign trip to Florida two weeks ago, when he sharply criticized some of Reagan's suggestions for improving the Social Security system.

The President's advisers, although they say they remain prepared for a prolonged primary struggle with Reagan, conceded last weekend that they hope to deliver a near-fatal blow to the Reagan campaign here in Florida, and force Reagan to withdraw after the March 16 Illinois primary.

With Mr. Ford having won the first primary in New Hampshire last week, they reason, a second Ford victory in Florida, no matter how narrow, would have a crippling psychological impact on the Reagan campaign in the next key primary state—Illinois. After Illinois, it would be all over, one Ford adviser said, leaving plenty of time "to patch up the party."

En route back to Washington aboard Air Force One Sunday night, the President described the psychology of the Florida primary this way:

"Florida is really the key. If we win and win very well in Florida, they ought to know they can't win."
Air Force to Practice Limited A-War

By George C. Wilson
Washington Post Staff Writer

U.S. Air Force bomber crews have been ordered to start training for fighting a limited nuclear war in case the United States should want to exercise that option.

Many crews, under the top-secret orders which have added a number of wartime missions to the Strategic Air Command, already have received new ‘mission folders’ explaining their new tasks.

These instructions represent another big step in the Ford administration’s continuing decision to prepare the nation for a small nuclear war, where destruction might be controlled, as well as for a war of massive destruction.

Critics of the administration decision contend that there can be no such thing as a small nuclear war—that once nuclear weapons are used, doomsday will follow.

But the new orders to Air Force crews testify that President Ford and Secretary of Defense James R. Schlesinger have firmly rejected those arguments.

Joseph Laitin, assistant secretary of defense for public affairs, said last night that he could not comment on the specifics of such military planning.

He added, however, that Schlesinger “has emphasized the change in nuclear strategy and it would therefore be a natural follow for the military to start revising our plans.”

Schlesinger for two years has championed a more flexible nuclear strategy—one that would enable the United States to respond in kind to a nuclear attack on a few targets, as distinguished from massive destruction of cities and the people in them.

Strategies for trying to control the destruction in a nuclear war have been advanced before—such as the “counterforce” concept advocated strongly in the 1950s under which the United States and the Soviet Union might concentrate their fire on the other’s nuclear weapons.

But the Kennedy and Johnson administrations adopted a mutual deterrence strategy of “assured destruction” for the 1960’s—one in which America

See NUCLEAR, A1, Col. 1

Air Force to Practice Limited A-War

NUCLEAR, From A1

and Soviet cities have been held hostage to each other.

The new instructions for bombers and plans for a practice run by B-52s are part of what is being called LNO in military circles for Limited Nuclear Option. The Air Force training for LNO is supposed to be completed by Jan. 1, 1976, under present planning unless the Joint Chiefs of Staff decide otherwise in the meantime.

Pushing the limited nuclear war concept into Air Force tactics is expected to provoke fresh concern in Congress, where opponents have argued that to make nuclear war look tolerable is to invite it.

Schlesinger, in countering such arguments, has told Congress that the United States must adopt a nuclear strategy that gives the nation more than the option of incinerating the opponent’s cities in retaliation for a nuclear attack.

“We face a wide range of possible actions involving nuclear weapons,” Schlesinger told Congress this year, “and no single response is appropriate to them all... Our objective remains deterrence, but modern deterrence across the spectrum of the nuclear threat...”

To believe that the development of contingency plans (which is what the search for options is all about) will increase the probability of nuclear use is to underestimate seriously the gravity of the decision to go to war, especially nuclear war,” Schlesinger added.

The order to get cracking on training bomber crews for small nuclear wars went out to military commanders in the form of a written revision to what the Pentagon calls SIOP—Single Integrated Operational Plan, the blueprint to follow if the United States went to war.

This new addition to SIOP means that Strategic Air Command pilots and their crews will have to prepare for a lot more missions. The situation for firing a nuclear-tipped missile from a B-52 bomber have become more complicated.

For example, sources said, instead of preparing for less than half a dozen types of missions for firing nuclear weapons, the limited war requirement adds about 20 more complicated options.

Not all military officials are enthusiastic about taking on these extra nuclear missions. Some said it increases the chance of error in what is already a Strangelovian business—firing nuclear weapons at the right target at the right second.

Under the Schlesinger strategy, Air Force crews are training for what is called the optimum small option—hitting targets as small as an oil refinery or one missile base.

The theory is that the United States and the Soviet Union might find themselves in the position where they might want to limit their nuclear attacks on each other to such targets as refineries and missile bases—putting cities off limits.

The Limited Nuclear Option training covered in the mission folders now under study goes all the way from hitting only a few Soviet facilities such as refineries and factories to destroying 80 percent of the facilities in various categories.
Mr. Ford and the Energy Crisis: Abroad...

For all of the improvements in spirit and style that Mr. Ford has brought to the presidency, he has yet to take hold of the large questions of policy. Now that he has declared his intention to run for President in 1976, it is all the more appropriate to ask when he proposes to take command of his own administration — when, in other words, he proposes to start acting like a President in 1974. Nothing better illustrates this point than Mr. Ford's approach to the oil revolution, where his shifting and vague pronouncements over the past two months demonstrate precisely the defect in his present method of conducting his office.

Mr. Ford likes to parcel out policy to his subordinates, a procedure that works fairly well in those small matters that lie entirely within the jurisdiction of one department. But on the large matters of compelling national interest that span the entire government, one subordinate may move in directions that have no relation at all to another's. Here again the great example is oil. Mr. Ford's Secretary of State is now committing him to a positive and rigorous program of international conservation, while his domestic oil policy remains in the hands of a Secretary of the Interior who refuses to concede any real need for serious conservation here at home.

Secretary Kissinger's speech on energy in Chicago last Thursday is the best reason yet for hoping that the industrial countries are not just going to keep sitting on their hands and moaning while the steadily rising price of oil throws their economies—and their politics—into turmoil. But Mr. Kissinger has made a very substantial commitment in our name, and it will take discipline and determination to carry it out.

The Kissinger logic over the past year has begun, correctly, with the conviction that the industrial nations must act together. The first series of negotiations, beginning last winter, have now produced a firm agreement on sharing and conservation in the event of another oil embargo. But France has refused to participate, fearing that the United States might lead the Europeans into confrontation with the Arabs. In September, Mr. Kissinger opened another line of negotiation with a small group of major industrial powers: including France, and his speech last week appears to grow out of those talks.

The French government's view of the oil revolution is, if anything, even more somber than Mr. Kissinger's. The French won a round of applause recently with their declaration that they would limit their spending on oil to 90 per cent of the past year's level. But since then, they seem to have dilated that rule considerably. Like every other government, they are finding it very difficult to decide on whom to impose the cuts—and how it might affect French competition with other countries that do not cut their oil imports.

Words like sharing and conservation always remind Europeans and Japanese that they are far more dependent on imported oil than the United States. Their whole tremendous boom through the 1960s was fueled by the shift from primary dependence on coal to cheap foreign oil. In 1960 Western Europe drew two-thirds of its energy from coal and one-third from oil. By 1970, these proportions were reversed. In France, or Italy, or Japan, where upwards of three-quarters of all energy comes from burning oil, and virtually all of that oil is imported, cutting back imports has a very different meaning than in the United States, where oil contributes less than half of our energy and two-thirds of our oil supply is domestic. This difference in vulnerability is the root of the trouble in working out import-sharing agreements.

Secretary Kissinger proposes that all the industrial countries together hold their total imports at the present level. To let the most dependent countries grow, he suggests that the United States will cut back its own imports from the present 7 million barrels a day to 1 million by 1985. But he would require a firm agreement on imports among the industrial nations.

To finance the economics that are now running out of foreign exchange for oil payments, Mr. Kissinger calls for a "system of mutual support," capable of lending $25 billion a year, among the governments of North America, Western Europe and Japan. But again there has to be a condition. "No country should expect financial assistance," he said, "that is not moving effectively to lessen its dependence on imported oil."

Mr. Kissinger states a central political truth when he observes that the oil exporting countries "are not persuaded by our protestations of damage to our societies and economies, because we have taken scant action to defend them ourselves." Secretary Kissinger is prepared to take action. Is Secretary Kissinger prepared to take action? Is Secretary Kissinger prepared to take action? Is Secretary Kissinger prepared to take action? Is Secretary Kissinger prepared to take action? Is Secretary Kissinger prepared to take action?

On the same evening when Mr. Kissinger was delivering his challenge in Chicago, President Ford was holding a press conference in Phoenix at which he was asked about fuel conservation. He gave a characteristically fuzzy and amiable answer, stressing his hopes for voluntary public cooperation and resisting any suggestion of actual cutbacks: "I don't see us having to go backward which, in my judgment, is so contrary to the philosophy of America." He gave no hint of knowing or comprehending what his Secretary of State was simultaneously saying. The real question now is whether America is ready to undertake a serious commitment to discipline, for its own protection and the protection of its friends and allies. There is only one person who can answer that question—and he didn't answer it in Phoenix.
Defense Budget
Of $95 Billion
To Be Sought

The Ford administration plans to ask the new Democratic Congress to approve a record $95 billion for defense spending in the fiscal year starting July 1, Pentagon sources said yesterday.

Sources said the administration also will ask the lawmakers to approve additional billions in obligations to be spent in future years for long-lead weapons such as ships and planes, resulting in an overall total of about $103 billion, breaching the $100 billion mark for the first time.

The request is expected to spark a sharp outcry in the 94th Congress, which gained a number of potential new defense critics in the November elections.

Defense officials cited inflationary pressures as the primary reason behind the large boost in the Pentagon's request for fiscal year 1976, which starts July 1. They said the increase would not represent the start of any vast new arms programs.

The defense budget request for the current fiscal year was $92.6 billion, a figure Congress Pentagon officials said the weapons industry is suffering even more inflation than the general economy. They cited shipbuilding as one of the worst areas, with inflation there running about 25 per cent — double the Consumer Price Index.

For "bookkeeping purposes, the defense budget is stated in two separate forms with different totals for each.

One form gives the administration's request for "new obligatory authority" — authority for the Pentagon to commit the government to spend money — which will be about $103 billion, sources said. This is the figure Congress debates and votes on, but some of that money will not actually be spent for up to five years.

The other tells the administration's planned "outlays" or the actual dollars it expects to pay out during a specific fiscal year. Defense outlays will reach $95 billion in fiscal year 1976, compared with $83.5 billion in the current year, sources said.

The $85 billion is the figure which immediately affects the economy.

The topping of the watershed $100 billion mark is expected to focus more congressional attention than ever on the new Pentagon budget, and defense officials fear a less sympathetic response than in past years.

Last year, the normally easy-going Senate and House Appropriations committees doubled their usual token cuts in the defense budget. And last November's elections brought in a flood of new Democrats, many of whom spoke during their campaigns of flashing defense spending.

To get around the impresario of a soaring budget, the Pentagon is expected to emphasize this year — as it has in the past — the "constant" dollar, which eliminates the effects of inflation.

Charts will be displayed to newsmen and congressional committees showing that if inflation is discounted and every year's budget expressed in constant 1970 dollars, then defense spending is not really on the rise.

Washington Post
Jan. 5, 1975
Mr. Ford and Angola

Gerald Ford should take care lest his premature announcements of the decline of the United States should lend toward self-fulfilling prophecy. Now that the House has joined the Senate in refusing to finance further military assistance to a so-called "pro-Western" coalition in Angola, President Ford has virtually invited the world to regard this as evidence that the United States is no longer willing or able to protect its interests or those of its allies.

This judgment might better await a threat to some more certain American interest and some more stable ally than any yet identified in Angola. In fact, the only real justification for aid to the Angolan coalition yet put forward by this Administration is the cold-war rationale that Soviet intervention on the other side must be countered.

"I believe," said Mr. Ford, "that resistance to Soviet expansion by military means must be a fundamental element of United States foreign policy." Does he mean in each and every instance? And by military means alone? If so, it will be news to Eastern Europe, and states an American policy of armed confrontation wherever and under whatever conditions of advantage the Soviets may choose.

The Ford Administration, moreover, has consistently pictured the Soviets as having opened the present phase of heavy foreign intervention in Angola by beginning — together with Cuba — massive assistance to the Marxist Popular Movement for the Liberation of Angola (M.P.L.A.). In fact, the evidence suggests that it was the C.I.A.'s sudden infusion last January of renewed aid to the National Front for the Liberation of Angola (F.N.L.A.), a C.I.A. client since the Kennedy Administration, that provoked or evoked the current massive flow of Soviet aid and Cuban troops in support of the M.P.L.A.

It was certainly the Administration's effort to provide aid to the "pro-Western" coalition both secretly and massively that turned an already suspicious Congress — which well remembered the Tonkin Gulf episode and the war that followed — into a hostile Congress. Had Mr. Ford and Secretary Kissinger openly and fully educated Congress and the public on the vital interests they now claim to be at stake in Angola, they might have found much more support. They did not do so, it has to be suspected, because no such interests really exist.

Mr. Kissinger himself has stated that to have sought $28 million — the amount rejected by House and Senate — was part of the Administration's error. A smaller amount, to finance a smaller effort, might have slipped past Congress more easily — although a smaller expenditure still would have been a waste of money. But just as it did in seeking $250 million more in aid for Cambodia last spring, when no amount of money could have retrieved the situation, the Administration succeeded only in dramatizing to the world its lack of support in Congress for such intervention.

As far as damage to real American interests in Africa is concerned, any policy that resulted, however briefly, in de facto alliance with racist South Africa — as the Ford Administration policy did — could only compound the harm done long ago by the Nixon Administration's support of Portugal against the liberation movements in its African colonies. At least Congress has put some kind of an end to the entanglement with South Africa. It has gone far to avoid what could have been a deep and damaging American involvement in a little-understood war — and on the losing side at that — and that is more in the nation's interest than lethal game-playing with the Soviet Union.

For a clearer — if still by no means sufficient — understanding of the Angolan struggle, I am indebted to the Rev. Lawrence Henderson, for many years a missionary in Angola, now representing the United Church Board for World Ministries in New York.

In an interview, Mr. Henderson conceded that the M.P.L.A. might be more effective, efficient and capable of devising government programs because of its Marxist doctrines and disciplines, but primarily because it numbered in its leadership so many Portuguese-trained civil servants from the former colonial regime. But precisely this factor, he pointed out, had hampered its efforts to develop broad-based support in Angola; and while the M.P.L.A. might be more "effective" in a Western sense, once in power, it would either have to govern by force and repression, or seek the kind of coalition with the other factions that it has so far shown no willingness to do.

Ever so, Mr. Henderson described the F.N.L.A. as weak, incompetently led, mostly an exile organization; and he said the third faction, UNITA, which had more popular support than the others, lacked a dynamic program or the leadership to devise one. Mr. Henderson expects the M.P.L.A., with its Soviet-Cuban backing, to win power in Angola no matter what the United States now may do.
Options for U.S. in Eastern Europe

By Joseph C. Harsch
Staff correspondent of
The Christian Science Monitor

Bucharest
President Ford heads homeward from his first trip to Eastern Europe, having experienced the one most important thing to know about this part of the world: It is as diversified as is Western Europe.

For example, Poland is "aligned" with and allied to the Soviet Union but does half its trade with the West. It is trying to increase its westward trading position and is relatively prosperous although currently beset by meat shortages.

★ Options for Ford

Continued from Page 1

There are problems for American diplomacy in this part of the world. Does Washington try to do more than is yet planned to help Mr. Ceausescu out of his present economic problems? Without help he is likely to sink lower in popularity and he already is in some trouble.

If Mr. Ceausescu should fall, his place would most probably be taken by someone more in Moscow's graces. Thus Washington could hold the key as to whether Romania pursues its present westward course or slips back into a more Eastern Europe.

Then there is the problem of Yugoslavia, President Ford's last stop in Eastern Europe. It is a charter member of the nonaligned bloc.

It has lived in a state of nonconformity from Moscow ever since 1948. But it has of late been buying its weapons from Moscow as well. It has of late been buying its weapons from Moscow. Washington once had the lead but let it go.

Officers whose troops use Soviet weapons tend to go to the Soviet Union for training in those weapons.

It is up to Washington to decide whether it should take positive steps now to try to protect Yugoslavia from slipping unintentionally back into Moscow's embrace.

But again there is a nice problem of international manners: Washington takes a poor view of Moscow's activities in Latin America. Eastern Europe is as important to Moscow in Soviet eyes as Latin America is to Washington in American eyes.

Is there a new set of rules emerging about such matters? Is Moscow becoming more relaxed?

President Ford has had a fascinating week traveling among these diverse peoples and problems. He must at least understand them better now for having had the trip.

In almost every aspect Romania is different. It is trying to become nonaligned but still trades more with the East than with the West. It is the only Warsaw Pact country to be a member of GATT (General Agreement on Tariffs and Trade) and to be seeking connections with the West European Common Market.

Poland is 97 percent Roman Catholic, Romania is 80 percent Greek Orthodox.

Romanians live under the tightest police controls of any Eastern European country.

Poland is also a police state, but relatively a mild one. Romania is beset by the results of severe spring floods. Its economy is in serious trouble. Its boss, Nicolae Ceausescu, hopes for relief with most-favored-nation treatment just accorded him in Washington. But the effect is likely to be a long time in coming.

President Ford did not visit the most culturally Western of the East European countries, Hungary. He was not invited. The Hungarians live under a domestically relaxed Communist regime, enjoy a substantial revival of a private sector to their economy, have a high living standard.

But Hungarians are occupied by Soviet troops and have a still vivid memory of the time (in 1956) those troops came storming in to enforce Moscow's will upon them. They are seeking no chances of provoking any repetition of Soviet suspicion of their inclinations.

Total loyalty to Moscow in foreign affairs boys Hungary; the freedom to be Western in trade and culture.

Czechoslovakia, with an even more recent memory of the sound of Soviet tanks on its cobbled streets, is also a noninviter of the American President.

Washington is concerned these days about the trend of events in Portugal, which seems to be slipping rapidly under Communist control. But Moscow has its concerns about its own front yard. The fact that both Poland and Romania did invite President Ford and did give him warm and friendly welcomes proves that the hearts of their people are not hardened against the West.

*Please turn to Page 6
New U.S. Strategy For Nuclear War

By George C. Wilson


THE CONGRESSMAN from Michigan took the floor of the House on Jan. 19, 1951, to demand that the White House and State Department let the U.S. Air Force bomb deep inside China to help American troops "pressed to the breaking point" in Korea.

"First and foremost," he said, "we must bomb the Chinese Communist supply bases in China itself. The fallacy of fighting the hordes of Asia on the ground is obvious. We are bleeding ourselves to death, which is just what Stalin wants us to do. It is utter stupidity to continue such a policy when we are not fighting with both fists."

Back then in 1951, he was Rep. Gerald R. Ford, an obscure Republican from Grand Rapids, Mich. Today he is President Ford—commander-in-chief of military forces that could incinerate the world in half an hour. He talked about Korea and the use of American power again, as President, just a few weeks ago.

"Mr. President," a reporter asked him at his June 25 press conference, "let me just ask you this question blank: If North Korea attacked South Korea, would you use nuclear weapons to stop that?"

After some verbal fencing, the President responded: "I am not either confirming it or denying it. I am saying we have the forces and they will be used in our national interest, as they should be."

While Congressman Ford in the 1950s was complaining about restraints on American power, a Harvard professor was calling for more imaginative use of our A-bombs and H-bombs. In 1957, the professor set down his thoughts in a book entitled "Nuclear Weapons and Foreign Policy." He argued that nuclear weapons could be used without crossing the firebreak separating little wars from world holocaust.

"With proper tactics, nuclear war need not be as destructive as it appears when we think of it in terms of traditional warfare," he wrote.

"Without damage to our interest," he argued, "we could announce that Soviet aggression would be resisted with nuclear weapons if necessary; that in resisting we would not use more than 500 kilotons explosive power unless the enemy used them first; that we would use 'clean' bombs with minimal fallout effects for any larger explosive equivalent unless the enemy violated the understanding; that we would not attack the enemy retaliatory force or enemy cities located more than a certain distance behind the battle zone . . .

"A limited nuclear war does not guarantee success by itself," he wrote, "but it would use the sociological, technological and psychological advantages of the United States to best effect . . ."

Back then, in 1957, he was Prof. Henry A. Kissinger, executive director of the Harvard International Seminar and a strategist confined to consulting the government. Today he is Secretary of State Kissinger, maker and implementer of government policy, staff boss of the President's National Security Council. In those jobs, he has signed off on changes in American nuclear war strategy— with some concepts reminiscent of the ideas he set down in his 1957 book and amended in a subsequent study.

Another college professor—this one an associate professor of economics at the University of Virginia—joined Kissinger in the 1950s in theorizing about how America could use its power in the world more effectively.

"We have not reconciled ourselves emotionally to the need for the continual exercise of power to protect our interests," this professor or wrote in a book published in 1960 and entitled "The Political Economy of National Security."

He contended that "we must become adjusted to the heavy costs of limited warfare as a condition of life . . . ."

This, same professor later devoted full time to analyzing military strategy as director of strategic studies of the Rand Corp. from 1963 to 1969. He never served in any military service himself and thus was denied the chance to see what happens to many theories in actual combat.
Top Democrats Criticize Ford For Oil Tariff

By Spencer Rich
Washington Post Staff Writer

Leading Democrats yesterday condemned President Ford for raising the special oil-import tariff to $2 a barrel, predicting that the resulting higher fuel prices will boost unemployment and plunge the nation deeper into recession.

Sen. Edmund S. Muskie (D-Maine) charged that the President's energy policies would cause "an economic shock just as severe as the Arab oil embargo, and that means more inflation, more recession and more unemployment."

Sen. Henry M. Jackson (D-Wash.) said: "This one action alone will cost American consumers $25 billion per year, but it is only one step in an administrative program of higher tariffs and higher fuel prices which will take $33.5 billion from consumers and enrich the oil and gas companies and coal producers."

"Higher prices for energy and the drain they cause from consumer purchasing power are the chief single cause of the present depression. Further price increases, including the increases that will be generated by the new tariff, threaten to turn the depression into an economic catastrophe from which this nation may not recover for years," said Jackson, a candidate for the Democratic presidential nomination in 1976.

He released a letter to Majority Leader Mike Mansfield (D-Mont.) asking him to schedule a vote as soon as Congress returns from the Memorial Day recess on whether to override the President's veto of legislation passed earlier this year that would have blocked the special oil import tariffs.

The criticism of the President reflects wholly different approaches to "real conservative" energy policy by the White House and top congressional Democrats.

---

Democrats Score Ford For Oil Tariff Raise

REACT, From A1

that he couldn't wait any longer to take action.

Sen. Frank Moss (D-Utah) said the President's action will "cause a new burst of inflation and result in the loss of further thousands of jobs."

United Auto Workers President Leonard Woodcock called the President's action "the worst kind of economic nonsense."

Rep. John E. Moss (D-Calif.) said the new import fee is "a totally unjustified burden on consumers. ... It is, moreover, regressive, putting the heaviest burden on those persons least able to afford it, the poor and middle class who must drive to their places of employment."

Moss said that while the President is pressing on consumers with higher prices, he is doing nothing to force businesses to save fuels.

"He has recommended no energy conservation standards on industry ... no automobile gas mileage standards ... no energy-conserving performance standards for appliances."

Moss said that if the President also succeeds in deregulating the $2.25 ceiling on approxiamately 7 million barrels a day of "old oil" produced in the United States on which there is currently a price limit, the oil will shoot up in price to the $12 to $13 per-barrel level expected for oil imports and uncontrolled domestic oil (about 10 million barrels a day).

He said coal and natural gas prices would then also rise and the overall cost to the consumer would mount to $25 billion.

"Criticism of the President's action also came from Sen. Lowell P. Weicker (R-Conn.), who said he agreed that Congress hadn't dealt with the need to conserve fuel but that "putting new taxes on oil imports or raising the tax on gasoline as the Democrats have suggested are both totally unacceptable solutions. Both are nothing more than rationing by price."

Sen. Jacob K. Javits (R-N.Y.) said, "Although I do not approve of the President's action I understand his concern regarding the failure of Congress to act on a long-range, energy program."

The new tariff was also criticized by Rep. John Burton (D-Calif.), former Sen. Fred R. Harriss (D-Okla.) and Rep. William J. Hughes (D-N.J.), but Rep. Charles Wilson (D-Tex.) said he supports Mr. Ford because "the real energy crisis is in Congress. After six months of talking about the problem, we have nothing to show for it."
Ford Sees
Stronger U.S.
After Vietnam
By Carroll Kilpatrick
and Michael Geller
Washington Post Staff Writers

President Ford predicted yesterday that America will emerge from its ordeal in Indochina "stronger and wiser as a nation."

Speaking at the annual convention of the Daughters of the American Revolution in support of strong military defense, the President criticized the doomsayers and said that the nation has survived even greater reverses in the past.

"While I spoke of the heroic sacrifices and great disappointments in Indochina, Mr. Ford appeared to be trying to reverse the pessimistic talk the administration itself engaged in when it said in earlier statements that the losses in Cambodia and Vietnam would severely damage American foreign policy."

After the brief but pointed reference to Indochina, the President asserted that the nation's defenses must be maintained and even strengthened in building a long-range airlift capacity.

"Without referring to Israel by name or to the loss of bases in Europe, Mr. Ford said, "We may need to increase our already considerable ability to airlift troops and supplies long distances." Portugal already has said it will not allow the use of the Azores for the supply of Israel in another Middle East war."

In addition to strengthening its airlift capacity, the President said, it is crucial for the nation to maintain its sea power."

The United States and its allies depend heavily on the freedom of the seas for trade and commerce," he said. "Thus it is vital for us to maintain a full range of capabilities at sea."

For the past two years, with no notable success thus far, the Pentagon has been pressing Congress for approval of a billion-dollar plus proposal to increase U.S. military airlift capability so that more troops and equipment could be moved to Europe or the Middle East in an emergency.

The Pentagon wants to lengthen the fuselages on existing C-47 military jet transports and also wants to buy commercial airlines to provide 110 of their big, wide-bodied jet airliners so that they could, carry large military cargoes in an emergency.

Defense Secretary James R. Schlesinger has advocated these steps as a way to reassure U.S. allies in Europe that the United States can get troops to Europe fast, especially if some day there are eventually withdrawn as a result of negotiations with the Soviet Union on mutual East-West troop cuts.

The President's call for a strong defense drew a round of applause at Constitution Hall from the DAR, an organization of women who trace their antecedents to the Revolutionary War period. Mr. Ford said a recent poll showed that Americans want to play an active role in the world but to cut defense spending.

"This is a basic dilemma," he said, declining the nation cannot support peace without a large defense expenditure.

In a New York speech, Schlesinger sought, as did the president, to accentuate the positive about American strengths and attitudes.

Despite the tragedy in Indochina, he said the United States remains a "highly resilient society." "It is of vital importance to American and western security," the United States to pass quickly through 'A vast expansion," Schlesinger said.

"I am happy to state my belief that with the scaling of the passions over Southeast Asia, an improved perspective is emerging regarding our own role in the North Atlantic community," Schlesinger said. "Once again the true American stake in the external world is undergoin serious rethinking and validation."

Speaking to the Overseas Press Club, Schlesinger warned against others misinterpreting the situation in Southeast Asia, which he called "unique" because of laws prohibiting the use of U.S. military power in that specific region.

But elsewhere, he said, American treaty commitments to Japan, Korea and NATO remind the military law of the land."

Washington Post
4/16/75
Ford Waited 11 Hours to Tell American Public of His Action

WASHINGTON, May 14 (UPI) - President Ford waited at least 11 hours before informing the American people today that United States warplanes had attacked Cambodian boats.

A short time later, Mr. Ford called the National Security Council into session at the White House for the third time in 24 hours to continue efforts to gain release of the United States cargo ship captured by Cambodian forces in the Gulf of Siam.

The President conferred periodically with Secretary of State Kissinger, and White House officials sought to portray a sense of calm.

During the President's only public appearance, at the start of a meeting with Premier Joop M. den Uyl of the Netherlands, Mr. Ford gave no indication that he was under great pressure. At one point, he and Mr. Kissinger exchanged jokes about soccer with the Dutch leader.

Administration sources said that the first United States air strikes against Cambodian patrol boats began by 1 A.M., Eastern Daylight Time today, and that at least five of the craft had been hit within an hour. The first public acknowledgment of the operations came about noon from the Defense Department. There was no official explanation for the delay in announcing the action taken by the American planes.

At that point the White House press secretary, Ron Nessen, said he was unable to provide further details about either the military action or the status of the 39-man crew that was aboard the merchant ship, Mayaguez when it was seized Monday.

Asked whether the United States was now at war with Cambodia, Mr. Nessen replied, "Not that I am aware of."

Administration sources said that President Ford decided to order the air strikes late yesterday afternoon after the first of the National Security Council meetings.

Mr. Nessen said that Congressional leaders were advised of the decision at about 5:30 P.M. by White House aides, who reported that "there was a strong consensus of support and no objections."

Mr. Ford's next meeting with the Security Council started at about 10:20 P.M., soon after Mr. Kissinger returned from a speaking engagement in Kansas City. The session lasted a little over two hours. Officials said that Mr. Ford then spent a few minutes in the Oval Office and headed for the Presidential quarters, getting to bed at about 1 A.M. for about four hours of sleep. They said that he got no phone calls during the night.

Mr. Ford reached his desk at about 7:40 A.M. and after receiving his regular early-morning intelligence briefing, he met with Mr. Kissinger for about 45 minutes. He saw the Secretary of State three more times during the morning before meeting with the Security Council.
Ford's Foreign Priorities

President Ford's repeated expressions of support for Henry Kissinger are undoubtedly genuine. Still the President has a problem with the Secretary of State.

It is not the gross problem of rivalry imagined by would-be barons in the Ford entourage. It is the delicate and difficult problem of squaring the President's need to meet the international economic crisis with the Secretary's emphasis on detente with Russia and settlement in the Mideast.

A good way to sense the difference is to consider the staggering impact of the threefold price increase enacted by the cartel of oil-producing countries over the past 18 months. Something like half the rise in American wholesale prices over the past year springs directly from that increase. The inflation raging in most of the other countries of the world is even more closely tied to the oil price rise.

So is the world food crisis. Fertilizer, a petroleum product, has risen in price step by step with oil. The countries which require fertilizer are those least able to pay because they have to spend their precious dollar assets on oil itself. So India, Pakistan, Sri Lanka and several other nations known as the MSAs, or the countries most severely affected by the oil price rise, are threatened with famine.

Perhaps even more serious than the food problem is the impact of the oil price increase on the international balance of payments. The United States is running a heavy deficit largely because of the increased payments for oil. So are all the other industrialized countries.

For the United States the impact is not disastrous. The oil-producing countries unable to buy goods with their receipts invest the money in the most stable foreign countries. That means America, mainly, and, to a lesser extent, Germany, Japan and Britain.

But nations such as Italy and France have to borrow to meet their debts, or else tighten up terribly on consumption. Borrowing is tough and now threatens a run on major banking facilities. Economic restrictions, by spreading from country to country, could produce the world depression so many people foresee.

President Ford rightly understands that avoiding a world depression has to be the centerpiece of his foreign policy. That is the plain meaning of the principal statement made on the lawn of the Treasury Department in his speech to the United Nations last week: "Let us not delude ourselves. Failure to cooperate on oil, food and inflation could spell disaster for every nation represented in this room."

But every serious effort to meet the oil problem runs afoul of policies put into effect by President Nixon and still cherished by the Secretary of State. The most obvious measure would be to insist on a break in the oil price increase for this country's good efforts in promoting a settlement in the Mideast. But Dr. Kissinger hasn't wanted to jeopardize his diplomatic moves by mixing in vulgar commercial interests.

For fear of alienating the Arabs and thus spoiling his negotiations, he has not applied any pressure for an oil price breach, and his efforts to wheedle down the price by being nice to the Saudis has obviously not worked.

A second tactic would be to organize the consuming countries in a kind of counter-cartel. Dr. Kissinger has taken some steps here, notably in promoting the Washington energy conference of oil-consuming countries. But cooperation with such major oil consumers as Japan, France and even Britain has been sticky. A large part of the reason is that Dr. Kissinger has placed so much more emphasis on detente with Russia than on cooperation with this country's allies.

A third tactic would be to develop a strong program for energy self-sufficiency in this country. Only that would have involved sacrifice in the context of international crisis. President Nixon had declared the crisis was over as soon as the first progress was made toward an easing of tension between Israel and the Arab states. And in the absence of a crisis atmosphere, it has been impossible to take steps toward American self-sufficiency.

In short, Dr. Kissinger's emphasis on settlement with the Mideast and detente with Russia implies living with higher oil prices. Mr. Ford's need to deal with international economic problems implies bringing down the price of oil—perhaps even at the cost of living with an unsettled Mideast and an incomplete detente with Russia.

© 1974, Field Enterprises, Inc.

Joseph Kraft
WASHINGTON, March 10—President Ford, who has tried to build a reputation for candor and forthrightness, appears to be facing his first major credibility problem since he assumed office seven months ago. The problem has arisen because members of his Administration have been giving a more pessimistic assessment of the situation in Cambodia than Mr. Ford’s public assessment.

Members of Congress whom Mr. Ford had counted on for support tend to believe the private assessment and have been resisting his request to support the Lon Nol Government with additional military aid. They include Senator Hubert Humphrey, Democrat of Minnesota, who has publicly questioned the President’s motives, and Senator Hugh Scott, the Senate Republican leader, who said he did not see how President Lon Nol could stay in power.

The Ford White House, in the face of this, has dug in its heels on the issue and is standing by the President’s public statements. Ron Nessen, the press secretary, has produced intelligence reports from Cambodia to show that the Lon Nol Government can be sustained.

Mr. Nessen, in a press briefing today, sought to make little of the differences of opinion on Cambodia, saying, “The Administration has been unemotional and not accident in this area.”

Messages Ambiguous

This is potentially a political problem for the President. The cablegrams from Cambodia are said to paint a picture of impending disaster for the Government forces, but to be ambiguous enough to support more than one point of view.

Mr. Ford agrees with Secretary of State Kissinger that it is important for the credibility of American foreign policy to continue the aid and he is putting the intelligence reports in the best possible light.

But there remains a gap between the private and the public assessments. In private testimony before a group of House members yesterday, for example, William E. Colby, Director of Central Intelligence, was reported to have painted a pessimistic picture of the Cambodian Government’s chances even with United States aid.

Some officials have said privately that the Lon Nol Government is likely to fall, but that it is important that it fall with American aid rather than without it.

The gap between public and private reasoning Mr. Ford. His optimism has raised the question whether his advisers paint as pessimistic a picture for him as they do for members of Congress.
Ford Pledges To ‘Stand By’ Allies of U.S.

By Carroll Kilpatrick
Washington Post Staff Writer

President Ford yesterday launched the first of a series of meetings he will have with world leaders to assure them that despite the failure in Vietnam America will honor its commitments.

In separate meetings yesterday, the President conferred with British Prime Minister Harold Wilson, Australian Prime Minister Gough Whitlam and New Zealand Prime Minister Wallace E. Rowling.

The President will meet today with Singapore’s Prime Minister Lee Kuan Yew. The four prime ministers are stopping here briefly following a Commonwealth conference in Jamaica.

Later in the month, the President will meet here with the shah of Iran and Prime Minister Johannes M. den Uyl of the Netherlands before flying to Europe for conferences involving several Western European leaders.

In yesterday’s meetings, the President assured his guests that “the Indochina setback has in no way weakened United States resolve to stand by its allies and friends in Asia and elsewhere,” a White House spokesman said.

“The President also stressed the need, in the wake of Indochina, for continued close cooperation between the United States and its allies in Asia and the Pacific,” the spokesman said.

It was emphasized that the United States has a treaty commitment, through the ANZUS (Australia, New Zealand alliance and North Atlantic Treaty Organization, to all the countries represented in yesterday’s talks.

In addition, press secretary Ron Nessen stressed the treaty commitments the United States has to South Korea and to Taiwan.

In his news conference Tuesday evening, the President acknowledged that since the Vietnamese surrender he has received “reactions from foreign governments wondering what our position will be, asking where we will go and what our policy will be.”

He said that it was his aim to “tie more closely together South Korea with the United States, to reaffirm our commitments to Taiwan, to work more closely with Indonesia, with the Philippines and with other Pacific nations.”

Nessen explained that the President wanted to reaffirm the defense arrangements with South Korea and Taiwan and “to convey to North Korea” American determination to keep its commitment in the Korean peninsula.

Nessen denied that the President’s statement in the press conference suggested any shift in U.S. policy toward China or Taiwan. Declaring that there is “absolutely no change in policy” toward Peking, Nessen said the Mr. Ford looks forward to his scheduled trip to China later in the year as part of his effort to normalize relations.

In another post-Vietnam action, the President issued a proclamation canceling special Vietnam war benefits, such as burial allowance, death pensions and benefits for nonser vice-connected disability, for persons joining the armed forces after last midnight. Those in the service as of yesterday will not be affected.

The President also asked Congress to terminate Veterans’ education benefits for those joining the service after July 1. But there were indications Congress would be slow to follow his advice.

“America is no longer at war,” the President said. “But peacetime military volunteers have remained full eligible for all the wartime veteran benefits.”

Cancellation of the two forms of benefits would save $1.5 billion over the next five years, the President said.

Last night, Mr. Ford held a Cabinet meeting aboard the Sequoia, the presidential yacht. It was the first time he has used the yacht.
AFTER ELECTIONS

Problems for Ford

Postelection decisions are crowding in on the White House. Among them: How to deal with recession, inflation, oil shortages, Russia, the Mideast?

The campaigning is over—and it’s down to brass tacks for Gerald Ford. Now the President—after an intensive last-ditch effort to stem Republican losses—is having to turn his attention to major policy decisions that are certain to affect the course of Government in the two years left in his term.

Confronting Mr. Ford are problems that are awe-inspiring for a man who is still feeling his way in an office he inherited less than 100 days ago.

High on the agenda: the national economy, the need to reduce oil consumption, an uneasy peace in the Middle East, a world food shortage that involves farmers and consumers in this country.

Spending plans, budget decisions, tax policy, a legislative program for the next Congress and other problems are also piling up, awaiting decisions that were avoided or delayed during the political campaign.

The most urgent issue on the White House doorstep is the unprecedented situation of an economy in the throes of runaway inflation and, at the same time, falling deeper into what many economists predict will be a severe recession.

Presidential aides are indicating that the major concern of the Administration in the next two years will be to stimulate business and economic growth—without setting off a new surge of inflation.

Credibility. Too. There is the problem of restoring public confidence in the Government, a confidence badly shaken in the Watergate era. One public-opinion poll after another has shown that neither the executive nor the legislative branch of Government is held in high esteem.

Whatever answers Mr. Ford comes up with, he will be dealing with a Congress still firmly controlled by Democratic majorities. From all signs, that Congress will be more restive, more “liberal” and less subject to party discipline and legislative traditions of the past.

Eye on ballot box. Also. In the midterm transition period, both parties will be charting approaches to the 1976 presidential campaign.

Democrats in Congress—sensing an opportunity to limit Mr. Ford to a brief term—will be staking out positions and planning their own party program as the basis for a 1976 platform.

Personal rivalries over a spot on the national ticket may jeopardize Democratic harmony in Congress. Many of the leading prospects for the Democratic presidential nomination will be in the U. S. Senate, and each will be seeking public attention.

Said a long-time observer of Washington’s political wars: “Divided Government, leading up to a presidential election, means conflict and confusion. The outlook for the next two years is for a period of incessant and accelerating conflict.”

Even more immediate problems confront the President.

Just ahead is a lameduck session of the departing 93rd Congress, and one major order of pending business: the nomination of Nelson Rockefeller, former Governor of New York, to be Vice President.

Mr. Rockefeller is still expected to be confirmed by Congress—but not until (continued on next page)
PRESIDENT'S PROBLEMS
[continued from preceding page]

 completion of prolonged hearings and questioning about his financial affairs and his loans and gifts to friends and associates.

Lameduck sessions generally produce little legislation, and the coming one is regarded as likely to fall into that pattern. Some members sitting in this session will have been defeated at the polls. Others are retiring voluntarily at the end of the year. Democrats, expecting substantially larger majorities when the next Congress convenes in January, will not be anxious to move ahead in the short session on much more than routine appropriations bills.

Thus, Mr. Ford's proposals on taxes and other steps to cope with an ailing economy are likely to be held over until 1975.

Nor are the President's detailed recommendations—expected shortly—on just where to cut the federal budget to keep it under 300 billion dollars this year likely to fare much better.

Given fair chance of passage during the lameduck Congress is a new 12-billion-dollar mass-transit program and federal regulation of strip mining.

Test at the summit. Just ahead, too, is President Ford's first major diplomatic test at a summit meeting with Leonid Brezhnev, the Soviet Communist Party leader. Preventing a renewal of the arms race is the prime topic for discussion. Mr. Ford's session with the Soviet leader later this month in Vladivostok will culminate his first overseas tour as President, a trip that will also include visits to Japan and South Korea.

Even before the conference with Mr. Brezhnev, the President will have to come to grips with difficult diplomatic problems in Japan, where mass demonstrations and being stowed to protest the alleged presence of American nuclear weapons on Japanese territory.

In both Japan and Korea, White House aides say, there is concern over the President's physical safety.

It will be January—when the 94th Congress convenes—before Mr. Ford presents his first comprehensive program for dealing with major problems. Task forces now are at work shaping the program, to be spelled out in the President's state-of-the-union message and in the budget he will propose for the fiscal year that starts next July 1.

Heart of the program. Details are still far from settled. But the heart of the program is likely to include, in one form or other, just about every Administration proposal already sent to Congress that does not win approval of the lawmakers in the short session. There will be new initiatives, too. Among the key components of the Ford package—

- A comprehensive new tax plan, including an income-tax surcharge, more liberal investment tax credits and relief for low-income families.
- Tougher measures to curb oil imports and restrict use of gasoline—assuming the President's request for voluntary cutbacks fails to save fuel.
- Public-service jobs for the unemployed and other emergency measures to ease the pain of recession.
- A national health-insurance system, administered largely by the private health industry.
- An overhaul of welfare, including a guaranteed annual income for the working poor.
- A balanced budget for the coming fiscal year, with spending increases over the current year to be limited to roughly the rate of inflation. That would suggest a 320-billion-dollar budget.

On almost every proposal he submits, Mr. Ford will run into congressional opposition or into attempts to "improve" the Ford model.

A battle over spending priorities is likely to be waged through the entire year. A Democratic Congress, for example, will be demanding bigger cuts in military spending and foreign aid than Mr. Ford wants—and pushing for more funds for social programs than the President will propose.

The lawmakers are expected, too, to weaken Mr. Ford's anti-inflation program and, instead, beef up his proposals for coping with recession's impact. That will involve reshaping his tax package, weakening if not eliminating the income-tax surcharge, and providing more aid to the unemployed.

Already, pressure is building up to give Mr. Ford authority he does not want to impose stiff wage and price controls. Support for gasoline rationing also seems to be growing in Congress.

One thing Mr. Ford would like to have, and which Congress may give him, is a tax on "windfall profits" of oil companies.

There is likely to be considerable debate on how to bring down the cost of groceries—but little action. It will take a bumper U. S. crop in 1975 to relax price pressures and provide the food to help ease worldwide shortages.

Concern with crime. Likely to surface in the next Congress is concern over public safety. With the crime rate on the up once again, demands are rising in both big cities and suburban areas for measures to protect life and property from criminals. Some polls indicate a public attitude of near-despair over the ineffectiveness of law enforcement.

Compounding Mr. Ford's troubles with Congress are likely to be renewed efforts by lawmakers in both parties to reclaim some of the power the legislative branch has gradually surrendered to the executive over the years.

"The class of '73," says a congressional authority, "will be far better in asserting its prerogatives, enlarging particularly Congress's role in foreign-policy making and budget control."

Even as the President prepares to take on Congress, he will be struggling to put his own brand on the Administration he inherited from Richard Nixon.

Transition problems have plagued the President, delaying the creation of an orderly policy-making apparatus.

Initially, the President will have to soothe the continuing tensions between the new Ford appointees and the Nixon holdovers. More new staffers will be

U.S. NEWS & WORLD REPORT, Nov. 11, 1974
brought in, more Nixon men phased out. Changes, too, are expected in the Cabinet in coming months.

One top White House official says there could be practically an entire new Ford Cabinet by mid-1975.

Challenges abroad. Mr. Ford, confronted by a host of domestic problems, can count on no relief on the foreign front.

Despite Soviet-U. S. détente, still in its formative stages, a formidable array of potentially dangerous issues demands prompt attention from the White House. Among the major ones—

- A shaky Middle East peace that is fraying around the edges. Hopes of avoiding fresh hostilities between Israel and the Arabs depend on the mediation efforts of President Ford's Secretary of State, Henry Kissinger.

Another round of fighting would pose the danger of a new oil embargo and a Soviet-American confrontation. Even without new war, the threat of further Arab oil cutbacks is an ever-present danger.

- A new superpower arms race. The Ford Administration is moving into a critical stage of negotiations with Russia for a fresh agreement to control offensive nuclear weapons beyond 1977, when existing limited accords expire.

Failure to hammer out a pact on the basis of "essential equivalence" within the next year to 18 months would force the U. S. into a multibillion-dollar build-up of nuclear weapons to prevent the Soviets from gaining strategic superiority in the 1980s.

- The danger of global depression. A desperate non-Communist world is looking to the U. S. to deal with the threat of financial and economic disaster growing out of the oil crisis. Without strong American leadership, European statesmen warn, a breakdown of the international monetary system could prove unavoidable as one country after another finds it impossible to meet skyrocketing bills for oil imports.

Complex and dangerous. At the moment, President Ford is also confronted by the breakdown of the southern anchor of the North Atlantic Treaty Organization, the result of the conflict between Greece and Turkey over Cyprus. In the words of a veteran diplomatic observer:

"The foreign-policy problems confronting President Ford may be less dramatic than those faced by President Truman in the Berlin blockade or President Kennedy in the Cuban missile crisis—but they are more complex and potentially just as dangerous."

Thus, in the aftermath of elections, for Mr. Ford—and for the nation—a time of testing lies ahead.

ON THE STUMP WITH '76 ON THEIR MINDS

The calendar says 1974, but for half a dozen or more political figures on the stump this fall, it was 1976 that was at least as much on their minds.

They were the people, Democrats and Republicans, with an eye on the White House who were taking part in an established ritual:

Touring the country on behalf of local political candidates—in hopes of building up support and political "IOU's" that would help in a presidential bid later on.

In the space of one recent week, for example—

Senator Lloyd M. Bentsen (Dem.), of Texas, spoke on behalf of Democratic congressional candidates in New Mexico and Pennsylvania, appeared on a political forum at Texas A. & M., and addressed the Bond Club of New York.

Senator Walter F. Mondale (Dem.), of Minnesota, talked on be-

half of Governor Milton Shapp of Pennsylvania, who is up for re-election, as well as congressional candidates in Pennsylvania and New Jersey. He found time, too, to address the American Jewish Committee's annual dinner in Philadelphia and to meet with leaders of the United Auto Workers in New Jersey.

Senator Robert C. Byrd (Dem.), of West Virginia, campaigned for Democratic candidates in Las Vegas, Tulsa, Nashville and Memphis.

Senator Henry M. Jackson (Dem.), of Washington, was doing the same in Las Vegas, Phoenix, Albuquerque, Cheyenne, Salt Lake City and Denver.

All four are unannounced but expected candidates for their party's presidential nomination in 1976. And all were doing what had been done for months—crisscrossing the country, appearing at party events, raising money, amassing good will.

By Election Day, Senator Bentsen had been in 36 States this year, Senator Mondale in 31 and Senator Byrd in 15. Senator Jackson, this autumn alone, had spoken on behalf of 56 candidates in 32 States.

Another man mentioned as a presidential prospect, Democratic Representative Morris K. Udall, of Arizona, spent the closing weeks of the campaign concentrating on his own race for re-election to Congress. Earlier this year, however, he traveled to 18 States—more than once to some States that will hold important primaries in 1976, including New Hampshire, Wisconsin, Florida, Indiana and California.

It's not only Democrats who have been active. But with President Ford—who campaigned in more than 20 States for Republican candidates this fall—regarded as odds-on choice to be his party's nominee in 1976, few other Republicans have been touring the country to build up support for a White House race.

One exception: Governor Ronald Reagan, of California, who made three forays into the South and Midwest to help the cause of Republicans. Many political leaders in the South, in fact, said that he was more in demand than Mr. Ford himself.

Mr. Reagan remains a favorite of the "conservative" wing of the Republican Party. Aides said that he is preparing a bid for his party's nomination if President Ford decides not to run again—or if Mr. Ford strays too far from "conservative" views.

Speaking for local candidates is a time-honored way of getting a head start in the presidential sweepstakes. John Kennedy in 1958, Barry Goldwater in 1962 and Richard Nixon in 1966 all traveled widely for their parties' candidates—and drummed up the support en route that helped them to win nominations two years later.
Foreign Policy, Ford:

President Ford appeared last night before a joint session of the House and Senate to present his review of U.S. foreign policy. He called upon the North Vietnamese to halt military operations immediately and appealed to Congress to provide more economic aid and military aid in South Vietnam.

The chances for an enduring peace after the last American fighting man left Vietnam in 1973 rested on two public statements: First, that the United States would help sustain the terms of the Paris Accords; second, that the United States would provide adequate economic and military assistance to South Vietnam. Let us refresh our memories for a moment:

The North Vietnamese, from the moment they signed the Paris accords, systematically violated the ceasefire and other provisions of the agreement. In December of 1972, the United States moved across a broad front toward a universal consensus in the United States at that time that if we could end our own involvement and obtain the release of our prisoners we would provide adequate material support to South Vietnam.

The North Vietnamese, from the moment they signed the Paris accords, systematically violated the ceasefire and other provisions of the agreement. In December of 1972, the United States moved across a broad front toward a universal consensus in the United States at that time that if we could end our own involvement and obtain the release of our prisoners we would provide adequate material support to South Vietnam.

In the best American tradition we have committed—a man with striking success—our influence and good offices to help contain conflicts and settle the disputes of the world. We have, for example, helped in the Middle East and South Africa.

The American people can be proud of what they have done and will continue to do in the years ahead. We shall continue to be a great nation and a great power.

Tonight I shall talk only of obligations arising from legal documents:

Who can forget the enormous sacrifices in blood, dedication and treasure that we made in Vietnam? Under five Presidents and seven Congresses the United States was engaged in Indochina. Millions of Americans served, thousands died, and many more were wounded, imprisoned, or lost. Over $500 billion have been appropriated for that war by the Congress of the United States.

We have committed a man with striking success—our influence and good offices to help contain conflicts and settle the disputes of the world. We have, for example, helped in the Middle East and South Africa. The North Vietnamese, from the moment they signed the Paris accords, systematically violated the ceasefire and other provisions of the agreement. In December of 1972, the United States moved across a broad front toward a universal consensus in the United States at that time that if we could end our own involvement and obtain the release of our prisoners we would provide adequate material support to South Vietnam.

The North Vietnamese, from the moment they signed the Paris accords, systematically violated the ceasefire and other provisions of the agreement. In December of 1972, the United States moved across a broad front toward a universal consensus in the United States at that time that if we could end our own involvement and obtain the release of our prisoners we would provide adequate material support to South Vietnam.

The chances for an enduring peace after the last American fighting man left Vietnam in 1973 rested on two public statements: First, that the United States would help sustain the terms of the Paris Accords; second, that the United States would provide adequate economic and military assistance to South Vietnam. Let us refresh our memories for a moment:

The North Vietnamese, from the moment they signed the Paris accords, systematically violated the ceasefire and other provisions of the agreement. In December of 1972, the United States moved across a broad front toward a universal consensus in the United States at that time that if we could end our own involvement and obtain the release of our prisoners we would provide adequate material support to South Vietnam.
Let us start afresh. I am here to work with the Congress. In the conduct of foreign affairs, presidential initiative and the ability to act swiftly in emergencies are essential to our national interest.

With respect to North Vietnam, I call upon the President to invite Congress to join me in this call—to cease military operations immediately and to honor the terms of the Paris agreement. The United States is urgently requesting the signatories of the Paris conference to meet their obligations to thereby influence the fighting and enforce the 1973 accords. Diplomatic notes to this effect have been sent to all members of the Paris conference, including the Soviet Union and the People's Republic of China.

The situation in South Vietnam and Cambodia has reached a critical phase requiring immediate and positive decisions by this government.

The options before us are few, and time is short:

- On the one hand, the United States could do nothing more; let the government of South Vietnam save itself and what is left of its territory if it can; let those South Vietnamese citizens who have worked with us for a decade save their lives and families if they can; in short, shut our eyes and close our hands of the whole matter—

  - Or, on the other hand, I could ask Congress for authority to enforce the Paris accord with our troops and our tanks and our aircraft and our artillery, and to carry the war to the enemy.

There are two narrower options:

- First, stick with my January request that the Congress appropriate $300 million for military assistance for South Vietnam and seek additional funds for economic and humanitarian purposes.

- Or, increase my requests for both emergency military and humanitarian assistance to levels which by best estimates might enable the South Vietnamese to stem the mounting aggression, to stabilize the military situation, permit the chance of a negotiated political settlement between the North and South Vietnamese, and, if the very worst were to happen, at least allow the orderly evacuation of American and refugee South Vietnamese to places of safety.

Let me now state my considerations and conclusions:

I received a full report from the Army Chief of Staff Gen. [Fred] Westwood, whom I sent to Vietnam to assess the situation. He advises that the current military situation is critical, but that South Vietnam is continuing to defend itself with the resources available. However, he feels that if there is to be any chance of success for their defense, the United States needs urgently an additional $722 million in very specific military supplies from the United States. In my judgment, the stabilization of the military situation offers the best opportunity for a peaceful solution.

I must, of course, consider the safety of some 10,000 Americans who remain in South Vietnam, and tens of thousands of South Vietnamese employees of the United States Government, of news agencies, of contractors and workers for many years whose lives, with their dependents, are in grave peril. There are tens of thousands of other South Vietnamese intellectuals, professors and teachers, editors and opinion leaders who have supported the South Vietnamese cause and the alliance with the United States, to whom we have a profound moral obligation.

I am also mindful of our posture toward the rest of the world, and particularly on our future relations with the free nations of Asia. These nations must not think for a moment that the United States is pulling out on them or intends to abandon them to aggression.

I have therefore concluded that the national interests of the United States and the cause of world stability require that we now give both military and humanitarian assistance to the South Vietnamese.

Assistance to South Vietnam at this stage must be swift and adequate. Drift and indecision invite far deeper disaster. The sums I have requested before the major North Vietnamese offensive and the sudden Vietnamese retreat are obviously inadequate. Half-hearted action would be worse than none. We must act together and decisively.

I am asking the Congress to appropriate without delay $722 million for emergency military assistance and an initial sum of $250 million for economic and humanitarian aid for South Vietnam.

The situation in South Vietnam is changing rapidly and the need for emergency food, medicine and refugee relief is growing. I will work with the Congress in the days ahead to develop additional humanitarian assistance to meet these pressing needs.

Fundamental decency requires that we do everything in our power to ease the misery and pain of the monumen­tal disaster which has befallen the people of Vietnam. Millions have fled in the face of the Communist onslaught and are now homeless and destitute. I hereby pledge in the name of the American people that the United States will make a major humanitarian effort to help care for and feed them.

I ask Congress to clarify immediately its restrictions on the use of U.S. military forces in Southeast Asia for the limited purposes of protecting American citizens and those who have supported the South Vietnamese cause and the alternative of leaving the United States defenseless. I also ask prompt revision of the law to cover those Vietnamese to whom we have a special obligation and whose lives may be endangered, should the worst come to pass.

I hope that this authority will never be used, but if it is needed there will be no time for congressional debate.

Because of the urgency of the situation, I urge the Congress to complete action on all these measures not later than April 19.

In Cambodia the situation is tragic. The United States and the Cambodian government have each made major efforts over a long period and through many channels to find a solution. But because of their military successes, steady external support, and American legislative restrictions, the Communist side has shown no interest in negotiation, compromise, or a political solution.

And yet, for the past three months, the beleaguered people of Phnom Penh have fought on, hoping against hope that the United States would not desert them, but instead provide the arms and ammunition they so badly need.

I have received a moving letter from the new acting President of Cambodia, Saukham Khoy.

"Dear Mr. President," he wrote, "As the American Congress reconsiders your urgent request for South Vietnamese aid, and in the name of the People's Republic, I appeal to you to convey to the American legislators our plea not to deny these vital resources to us, if a nonmilitary solution is to emerge from this tragic five-year-old conflict.

"If we find a peaceful end to the conflict we need time. I do not know how much time, but we all fully realize that the agony of the Khmer people cannot and must not go on much longer. However, for the immediate future, we need the rice to feed the hungry and the ammunition and weapons to defend ourselves against those who want to impose their will by force of arms. A denial by the American people of the means for us to carry on will leave us no alternative but inevitably abandonning our search for a solution which will provide our people freedom of choice as to their future. For a number of years now the Cambodian people have placed their trust in America. I cannot believe that this confidence was misplaced and that suddenly America will deny us the means which might give us a chance to find an acceptable solution to our conflict."

This letter speaks for itself. In January, I requested food and ammunition for the brave Cambodians. I regret to say that as of this evening, it may be too late. Members of the Congress, my fellow Americans, this moment of tragedy for Indochina is a time of trial for us. It is a time for national resolve.

It has been said that the United States is overburdened with too many commitments too far from home; that we must re-examine what our truly vital interests are and shape our strategy to conform to them. I find no fault with this theory, but in the realm of humanity it must not be pursued carelessly and in close coordination with solid progress toward overall reduction in worldwide tensions.

We cannot in the meantime abandon our friends while our adversaries support and encourage theirs. We cannot dismantle our defenses, our diplomacy or our intelligence capability while others increase and strengthen theirs.
At the same time, in order to strengthen the democratic government of Greece, and to reaffirm our traditional ties with the people of Greece, we are actively discussing a program of economic and military assistance. We will shortly be submitting specific requests to the Congress.

A vital element of our foreign policy is our relationship with the developing countries — in America, Asia and Latin America. These countries must know that America is a true and concerned friend, reliable in word and deed.

As evidence of this friendship, I urge the Congress to reconsider one provision of the 1974 trade act which has had an unfortunate and unintended impact on our relations with Latin America, where we have such long ties of friendship and cooperation. Under this legislation all members of OPEC (the Organization of Petroleum Exporting Countries) were excluded from our generalized system of trade preferences. This punished two old South American friends, Ecuador and Venezuela, as well as other OPEC nations such as Nigeria and Indonesia, none of which participated in last year’s oil embargo. This exclusion has seriously complicated our new dialogue with our friends in this hemisphere.

I therefore endorse the amendments which have been introduced in the Congress to provide executive authority to waive those restrictions of the trade act that are incompatible with our national interest.

The interests of America as well as our allies are vitally affected by what happens in the Middle East. So long as the state of tension continues, it threatens military crisis, the weakening of our alliances, the stability of the world economy, and confrontation among the nuclear superpowers. These are intolerable risks.

Because we are in the unique position of being able to deal with all the parties, we have at their request been engaged for the past year and a half in a peacemaking effort unparalleled in the history of the region.

Our policy has brought remarkable successes on the road to peace. Last year, two major disengagement agreements were negotiated and implemented with our help. For the first time in 30 years a process of negotiation on the basic political issues was begun — and is continuing.

Unfortunately, the latest effort...
I pledge the United States to a major effort for peace in the Middle East—and in which I know how much the solid support of the American people and their Congress. We are now examining how best to proceed. We have agreed in principle to reconvene the Geneva conference. We are prepared as well to explore other forums. The United States will move ahead on whatever course looks most promising toward an overall settlement or interim agreements, should the parties desire them. We will not accept stagnation or a stalemate, with all its attendant risks to peace and prosperity and to our relations in and outside of the region.

The national interest—and national security—require as well that we reduce the dangers of war. Our efforts to do so by continuing to improve relations with potential adversaries.

The United States and the Soviet Union share an interest in lessening tensions and building a more stable relationship. During this process we have never had any illusions. We know that we are dealing with a nation that reflects different principles and is our competitor in many parts of the globe. Through a combination of firmness and flexibility, the United States has in recent years laid the foundation for a more reliable relationship founded on mutual interest and mutual restraint. But we cannot expect the Soviet Union to show restraint in the face of United States weakness or irresolution. As long as I am President, America will maintain its strength, its alliances, and its principles—it's a prerequisite to a peaceful planet. As long as I am President, we will not permit anyone to become a license to fish in troubled waters. Detente must be a two-way street.

Central to U.S-Soviet relations today is the critical negotiation to control strategic nuclear weapons. I hope to arrive agreements at a final agreement on a new nuclear arms agreement. That is the time of General Secretary Brezhnev’s visit to the United States. Such an agreement would be the first step in a serious process of detente. It would mark a turning point in postwar history and would be a crucial step in lifting mankind from the threat of nuclear war.

Our need for trade and economic sanctions as we seek to alter the internal conduct of other nations must also be seriously re-examined. However well-intentioned the goals, the fact is that some of our recent actions in the economic field have been self-defeating. They are not achieving the objectives intended by the Congress. And they have damaged our foreign policy.

The trade act of 1974 prohibits most-favored-nation treatment, credit and investment guarantees and commercial agreements with the Soviet Union so...
The national security budget I have submitted is the minimum the United States needs in this critical hour. The Congress should review it carefully. But it is my considered judgment that any significant reduction would endanger our national security and thus jeopardize the peace.

Let no ally doubt our determination to maintain a defense second to none. Let no adversary be tempted to test our readiness or our resolve.

History is testing us today. We cannot afford indecision, disunity or disarray—more needed for the future. For ray in the conduct of our foreign affairs.

You and I can resolve here and now that this nation shall move ahead with wisdom, assurance, and national unity.

The world looks to us for the vigor and vision that we have demonstrated so often before at great moments in our history.

* I see a confident America, secure in its strength and values—and determined to maintain both.
* I see a conciliatory America, extending its hand to allies and adversaries alike, forming bonds of cooperation to deal with the vast problems facing us all.
* I see a compassionate America, its heart reaching out to orphans, to refugees and to our fellow human beings afflicted by war and tyranny and hunger.

As President, entrusted by the Constitution with primary responsibility for the conduct of our foreign affairs, I renew the pledge I made last August: To work cooperatively with the Congress.

I ask that the Congress help to keep America's word good throughout the world. We are one nation, one government, and we must have one foreign policy.

In an hour far darker than this, Abraham Lincoln told his fellow citizens: "We cannot escape history. We of this Congress and this administration will be remembered in spite of ourselves. No personal significance or insignificance can spare one or another of us."

We who are entrusted by the people with the great decisions that fashion their future can escape neither our responsibilities nor our consciences.

By what we do now the world will know our courage, our constancy, and our compassion.

The spirit of America is good and the heart of America is strong. Let us
A "home folks" feeling is taking hold as the Fords settle in. Lively but low-key, it marks a big change from the four decades of lavish living that began with Franklin D. Roosevelt.

After decades of what often appeared to be a regal way of living by U.S. Presidents, a return to a more modest life style is coming into view at the White House.

Friends of President Ford and the First Lady who know their likes and dislikes from long acquaintance make this prediction:
The Fords' tenancy at 1600 Pennsylvania Avenue will be as down to earth as the traditions of the great mansion and the social and ceremonial obligations of the Presidency permit.

That will mean a marked change.

With the exception of Harry Truman—a notably frugal man—Presidents beginning with Franklin D. Roosevelt have lived amid increasingly conspicuous opulence.

President Roosevelt set precedents that some critics called "imperial."

Dwight D. Eisenhower, restless in the White House, pursued such hobbies as golf and fishing on a grand scale, from Palm Springs, Calif., to Newport, R. I., from Colorado to Augusta, Ga.

John F. Kennedy and his wife, Jacqueline, brought the "Camelot era" to the White House—a time of lavish entertainment and glittering guest lists.

Lyndon B. Johnson's personal life style was expansive at the White House and equally so at his LBJ Ranch in Texas, a showplace in its own right.

Richard M. Nixon favored the majestic trappings that his immediate predecessors had enjoyed, added touches of his own, and maintained, as well, a "Western White House" at San Clemente, Calif., and a "Florida White House" at Key Biscayne.

"Feels at home." Long-time associates of President Ford say there is every reason to anticipate a simpler, more informal way of life than that which the nation has come to expect from its Chief Executives in the past 40 years.

Says one close observer: "The Fords just don't lean toward the spectacular or the extravagant. For instance, to put White House policemen in European-style uniforms—as Richard Nixon once did—would be completely out of character for Gerald Ford, a man who likes to fix his own breakfast."

From another associate:

"Don't look for President Ford to set up a Western White House or a Florida White House or even a Grand Rapids White House.

"After all these years in the political mainstream of Washington, he feels at home here. His friends, with whom he intends to remain in close touch, are here."

Mr. Ford is expected to continue a family tradition—Christmas holidays at his $65,000 condominium near the ski slopes of Vail, Colo.

There is no thought, however, of making a "winter White House" of the condominium, which is on the third floor of a building overlooking a busy street.

The Fords, according to friends, have decided not to sell their $70,000, four-bedroom home in Alexandria, Va. They (continued on next page)
NEW FIRST FAMILY
(continued from preceding page)
also own a $25,000 house in Grand Rapids, Mich.
On week-ends, the Fords probably will make frequent use of Camp David,
the Government-owned presidential retreat in Maryland's Catoctin Mountains.
That hideaway was first used by President Roosevelt, who named it Shangri-la.
President Eisenhower changed the name to Camp David in honor of his grandson.
The heated swimming pool at Camp David is of special interest to Mr. Ford,
who made daily use of his back-yard pool in Alexandria. The White House pool,
installed during the Franklin Roosevelt era, was covered over during the Nixon Administration,
and a $500,000 press room was built on top of it.
Only a few changes. Mr. and Mrs. Ford plan few alterations in the White House living quarters, where they took up residence on August 19.
One bedroom is being converted into a den and television room for the new President—and some exercise equipment is being installed for him there.
Of the Ford children, only daughter Susan, 17, will be a full-time resident of the White House. The bedroom she chose formerly was occupied by Julie and David Eisenhower.
The Fords' eldest son, Michael, 24, and his bride, Gayle, are living near Boston, where he is a theological student at Gordon-Conwell Seminary. John, 22, is returning to classes at the University of Utah after working this summer as a ranger in Yellowstone National Park. Steven, 18, plans to work on a cattle ranch in Utah for a year before enrolling in college.
White House aides keep remarking upon the President's calm approach to the problems of transition. One staff member's comment:
"The President is tremendously relaxed. He just doesn't show any sign of pressure. He is a pipe smoker who always has a couple of pipes at the ready on his desk in the Oval Office. The desk is usually clear except for the pipes and a note pad. He sometimes props his feet up on the desk as he talks on the phone or confers with aides.
"During meetings in the Oval Office, the President keeps his jacket on, but when he goes into the adjoining sitting room he takes it off and gets really comfortable. Sometimes, he seems so relaxed that I ask myself, 'Does this man really understand that he's the most powerful leader in the world?'
"One thing is certain: He's enjoying his job and taking it in stride."
Some staff members fret about Mr. Ford's open-door attitude. A holdover from the Nixon Administration put it this way: "The open-door policy is fine as a slogan, but there are just so many hours in a day, and a President has to budget them."
Another complaint heard is that there are now "two separate staffs" at the White House—the Ford cadre and the Nixon holdovers. Said one of the latter: "These two separate groups are eying one another with a certain amount of suspicion and hostility."
Despite such mild grumbles, the prevailing attitude in the Ford White House appears to be a blend of optimism about the future and relief that the tensions of the recent past have vanished.
For the Fords, life has undergone, inevitably, a dramatic transformation. Betty Ford, speaking of the change, has remarked, for instance, that her husband was "practically going broke as Vice President." Mr. Ford's salary in that job was $62,500. That was $13,000 more than he received as House Minority Leader—but as Vice President he declined to accept fees for speeches, from which he earned $34,000 in 1973.
As President, his salary is $200,000, plus a $50,000 expense allowance, and an additional $40,000 allowance for travel and entertainment.
At Mr. Ford's disposal now are such perquisites as the luxuriously equipped "Air Force One" and other jet planes, a fleet of helicopters and limousines, and the 99-foot yacht Sequoia.
In the magnificently furnished White House, which costs 1.7 million dollars a year to operate, servants are on call around the clock. "Household help" includes butlers, chefs, maids, chauffeurs, gardeners and other service employees—72 in all.
There is a wine cellar, a library that is restocked every year, a constantly changing choice of the latest movies for private viewing, a medical staff and countless other amenities.
For the protection of the President and his family by the Secret Service and the White House police, there is a budget of 14 million dollars a year.
It has been said that no king or emperor could afford the opulent trappings that surround a President of the United States.
But aides say Mr. Ford is mindful that—in a time of worrisome inflation—questions are being raised about presidential luxuries.
It is pointed out, too, that the troubles of Richard Nixon included criticism stemming from expenditure of public funds in connection with his two private homes located at San Clemente and Key Biscayne.
Touches of austerity? All indications are that Gerald Ford will provide some touches of austerity.
One sign of this: When the President gave a reception for several hundred high-ranking federal officials, the refreshment available was iced tea, rather than the mixed drinks and costly delicacies usually associated with such events.
Also noted was the low-key manner in which Mr. Ford announced his nomination of New York's former Governor Nelson A. Rockefeller as Vice President.
Protocol experts note that pomp and pageantry are inseparable from the Presidency—an office of awesome power. Even so, friends of the Fords maintain that life at the White House will be less lavish and more informal than in the decades that saw the steady growth of a regal style.
The first state dinner given by the President and Mrs. Ford—on August 16, in honor of King Hussein of Jordan and Queen Alia—is being cited as an example of the new way of life at the White House.
One guest gave this description of the atmosphere:
"There was a feeling of easy friendliness—there was no tension, no rigid formality. The White House seemed homey and comfortable, like the Fords themselves."
Press Curbed on a Union Ethics Code

WASHINGTON, Sept. 25 (AP) — For the second time, a National Labor Relations Board judge has ruled that an ethics code for newspaper employees affects working conditions and is subject to collective bargaining.

In issuing the ruling today, Administrative Law Judge Samuel M. Singer ordered Peerless Publications, Inc., publisher of The Pottstown (Pa.) Mercury, to rescind its code of ethics and general office rules governing editorial employees.

Judge Singer said the terms of employment embodied in the rules must be negotiated with the employees' union, Local 10 of the Newspaper Guild of Philadelphia, which filed charges of unfair labor practice against the publisher last year.

Another N.L.R.B. judge ruled argued in hearings before Judge Singer earlier this year that the ethics code merely defined the standards the newspaper considered "vital and indispensable to its product.

To maintain the standards, the publisher argued that management must retain "unfettered publishing judgment" to determine the ultimate intellectual quality of its product free from "intrusion of the inevitably hampering process called 'collective bargaining.'"

But Judge Singer, citing the decision in the Madison case, said product integrity was not the exclusive interest of the publisher. Reporters, he ruled, also "have an interest in objectivity, accuracy, judgment, imagination and other intangibles cited by management as necessary for publication of an indispensable to its product." The publisher must also determine "what the public is willing to pay for," he said.

The publisher also argued that the code is merely an "admission policy" to the Journal's standards of objective reporting that reporters avoid any situation which might lead the public to believe "they have a conflict of interest."

Mr. Castner defended his purchase as legitimate, investing $5 in shares of American Bankshares Corporation. He bid 22 cents for each share. The par value is $1.

"He did not do anything illegal, nor do we feel that he used any inside information," Mr. Leonard said. "However, the Journal's standards of objective reporting demand that reporters avoid any situation which might lead the public to believe "they have a conflict of interest."

Mr. Castner was sentenced to five months in jail for refusing to answer questions on stock ownership raised by a grand jury.

For the second contempt of court conviction of a St. Petersburg Times reporter, Lucy Ware Morgan, who refused to tell a grand jury the source of an article dealing with grand jury deliberations, she was cited for the second contempt charge by refusing to answer grand jury questions on the source. The first citation was overturned on the ground that...
POLITICAL CIRCUIT
By ROBERT L. HEALY

Gerald Ford can be beaten

Things are looking up for the Democrats nationally. That certainly was the message out of the New Hampshire victory last week by John Durkik over Republican Louis Wyman in the Senate contest. And it is sure to be reflected over the weekend when at least six and possibly seven candidates for the presidential nomination get together in Springfield.

The problem for the Democrats nationally at this stage of the presidential picking is that they don’t think they have much in the way of horses. And President Ford has so dominated the news and the campaign arena that it appears hopeless.

But the lesson of New Hampshire to Democrats is that the President can be beaten. Certainly, his policies were rejected soundly in what is generally considered a Republican state. The Administration and what it stood for was a major issue in that campaign.

That could make things more attractive for the Democrats who are coming to Springfield for the second in a series of five regional forums.


Those five are expected to be in Springfield, along with Sargent Shriver, who announced last week, and Jimmy Carter, former governor of Georgia.

There is a regional touch to the forums. Each candidate will serve on a panel. Panels in Springfield will include Lester Thurow, professor of economics at MIT; U.S. Rep. Michael Harrington of Beverly, Rhode Island, a black leader in Boston, and Victor Goebel, executive director of the State, County and Municipal Employees Union. They will deal with regional issues such as offshore oil drilling, energy, unemployment and the environment.

The sessions will take place this week in the Springfield Civic Center. Its sponsors include the Americans for Democratic Action (ADA), the auto and communications workers, and the women’s caucus. Delegate candidates from the six New England states and New York will attend, but the forum will be open to all.

Rep. Donald Fraser (D-Mich.), national ADA chairman, is the idea man for the forum. He also was one of the principal sponsors of the Democratic midterm convention in Kansas City last year.

Neither Kansas City nor the forums have been particularly attractive to the regulars and conservatives in the Democratic Party. But Kansas City worked. It showed that a very diverse party could deal with issues and not tear itself apart. The first forum in Minneapolis also was called a success.

Beyond that, it shows once again where the action is in the Democratic Party. It is on the liberal side. Gov. George Wallace, and Sen. Henry Jackson and Lloyd Bentsen, all presidential candidates and all associated with the regulars or the conservative elements of the Democratic Party, did not attend the Minnesota forum and are not planning to attend in Springfield or the other forums planned in Baltimore, Atlanta and Los Angeles.

The forums are clearly an attempt to stir interest in what the Democrats have to offer and give the current stable a chance to appear in a well-covered forum.

But beyond that, they are sure to produce organization for at least some of the candidates who take part. Organization produces money and that is the stuff that wins popular primaries.

New England will have a regional primary of a sort. New Hampshire still will be the leadoff but Massachusetts and Vermont will be only a week behind next spring, and some of the candidates will combine their New Hampshire and Massachusetts and Vermont operations. Springfield over the weekend will be a presidential primary preview for the entire area.

Robert Healy is executive editor of The Globe
that more than $25 billion is needed to stimulate recovery. The $11.5 billion tax cut of 1964, which serves as a yardstick because it produced a successful recovery, would be the equivalent of $26 billion in today's inflated economy.

Some top Administration officials have an opposite worry. Greenspan, Treasury Secretary William Simon and Arthur Burns, chairman of the Federal Reserve Board, are unhappy about the burgeoning federal deficit that will result from a tax cut, a projected $35 billion in fiscal 1975. If the Treasury is once again forced to borrow heavily to pay Government bills, a credit crunch could develop when corporate financial needs cannot be met. Should the Federal Reserve significantly add to the supply of money and credit, inflation would be gigged upward anew.

The Administration plans to make the most of its tax reductions for individuals by putting money into consumers' pockets almost immediately in the form of rebates of 10% on 1974 personal income tax payments—effect, a retroactive tax cut. The hope is that consumers would treat this as a windfall and go on a shopping spree for cars, color-TV sets and other durable goods. It would also, as the President pointed out in an interview with Time (see page 20), provide money for those unemployed this year who last year had jobs and paid taxes.

The Administration was also considering a lower corporate income tax rate as well as a boost in the investment tax credit from 7% to as much as 12%—an increase that is favored even by the leaders of organized labor, who are becoming concerned over the growing capital squeeze. Also under study is a modest rise in the $750 personal exemp

---

The Energy Plan

The new White House energy program seemed to be a more exact expression of the presidential viewpoint and leadership than Ford's economic proposals. Stung by charges of being too weak in facing up to a longstanding crisis, the White House, if anything, over-reacted. Administration spokesmen variously described the forthcoming program as "hard-nosed" or "hawkish," though some might argue whether rationing would not be the more hawkish of policies. Said one White House aide: "Philosophically, it is cast in terms of crisis." Ford was ready to take an uncompromising market approach, preferring to cut consumption by prodding up prices than by using restrictive import quotas or rationing allocations.

The boost proposed by the Administration was twofold: tariffs and new taxes on oil and natural gas, on the one hand, and removal of price controls on the other. In $1 stages over three quarters beginning March 1, Ford planned to cut at least a $20 billion tax cut for lower- and middle-income families. They are also recommending a larger

---

SPEAKER ALBERT MEETS WITH FORD

For the Democrats, a ten-man task force in the House to disparage halfway measures, timid initiatives or voluntarism.

chaired by Speaker Albert, that will discuss the personal income tax refund and the low-income allowance. Ford discussed the personal income tax refund last week with Al Ullman, chairman of the House Ways and Means Committee. At the end of the session, Ullman was not necessarily buying the exact form of the President's proposal, but he pledged to cooperate on some kind of quick tax relief.

Taking a more alarmist view of the recession, the Democrats are offering a much broader program than Ford's, and seem confident of passing it, even over a presidential veto. Disparaging "halfway measures, timid initiatives or public appeals to voluntarism," they have set up a ten-man task force in the House, directed by Speaker Albert, that will propose at least a $20 billion tax cut for lower- and middle-income families. They are also recommending a larger

---

CHAIRMAN ULLMAN & AIDE WITH PRESIDENT

The new White House energy program seemed to be a more exact expression of the presidential viewpoint and leadership than Ford's economic proposals. Stung by charges of being too weak in facing up to a longstanding crisis, the White House, if anything, over-reacted. Administration spokesmen variously described the forthcoming program as "hard-nosed" or "hawkish," though some might argue whether rationing would not be the more hawkish of policies. Said one White House aide: "Philosophically, it is cast in terms of crisis." Ford was ready to take an uncompromising market approach, preferring to cut consumption by prodding up prices than by using restrictive import quotas or rationing allocations.

The boost proposed by the Administration was twofold: tariffs and new taxes on oil and natural gas, on the one hand, and removal of price controls on the other. In $1 stages over three quarters beginning March 1, Ford planned to cut at least a $20 billion tax cut for lower- and middle-income families. They are also recommending a larger

---

ask Congress to impose a $3-per-bbl excess tax on domestic crude oil and a tax of 40c per 1,000 cu. ft. on natural gas. These actions are expected to reduce consumption by as much as 1.5 million bbl. per day and encourage development of domestic sources. To take the windfall out of oil company profits and return money to consumers who are paying higher prices, Ford was set to ask for an excess profits tax on decontrolled oil and natural gas and possibly the removal of the oil depletion allowance. Also planned: a request for standby authority to ration gasoline.

Hints of this prospective energy package caused dismay in Congress. Under intense pressure from constituents to do something about inflation, legislators are hardly in a mood to send the price of oil skyrocketing, with a consequent leap in the consumer price index. A Senate staffer involved in en-
The Economy: Trying to Turn It Around

For Gerald Ford, the presidency has been a learning process, and he is a slow and methodical study. It was not a goal and destiny he pursued and prepared for. The office was thrust upon him, and he has attempted, haltingly at times, manfully always, to cope. On Wednesday in his State of the Union message, Ford was to present in its entirety his most ambitious endeavor to date: a new, sweeping economic and energy program designed to combat the recession without igniting further inflation and to conserve fuel in the bargain. Though there might be some last-minute changes in detail, it combines a $15 billion tax cut to stimulate the economy with a series of tariff and measures intended to boost the cost of using crude oil, thus discouraging imports and ultimately the use of petroleum.

Given the complexities and uncertainties of the U.S. condition, the program may go too far in some directions and not far enough in others. There are no proven remedies for the plight of the economy. Ford failed in his first efforts last fall, and has been forced to retreat from the proposals and programs he espoused then; he could be wrong again, and, in any case, it is not yet clear that all of his measures will pull in the same direction.

Nonetheless, the new program bears the mark of concentrated study and serious intent—as well as divided opinion among advisers. It is a welcome effort to face the economic and energy crisis and try to turn it around. It may well be a sign that Jerry Ford is beginning to get the hang of leadership in a post that perpetually calls for it, seldom with such urgency as now.

Why Action Was Required

In part, at least, events forced leadership upon him. The depressing economic statistics continue to accumulate. According to the Department of Commerce, the nation's output of goods and services declined by an estimated 7% in the last quarter of 1974, the biggest annual drop since World War II. The battered auto industry disclosed that new car sales in December skidded 26% below a year ago; for 1974, they were down a punishing 23%. Unemployment has reached 7.6% and threatens to exceed 8% before the recession bottoms out—the highest jobless rate since 1961. This week, for one week, the Ford Motor Co. will close 22 of its plants, idling 85,000 workers. In response to the worsening economic news, the Louis Harris Poll indicates that 86% of the public thinks the President is mishandling the economy.

Carl Albert was invited to lunch at the White House with his old friend and onetime fellow Congressman. He discussed with the President the fact that the Democrats would propose their own solution to the nation's economic ills. With the Democrats threatening to seize the initiative on national policy, Ford advanced his own timetable to Jan. 15. He had originally planned his State of the Union message for Jan. 20.

The Economic Plan

By embracing a tax cut in his new program, Ford is doing something of an about-face; only last October he refused to label the economic downturn a recession and urged a 5% surcharge in additional taxes to fight inflation. Last month he denied that he would make a 180-degree turn in his policy. Last week White House Press Secretary Ron Nessen admitted, only half facetiously, that the turnabout could be 179 degrees. Still, Ford may not be going far enough—a case of too little too late.

Many economists now feel that it will take more than $15 billion in last fiscal stimulus to bring the nation out of recession. Last week the prestigious, moderately conservative Committee for Economic Development weighed in with a ringing endorsement of a much larger tax cut. In a speech in New York City, Philip M. Klutznick, chairman of C.E.D.'s program committee, estimated
The Making of a Republican Leader

"Ford's CREEP speech marked his coming of age as the single most influential Republican."

DETROIT—Well before Vice President Ford was publicly rebuked by White House Press Secretary Ronald Ziegler last weekend for being the source of a magazine article discussing a possible Ford cabinet, the outlines of a major speech denouncing arrogance of power by a President's White House staff were beginning to take shape in Ford's mind.

Ford is being pressed by political intimates and party leaders to make such an encore to his assault last month on the "arrogant, elite guard of political adolescents" controlling the Committee for the Re-election of the President (CREEP). The CREEP speech, Ford's coming of age as the single most influential Republican politician, attempted to put him on the right side of the Watergate issue without bringing him into direct conflict with President Nixon. As such, it produced only private complaints from the White House staff.

But Ford, newly aware of his unique position at the pinnacle of Republican influence, would cut much closer to the bone by attacking the old Berlin wall of H.R. Haldeman and John Ehrlichman. Not once since his two trusted aides left last April 30 has the President permitted himself even a suggestion of criticism. Rather, he has integrated his own defense with theirs.

Moreover, even before Ford's contemplated speech, the White House mood changed. Whereas resentment had previously been directed strictly against Ford's staff for insufficient loyalty to Mr. Nixon, it is now being aimed at the Vice President himself.

The White House was outraged by the New Republic magazine article last week that left no doubt Ford was the source. Ziegler's criticism fully reflected the President's own position.

The Vice President is well aware of all this in planning a new speech. As Republican leader in the House, he was systematically excluded by the Berlin wall. Hence, a warning by him against any future President permitting his inner staff to monopolize power in the Haldeman-Ehrlichman manner is regarded by him as a public duty. But it would also be a political 10-strike.

Thus, Ford has come far since that day in December when he took the oath of office under President Nixon's gaze. No political figure has shot from obscurity to acknowledged presidential heir-apparent so fast, and none with so few inherent political problems ahead.

A symbol of Ford's power position in the Republican Party is the way he can speak out even on such forbidden subjects as changes he would make in the Nixon cabinet if he became President tomorrow. Only the White House has reprimanded Ford for the New Republic article.

Republican leaders have said nothing. One Southern party leader who consistently defends Mr. Nixon told us that no matter how embarrassing Ford's speculation might be to the President, it "probably helps Ford." Ford has so clearly become the depository of the party's future hopes that even Nixonite stalwarts (outside the White House) hesitate to rebuke him.

This was apparent when Ford stopped off in the Detroit area last week to campaign for two Republican congressmen running for re-election, including an address to one of the largest dinner meetings ever held by the suburban Oakland County Young Republicans.

The applause was deafening when a letter from Sen. Robert Griffin was read stating that "Jerry Ford's service to the nation has just begun." It was thunderous when Rep. William Broomfield of Michigan talked about Ford's "unique ability to bring people together, and that's what we need in this country today."

But an amplifier was needed to hear the scattered applause when Ford praised Mr. Nixon and declared him "innocent of any of these charges that have been made against him."

The new Ford formula—defend Mr. Nixon himself, while blaming the party's crisis on his old protégé guard—avoids the major political blunder Ford made in his Atlantic City speech early this year. Ford attempted to debunk Watergate. He has not repeated that mistake.

The future holds some risks. He will be the party's spearpoint in this year's midterm election, and could be contaminated to the extent his party loses seats in a possible Democratic landslide. But a confident Ford, now wearing elegant suits with slant coat pockets and shirts with detachable soft collars and French cuffs, seems totally unconcerned.

"That would be a problem," he told us...if I were a candidate for President, but I'm not.

Ford's closest political friends don't believe that disclaimer. Moreover, the feud between his staff and Mr. Nixon's adds to the disbelief. Ford's lieutenants correctly perceive him no as the President's right-hand man but as what he has become in just five months; the single most influential Republican in the country.

© 1974, Field Enterprises, Inc.

Editor's note: In the Monday Evans-Novak column the word "nearly" was inadvertently dropped from a sentence which should have said "not only did nearly all Republicans vote for the subpoena of the White House tapes by the House Judiciary committee. We regret the error."
THE ADMINISTRATION

Ford: Facing a Fresh Gusher of Criticism

Not since he pardoned Richard Nixon had President Gerald Ford aroused such a furor. Last week he signed into law the first phase of his economy and energy program, provoking a veritable gusher of criticism from across the political spectrum. It is an outpouring that will be hard for him to cap, and it could ultimately swamp his ambitious, multifaceted program.

The Democratic-controlled Congress threatened to hold up and reject his proposals. A bipartisan group of Governors from the Northeast pledged to go to court to thwart his plans. A summit meeting of organized labor denounced his Administration in terms that they used to reserve for Herbert Hoover. Even on the right, former California Governor Ronald Reagan was sharply disapproving.

Further Drain. What Ford had done was to bite the bullet as he had been urged, though people had differing views of the bullet he should bite.

Ford hopes to goad Congress into enacting the remainder. But many Congressmen and economists fear that the program will set off another round of inflation. Exactly how much is a matter of conjecture.

While the Federal Energy Administration estimates that the program will cost the average family of four an extra $17 per month, a Library of Congress report released last week puts the annual increase at a whopping $723. But for the President, the important point seemed to be to take immediate action. On signing the proclamation, he declared: "Each day that passes without strong and tough action results in a further drain on our national wealth."

The tactics of delay and proposals, which would allow our dependency and vulnerability to increase, will not be tolerated by the American people."

Even before Ford moved on tariffs, Senators Henry Jackson and Edward Kennedy had sponsored a Senate resolution to postpone the tariff increase for 60 days; in the meantime Congress, if it has the will, would be able to draft its own energy-saving program. In the House, Pennsylvania Democrat William Green offered a similar motion to defer the hike for 90 days, which the House Ways and Means Committee promptly voted, linking the deferral to an increase in the federal debt limit to $351 billion.

Ford needs that increase and thus might find it difficult to veto the bill. When Treasury Secretary William Simon testified before the Ways and Means Committee, Green denounced the Administration for acting in the tradition of Watergate. "We are being treated in an ultimatum fashion," he complained. "We are beginning this exercise in an atmosphere not of compromise but in one of confrontation." Said new Ways and Means Chairman Al Ullman, who had tried to persuade Ford to put off the proclamation: "We're extremely disappointed with the President. I wonder if the President might be playing games with Congress."

Death of Economy. Ten Northeastern Governors who met with the President just before he signed the tariff hike were equally angry (see the Presidency). Since their region is more dependent on foreign oil than the rest of the country, it will be hardest hit by the new fees. "By this unilateral action," objected New York's Hugh Carey, "the President is going to coerce the Congress and the country." Said Connecticut Governor Ella Grasso: "The program will mean the death of our economy."

The Governors pledged to file a lawsuit challenging the President's right to take unilateral action under authority of the 1962 Trade Expansion Act. Most indignant of all were some 350
labor leaders of the AFL-CIO, who met in Washington last week to hammer out their own economic plan. In a characteristically colorful diatribe, AFL-CIO President George Meany called the President's program "disastrous, the worst I have ever seen." He drew the loudest applause when he attacked the oil-producing Arab nations along with Secretary of State Henry Kissinger. "Kissinger and we will continue to pay until the deals with the blackmailers in the man-

I

"I'm the Kraut with clout," joked Henry Schoellkopf Reuss last week after House Democrats voted him chairman of the Banking and Currency Committee. For 20 years as Representative from his Milwaukee district, Reuss had suffered Congress's archaic seniority system, waiting impatiently in the wings for his turn.

As intense, scholarly man, Reuss has had a long-term interest in the abstrusities of fiscal and monetary policy, a passion shared by his wife Margaret, an economics professor. Reuss describes himself as Lincolnian in economics. "The Government should do for people that, and only that, which they can't do for themselves, like standing up to conglomeration and multinational giantism," he said. "I believe in low interest rates, fair prices and jobs for all. If that be Populism, I'm a Populist."

His program for jobs would call for expanded manpower training and a sizable increase in public-service employment. He would make better use of existing manpower resources by creating regional labor exchanges with computerized job data banks. He thinks that monetary policy must protect interest-sensitive parts of the economy from the harmful effects of tight money. To that end, he thinks that the Federal Reserve must be able to direct more credit toward small businesses and low- and moderate-income housing. To do this, he would encourage banks to make high-priority loans in return for the right to hold lower reserves.

Some Government agencies, he argues, give perverse incentives to export scarce goods like wheat and cotton, and to export credit, which allows rich countries to buy U.S. goods at less than market prices. Last year Reuss suggested the creation of a congressional price-supply ombudsman to act as watchdog over rising prices. Finally, he would finance a tax reduction for low- to middle-income Americans by, among other things, closing loopholes such as untaxed capital gains at death, hobby-farm deductions, and tax-exempt interest on bonds.

Reuss (the name rhymes with Joyce) was born 62 years ago into a Milwaukee banking family headed by his grandfather, a German immigrant. He studied at Cornell University, graduated from Harvard Law School in 1936, and won the Bronze Star in World War II for action in the crossing of the Rhine. Back home, he ran unsuccessfully for mayor, helped organize an anti-Joseph McCarthy drive called Operation Truth, and was defeated in a campaign for the Senate in 1952. But two years later, Reuss stumped Wisconsin's fifth district, mak-
Ford Maintains Popularity Gain

By GEORGE GALLUP

PRINCETON, N.J. — President Gerald Ford maintains his post-Mazayges gains in popularity in the latest nationwide survey. Fifty-two per cent approve of the way Ford is handling his job as president, compared to 33 per cent who disapprove and 15 per cent who do not express an opinion.

In the previous survey, completed in early June, 51 per cent approved, 33 per cent disapproved, while 16 per cent did not express an opinion. That survey reflected favorable reaction to the Mayaguez incident and an uptick in public optimism regarding the economy.

Ford thus begins what he described in a recent radio address as "not a New Deal but a New Start," with approval outweighing disapproval among most major groups in the population, including traditionally Democratic groups such as Catholics, manual workers, young adults and labor union members.

There are, however, certain "soft spots" in Ford's popularity profile. Disapproval of his performance among blacks, for example, outweighs approval by better than a 2-to-1 margin.

In addition, analysis of the intensity of approval reveals that the 52 per cent approval score is far from an enthusiastic endorsement. In fact, only one person in five (19 per cent) indicated that he "strongly approves" of the way the President is handling his job. As would be expected, enthusiasm is most marked among Republicans with 35 per cent strongly approving of Ford's performance by way of contrast, only 12 per cent of Democrats and 17 per cent of independents express strong approval.

Following is the question asked to measure presidential popularity:

"Do you approve or disapprove of the way (name of incumbent) is handling his job as President?"

Here is the full trend for Ford since taking office:

| FORD POPULARITY (Handing of Job as President) |
|-----------------|-----------------|-----------------|-----------------|
| Approve | Disapprove | No Opinion |
|-----------------|-----------------|-----------------|-----------------|
| June 27-30 32% | 33% | 35% |
| May 2-16 31% | 33% | 36% |
| April 18-31 39% | 66% | 15% |
| March 28-31 37% | 43% | 20% |
| March 7-12 35% | 49% | 17% |
| Feb. 28-March 3 39% | 45% | 16% |
| Jan. 21-Feb. 2 39% | 43% | 18% |
| Jan. 10-13 37% | 39% | 24% |
| Dec. 6-19 42% | 32% | 26% |
| Nov. 15-18 39% | 40% | 21% |
| Nov. 8-11 47% | 33% | 19% |
| Oct. 21-24 33% | 50% | 17% |
| Oct. 14-16 36% | 42% | 22% |
| Sept. 29-30 39% | 38% | 23% |
| Sept. 6-9 38% | 43% | 19% |
| Aug. 28-30 37% | 33% | 26% |

To determine intensity of approval or disapproval, all persons in the survey were asked to indicate how strongly they approve or disapprove of Ford's handling of his job as chief executive. The question and national results:

"How strongly would you approve (disapprove) — very strongly or not so strongly?"


The results reported today are based on in-person interviews with 1,508 persons, 18 and older, in more than 300 scientifically selected localities across the nation during the period June 27-28.

FORD POPULARITY (Per cent who approve)

| Current | Average in current year | Average since taking office |
|-----------------|-----------------|-----------------|-----------------|
| High white in office (Aug., 1974) | 41 | 47 | 53 |
| Low white in office (Jan., April, 1975) | 37 | 47 | 53 |

Mac

Factory authorized
Save 92.00 on the
Philco Cold Guard

- Uses up to 47% less electricity than competitors thanks to new
- Frozen foods stay safer
- Refrigerated foods stay
- It's only 22" wide yet
- Ice maker included

Macy's!
Ford’s Risky Plan Against Slumpflation

It was anything but the standard State of the Union speech. Instead of congratulating himself on the achievements of his young and troubled Administration, Gerald Ford adopted the somber tone of a wartime leader calling for an all-out effort to repel the enemy. Instead of skipping lightly over a broad spectrum of national and foreign policies, the President concentrated almost exclusively on specific means to counter the worst economic slump since the Great Depression, the nation’s almost 14% rate of inflation and the U.S.’s dangerous dependence on cartel-controlled foreign oil. Displaying the blunt candor that is his most politically attractive quality, the President proclaimed himself the bearer of “bad news,” declared flatly that “the State of the Union is not good,” and announced that he did not expect “much if any applause.”* Then he unfurled an economic and energy program of considerable scope, great complexity and huge risk.

Essentially, Ford plans a three-stage operation on the severely sick economy:

Stage 1: A quick infusion of $16 billion of new buying power—$12 billion to consumers in rebates on 1974 taxes, $4 billion to corporations in higher tax credits on purchases of new machinery.

Stage 2: Imposition of $30 billion in new energy taxes that will force every citizen to pay more to drive a car, heat a house or turn on a light switch.

Stage 3: Recycling of that $30 billion back into the spending stream, chiefly by permanent cuts in corporate and individual income taxes.

If the policy works as Ford hopes, sales would revive, unemployment would moderate and the nation would be much better able to withstand another cutoff of foreign oil, since Americans would be compelled by higher prices to reduce their prodigious waste of energy. But if the program fails, the consequences could be dire indeed. The $16 billion in rebates and tax credits might be too weak to jolt the economy out of its alarming slumpflation; in that case, the nation could suffer a prolonged agony of unemployment rates higher than any since before World War II. In addition, the higher prices for oil and natural gas that Ford plans could restore the raging inflation that is only now beginning to relax its debilitating grip on the U.S.

Critical Crew. And Ford must sell his ideas to a highly critical crew of consulting physicians: the Democrats, who hold overwhelming control of Congress. The Democrats slapped together their own program for doctoring the economy, but it was an imprecise series of compromises that even party leaders concede will be tough to enact (see box page 19). Still, in announcing the program, House Speaker Carl Albert of Oklahoma said: “We mean business. We intend to act.”

The Democrats enthusiastically agreed on the need for a big and fast tax cut. Indeed, within a couple of months they may well enact a deeper slash than Ford has asked. But they fear that the President’s energy proposals would push prices so high as to destroy the purchasing power that the tax reductions would create. Democratic Senator Adlai Stevenson III of Illinois estimates the chances of Ford’s energy program getting through Congress as “zero.”

When Ford was being escorted from the House by congressional leaders after his speech, his sometime golfing partner, Democratic Floor Leader Thomas P. (“Tip”) O’Neill, said: “Your conclusions were great, Mr. President, but we can’t go down the same street together.”

“Be charitable,” said Ford, grinning. “See if you can give us a chance.”

Responded O’Neill: “I don’t see how these programs can work.”

Later, Ford confidently—and probably overoptimistically—told an aide: “I think I can get 85% of this program.” Indeed, he plans a series of speaking trips around the nation in late January or early February to explain—and sell—the program to the public.

Whatever the economic outcome, Ford clearly has seized the political initiative as only a President can. His State of the Union speech and a televised fireside chat from the White House two nights earlier, in which he previewed his programs, marked a welcome change from the drift and indecision, the platitudes and homilies of his first five months in office. The President sound-
ed grim and forceful. Though he still used many clichés, the very flatness of some of his phrases ("Millions ... are out of work. Prices are too high and sales are too slow ... the economic distress is global") had a kind of eloquence appropriate to a crisis.

Where the Democrats were vague, Ford was definite. The Democratic program, as outlined by Albert, advocated "substantial" tax cuts. Asked what that meant, Representative James Wright Jr. of Texas, chairman of the task force that drew up the program, replied: "Substantial is substantial." Ford gave exact figures on whose taxes should be cut, how much and when. On energy, the Democrats called for adoption of "one or more" of a grab bag of seven proposals. Ford's plans, certainly controversial and perhaps even dangerous, are at least precise down to the number of major nuclear power plants (200) and new coal mines (250) that should be opened over the next ten years.

Opening Wedge. The President's program is comprehensive and, in its way, balanced. In addition to both one-shot and permanent tax cuts for individuals and businesses, it also makes a long overdue start toward tax reform as well as reduction. The permanent cuts in income tax rates that Ford proposes for 1975 and later years give much greater relief to lower- and middle-income workers than to the rich, thus reversing a long-run trend toward taxing them more and more heavily.

For conservatives, the plan contains a promise to hold increases in several federal spending programs to 5% a year. Among these programs: food stamps and payments to the nation's 30 million Social Security recipients (Social Security pensioners otherwise might get raises of as much as 9% this year). For political liberals, there is a kind of negative income tax in the form of cash payments of $80 annually to every adult who is too poor to owe any federal taxes. Though the payments are hardly what liberals would consider overly generous, they will surely become an opening wedge for broad welfare reform later.

Congressional Democrats will, and indeed should, quarrel with parts of this program. But they cannot object to its two essential goals: fighting recession by cutting taxes, and reducing oil imports in order to break the stranglehold that the cartel of the Organization of Petroleum Exporting Countries is acquiring over Western economies. Those goals are exactly what the Democrats themselves have called for in innumerable speeches. Now that Ford has proposed specific programs to accomplish those ends, the burden is on the Democrats to come up with something better. Ford made the challenge as pointed as possible by calling on Congress to enact his tax cuts by April 1 and by announcing that he will impose new tariffs on imported oil on his own authority starting Feb. 1. Senate Democratic Leader Mike Mansfield conceded: "He stepped forward, showed some initiative." A high White House aide added, startlingly: "We know he is not home free, but we think he has taken a long step away from Bozo the Clown."

In order to take the initiative, Ford had to take the "180-degree turn" from traditional Republican philosophy—and his own past positions—that he had told businessmen last month he was ruling out. In his October WIN (Whip Inflation Now) program, Ford had insisted that energy consumption should be curtailed only by voluntary measures—and called for a tax increase of 5% on upper-income individuals. In his fireside chat last week, he noted that he had spent all of his political life fighting deficit financing—yet now he projects record peacetime budget deficits of $34 billion in the fiscal year ending June 30, and $46 billion in fiscal 1976.

Enemy No. 3. The President's program has even produced the strange spectacle of liberal Democrats expressing shock at the inflationary potential of energy proposals made by a conservative Midwestern Republican who entered the White House denouncing inflation as "public enemy No. 1."
Ford's list, inflation now seems to have been demoted to public enemy No. 3, behind the recession and dependence on OPEC oil.

Politically and economically, the circumstances left Ford no choice but to move. The startling plunge of the economy since last fall has done even more to destroy the trust that most Americans reposed in Ford when he took office. The White House was stunned by a Harris Poll published two weeks ago showing that 86% of those questioned rated the job Ford has been doing on keeping the economy healthy as "only fair" or "poor." The State of the Union speech offered the President just about his last chance to turn those judgments around.

If the recession continues through 1975, and 1976 brings only a halting recovery, Ford's chances of being elected to a term of his own would just about vanish. Some Republican conservatives—who dislike his turn toward big deficits but for the moment are keeping quiet—even grumble privately that if the President enters 1976 with the polls still against him he could not get his own party's nomination. In that case, the Republican Party could split. Some of the conservatives are so determined to block the election of Vice President Nelson Rockefeller that they would follow Ronald Reagan into a third party.

Deepening Slide. Right now, the recession is deepening day by day. Last week the Commerce Department reported that real gross national product fell 2.2% during 1974, the sharpest annual drop in 28 years. During the fourth quarter, real GNP plummeted at an annual rate of 9.1%. Industrial production in December dropped 2.8%. Housing starts last month fell to an annual rate of 868,600, an eight-year low. Auto sales in the first ten days of January plunged 32% below the levels of a year earlier; last week, joining Chrysler in a cash rebate plan, Ford Motor Co. offered $200 to $500 refunds to buyers of small cars and some other vehicles from now through February.

Layoffs are swelling throughout the economy and could push the unemployment rate some time this year beyond 8%, the steepest since 1941. Last week, for example, W.T. Grant, the retail chain, detailed a retrenchment program

Here Come Higher Energy Costs

America faces still higher energy costs, either through President Ford's program or his critics' call for a steeper federal gasoline tax—or some compromise between those positions. Congress will tinker and tamper with Ford's energy program in hopes of moderating its inflationary impact. But if, through some legislative miracle, the taxes, tariffs and decontrol measures are enacted as they are now proposed, the average price of crude oil in the U.S. will take a substantial leap from $9 per bbl. to $13. The Federal Energy Administration estimates that the average price of heating oil would rise from the present 38¢ per gal. to a maximum of 48¢, and a gallon of gasoline could race up from its present price of 52¢ to as high as 63¢.

Hardest hit by the Ford program would be customers of oil-burning electric utilities. These companies are concentrated on the East Coast and in Southern California and rely almost entirely on imported oil, the price of which has gone up fivefold since October 1973. In 1974 electric bills rose 25% nationally,* and even more for customers of the oil-based plants. Some of those plants will be passing along more of the new increase to consumers than others; estimates of imminent raises range from 5% to 20%.

Southern California Edison, which has a request for a 21% rate increase in the works, would have to increase its rate yet an additional 6% if the Ford program is adopted. The Florida Power Corp. estimates an average monthly increase of $5 for residential customers, many of whom are retirees living on relatively fixed incomes. And New York's Con Edison faces the unpleasant prospect of translating a $200 million extra oil-bill burden into a 7.5% rate increase for its customers—who are already paying the company 42% more a month than a year ago.

*For a six-room house, the typical monthly electric bill in New York City is $24.48, in Chicago, $18.89, in San Diego, $17.70, and $14.63 in Atlanta.
made it plain that they would press for lower taxes, and they have the votes in Congress. The President's men had differences about the size of the slash. Burns and Simon voiced worry about the ensuing bulge in the budget deficits. At one meeting, Simon remarked: "If I were a money manager, I'd be scared as hell." Ford asked: "Are you recommending against a tax cut?" Simon paused, then reluctantly said: "Mr. President, given the state of the economy, I guess we need a tax cut." (Last week, while offering support for the Ford program, Simon said that the prospective deficits for the next two years "horrify me.")

At one point, some advisers argued that the rebates should be made on payments of taxes for 1975, not 1974. But Ford turned them down. "Just a minute," he said. "The people who need it [the rebate] the most are unemployed in 1975, and they won't get anything." He insisted that the tax refunds be made by check, not credits on new taxes. Said Ford: "If you don't send a man a check—money that he can see and hold in his hand—you are going to lose some of the impact."

Ash and Greenspan stressed the need to hold down Government spending and persuaded Ford to oppose any new spending programs for one year. Indeed, Ash wrote the State of the Union passage in which Ford said: "If we do not act to slow down the rate of increase in federal spending, the United States Treasury will be legally obligated to spend more than $360 billion in fiscal year 1976—even if no new programs are enacted."

**Floor Fight.** Similarly, the energy proposals grew into a consensus among a different group of advisers. Secretary of State Henry Kissinger early convinced Ford of the necessity of a tough conservation program. That was urgently needed, he argued, to stop the hemorrhage of dollars to oil-exporting countries and demonstrate to the other oil-importing countries which the U.S. is trying to weld into a coordinated bloc for bargaining with the OPEC cartel, that the U.S. really means to reduce imports. But Kissinger played little part in putting together the details of the proposals. That was done by a group headed by Frank Zarb, chief of the Federal Energy Administration.

Ford would open each meeting with some remarks that steered the discussion to the subjects that he wanted aired, then sit back puffing on his pipe, listening while advisers weighed the options. When he sensed that the talk was becoming repetitious, he would lean forward and say: "Well, I think we ought to do this."

Ford's plan, which consisted of controls that were removed piece by piece until they expired last April 30. Then the Government converted to "the oldtime religion" of budget cutting and tight money, followed by Ford's WIN program, followed last week by a policy to which the President has not yet given a name. The closest he came was to say in his fireside chat that the time had come to "turn America in a new direction."

**Simon's Horror.** To chart that new direction, Ford since November has presided over scores of meetings of his advisers—Budget Boss Roy Ash, Chief Economist Alan Greenspan, Treasury Secretary William Simon, Federal Reserve Chairman Arthur Burns and Presidential Assistant L. William Seidman.

Historians will portray it as a near-total collapse of the old '69 ideas—whether or not some oldtime bugs like inflation and price supports are being eliminated. But one thing is certain: the President's new approach will be a more drastic, more timely—perhaps more effective—response to the energy crisis than the programs of past administrations. Ford's plan is not likely to be cut to pieces by the legislative process; it seems certain to have the President's full support. The question now is whether it will work. Whether it will work is a question that can only be answered by time, and it will be answered over the next few years, and perhaps the next few months. Ford's plan is not likely to be cut to pieces by the legislative process; it seems certain to have the President's full support. The question now is whether it will work. Whether it will work is a question that can only be answered by time, and it will be answered over the next few years, and perhaps the next few months. Ford's plan is not likely to be cut to pieces by the legislative process; it seems certain to have the President's full support. The question now is whether it will work. Whether it will work is a question that can only be answered by time, and it will be answered over the next few years, and perhaps the next few months.
rules, filing returns and paying any additional amount that might be owed under present law by April 15. The IRS then would calculate the rebate on each return and mail it out automatically; no taxpayer would have to file separately for the rebate. Any taxpayer who is owed a refund under present law would get three checks: one for that refund, then two for the rebate. The IRS expects to mail rebate checks to some 83 million families and single taxpayers.

Big corporations, smaller enterprises, farmers, lawyers, doctors and other self-employed people would save $4 billion this year by deducting from their tax bills 12% of the amount that they spend to buy new machinery and equipment. At present the credit is 7% for most companies, and it would drop back to that rate next year. Utilities, however, would get an extra break: their credit would rise from 4% now to 12% this year, then stay at that level through 1977, so long as they invested in power plants that use fuels other than oil or natural gas. Utilities need special help because they rely mostly on borrowed money to expand and modernize, and they had severe trouble raising cash in last year's supertight credit markets. Ford noted in his State of the Union speech that utilities recently have canceled or postponed 60% of the nuclear power plants that they had planned to build and 30% of the nonnuclear facilities because they could not get financing.

### PERMANENT TAX CUTS: Taxes on individual incomes earned in 1975 and beyond would be reduced by an average 9%. This year's reduction would total about $16.5 billion. The mechanism: cuts in the tax rates on the first $6,000 of taxable income (the first $8,000 for single people). Every payer would get some reduction. On a taxable income of $6,000, payments to the Government by a married couple filing jointly would decline from the present $1,000 to $790, a cut of 21%. On a taxable income of $44,000, the tax would go down from $14,060 to $13,930, or less than 1%.

Ford also proposed an increase in the "low-income allowance," calculated to remove from the tax rolls entirely all people below the poverty line—now figured as $5,600 in gross income for an urban family of four. If Congress approves the new schedule by April, the Administration promised, withholding rates would be reduced beginning in June. Corporate income taxes would be lowered too—from 48% of profits now to 42%. Savings to companies: about $6 billion a year.

### ENERGY: Prices of oil products and natural gas would rise sharply. A family of four that has earnings in the $10,000 to $12,000 range now spends about $950 annually on gasoline, heating and utility bills. By Frank Zarb's estimate, that cost would go up some $250.

The idea, bluntly put, is that the U.S. must reduce its imports of oil—which are now 7.3 million bbl. per day—by 1 million bbl. per day this year, and by 2 million bbl. in 1977. The way to do it is to make energy so expensive that consumers and businessmen cannot afford to burn as much oil as they do now.

The President will start by using his power to impose a $1-per-bbl. tax on imported petroleum beginning Feb. 1, then raising it to $2 on March 1 and $3 on April 1. He also will ask Congress to enact a $2-per-bbl. tax on U.S.-produced crude, and an equivalent amount—$37 per 1,000 cu. ft.—on natural gas piped across state lines. If and when Congress agrees to that, the tariff on foreign crude would drop back to $2. Finally, Ford plans to remove all price controls on domestically produced oil on April 1—a move that he can take on his own but that is subject to congressional veto.

Net result: the average price of gasoline, heating oil and other petroleum products would rise by about 10¢ per gal. Oil companies would reap huge additional gross profits, but Ford proposes to snatch them away by imposing a "windfall-profits tax," that, combined with regular taxes, would pull in $2 billion this year.

*Taxable income is the amount left over after all deductions and exemptions are taken. Considering the deductions, a family of four that has a taxable income of $6,000 typically has a gross income of about $10,600; a family that has a taxable income of $44,000 typically has gross earnings in the area of $56,600.

The Government would put the $30 billion raised by the new energy taxes back into the economy in several ways. Some $22.5 billion would be distributed to individuals and corporations by the permanent cuts in income taxes; another $2 billion would go to the people too poor to pay taxes, through the $85-per-

person cash grants. State and local governments would get $2 billion of extra revenue-sharing money to help pay their higher fuel costs. Homeowners who invest in insulation, storm windows and doors, and other fuel-saving equipment could deduct 15% of the cost from their tax bills up to a maximum of $150; the total tax saving would be $500 million. That still leaves $3 billion, which the Government will "reserve" to pay its own higher fuel and electric costs.

Ford proposed a wide range of other programs to reduce energy consumption and increase supplies. Among them: opening to commercial drilling the Navy's Petroleum Reserve No. 4 in Alaska; amending the Clean Air Act and other legislation to enable utilities to burn more coal; enacting heat-saving standards for all new buildings; budgeting more federal money for energy research and development. He set a list of specific goals to be achieved by 1985: 1.2 million bbl. of synthetic fuels and shale oil; construction of 150 "major" coal-fired power plants, 30 new refineries and 20 synthetic-fuel plants, in addition to the new nuclear plants and coal mines. Picking a rare hero for a Republican President, Ford compared his goals to Franklin D. Roosevelt's 1942 pledge to build 60,000 military aircraft; a year; actual production in 1943, Ford recalled, hit 125,000 aircraft annually. "They did it then," he said. "We can do it now."

### Will It Work? In totality, the economic-energy package is nothing if not comprehensive. But will it restore the economy to health? It might—but there is an uncomfortably strong chance that the program, if enacted intact by Congress, would produce far more inflation than economic recovery.

The program could actually depress the economy a bit further for a few months. Ford's tariff on imported oil will push up fuel prices from Feb. 1 on, but consumers would get no tax-rebate money until May at the earliest and would not get the full benefits of Ford's tax package until September. Thus Americans' purchasing power in late winter and early spring would be reduced by the amount of the oil-price rises, which could total $2 billion or more during those months. Of course, consumers might step up their spending anyway in anticipation of the tax rebates that they are almost certain to get. Still, Febru-
ary, March and April will be hard months.

When the rebate money does start flowing, it should perk up sales enough to create more jobs or at least prevent some layoffs. But how strong will the effect be? The Administration's own projections are not exactly enthusiastic. Unemployment will continue to rise but at a slower rate. One White House adviser estimates that with the Ford program, the unemployment rate by year's end would be half a point below what it would otherwise be. Economist Otto Eckstein, head of Eckstein and Company, Inc., makes a similar forecast. He reckons that the unemployment rate next December would be a still shocking 8.1%, rather than an even worse 8.5% (it was 7.1% last month).

The U.S. could enter 1976 with unemployment at the highest rate since Pearl Harbor—and by then most of the stimulus of the tax rebates would be gone. At best, the Government would be putting into the economy only as much money as it was taking out in energy taxes. The Administration appears to be gambling that recovery will have picked up enough momentum by early 1976 to make further stimulation unnecessary. That could occur, but only if consumer confidence recovers, and early reactions to Ford's plans are not reassuring. Eckstein predicts that the unemployment rate will continue to be more confused than anything else. A common view is that the President is giving them new money with one hand and taking it away with the other.

Veto Vow. Many economists feel that considerably more stimulus is needed; perhaps a net tax reduction of $20 billion or even $25 billion (see story page 22). Congressional Democrats agree: they are likely to enact a tax rebate quickly, but a larger one than the President asked and in somewhat different form. The Democrats aim to give more of the rebate to lower- and middle-income taxpayers, partly for reasons of equity, partly because those people can be more reliably counted on to spend the money rather than put it in the bank. Congress might, for example, make the rebate 16% instead of 12%, but set the maximum lower than $1,000.

Congress might also raise federal spending more than Ford plans, thus pumping still more money into the economy. Ford in his State of the Union speech vowed to veto any new federal spending programs that Congress might enact. But spending on several easily approved programs, including military pensions and Social Security payments, is tied to movements of the consumer price index. Those outlays will rise automatically, well beyond the 5% limit that Ford proposes, unless Congress actively votes to hold them down, and there are few things that a liberal Democratic Congress would be less likely to do.

The risk remains that Ford's proposals would cause enough new price rises to wipe out all the benefits of his proposed tax cuts, leaving consumers with no more buying power than before, or even less. To be sure, the pace of price increases finally seems to be slackening a bit. Wholesale prices fell .5% in December, the first drop in 14 months. The recession is likely to cause even more price reductions.

Double Digits. Economists nearly unanimously assume that the inflation rate will continue to simmer down gradually this year—or they did until Ford announced his program. Now they are not so sure. Eckstein predicts that the energy package would make 1975 a second straight year of double-digit inflation, meaning that prices would rise 10% or more. Many of the businessmen and bankers who normally constitute the backbone of a Republican President's support are also seriously worried. "The biggest fear to me is inflation, not recession," says William H. Spoor, chairman of Pillsbury Co. Richard H. Vaughan, president of Northwest Bancorporation in Minneapolis, adds: "We ought to be concerned about the re-institution of inflation in '75 or '76."

Though businessmen are primarily nervous about the prospective budget deficits, the real danger is the cost-boosting impact of the energy program. In fact, the quibbles over the size and distribution of tax cuts are piddling shots in comparison with the cannonade of criticism that Ford's energy proposals have provoked. The tax on oil will be particularly inflationary in the chilly Northeast, which burns a considerable amount of oil, much of it imported. Massachusetts Governor Michael Dukakis calls the tax "disastrous." Adds James Howell, the chief economist of the First National Bank of Boston: "We in New England are being screwed by the President's program."

On the face of it, the program seems illogical. The OPEC cartel has disrupted Western economies and fanned inflation round the world by quintupling the price of oil since October 1973. So in what sense is the U.S. fighting back by raising its own prices higher still?

There are answers. Price is not the only problem; the huge flow of money from industrialized countries to the oil exporters is another. Ford's program, if it really does hold down imports, would at least divert to the U.S. Government, and back into the pockets of taxpayers, some money that Americans otherwise would pour into the treasuries of Venezuela, Iran, Nigeria, Canada and the Arab states. Moreover, the U.S. must hold down imports to free itself of the threat of political blackmail from foreign suppliers who could shut off the tap at any time.

Also, in theory at least, higher prices now could lead to lower prices later. If their hold on Western economies was broken, the OPEC nations might cut prices in order to maintain sales. Unfortunately, they also could do just the opposite: they could take Ford's pro-
Heading for a Policy Clash

The separate economy and energy programs proposed last week by President Ford and the Democratic majority in Congress reflect important philosophical divisions that presage a knockdown fight over the future direction of national policy. A comparison of the main points in each program:

INDIVIDUAL INCOME TAX CUTS

**Ford:** A one-time 12% rebate on all individual taxes owed for 1974, up to $1,000 per return.

**Democrats:** Quick relief to low- and middle-income taxpayers through higher personal exemptions than at present, as well as increased standard deductions and reduced payroll levies. House Speaker Carl Albert put the size of the cut at between $10 billion and $20 billion.

CORPORATE TAX CUTS

**Ford:** Increase of the investment tax credit to 12%, up from 7% for most industries and from 4% for utilities.

**Beginning this year, a decrease in corporate tax rates from 48% to 42%.**

**Democrats:** No mention.

TAX "LOOPTHOLE"s

**Ford:** No specifics.

**Democrats:** A proposal to make up revenues lost through tax reductions by closing "loopholes that now enable large corporations and wealthy individuals to pay little or no taxes at all."

AID TO THE POOR

**Ford:** Direct federal payment of $80 a year to each adult earning too little to pay income taxes.

**Democrats:** "Realistic help" for the needy, the aged, the blind, the disabled, and legislation to block any effort by the Administration to raise the price of food stamps.

ENERGY CONSERVATION

**Ford:** Higher taxes and tariffs on imported and domestic crude oil, natural gas and imported petroleum products. In addition, all domestic oil and gas would be freed of price controls, and Congress would be asked to approve an excess-profits tax on windfall earnings of oil and gas companies. Clean-air laws would also be weakened to permit more coal to be burned, especially by electric utilities.

**Democrats:** Either outright gasoline rationing or a gasoline tax increase of up to 10¢ per gal. or mandatory allocation of oil and other sources of energy—or some combination of those options. Also, fatter excise taxes on big cars.

REVENUE SHARING

**Ford:** An increase of $2 billion for state and local governments to help pay for higher energy costs.

**Democrats:** No mention.

FEDERAL SPENDING

**Ford:** A one-year moratorium on all new spending except in the energy field. Also a 5% limit for 1975 on federal pay raises and cost of living increases for Government workers.

**Democrats:** An unspecified further increase in public service jobs, public works projects and Social Security payments.

WAGE-PRICE CONTROLS

**Ford:** No mention.

**Democrats:** A recommendation to empower the Administration to delay or roll back certain price increases, but no mention of limiting wages.

POLLUTION CONTROLS

**Ford:** A five-year deferral, to 1982, of standards limiting auto pollution; in a trade-off, automakers have pledged to improve average gas mileage by 40% by 1980.

**Democrats:** No mention.

INTEREST RATES

**Ford:** No mention.

**Democrats:** A recommendation that the Federal Reserve Board expand the money supply by 6% or more in order to make more credit available and quickly bring down borrowing costs. (The rate grew by 4% in the past quarter.) The proposal also calls for the Fed to prod banks to allocate credit to housing, farming and electric-power producers, and away from "speculative and inflationary uses."

HOUSING

**Ford:** No specifics.

**Democrats:** A "fuzzy" proposal to help savings and loan associations get more mortgage money. The plan would also provide interest rate subsidies for low- and moderately-priced houses and temporary Government assistance for out-of-work homeowners who are unable to make home-loan payments.

retired military personnel and Americans on Social Security.

Democrats: An unspecified further increase in public service jobs, public works projects and Social Security payments.
THE NATION

not $30 billion but $60 billion. That may be overblown, but if the increases go as high as $46 billion, they would take away all the money that consumers would save from Ford's tax rebates and reductions; if there went any higher, purchasing power would actually be slashed. Then the U.S. might get the most painful of all economic combinations: roaring inflation and a deepening recession besides. It is not even certain that Ford's program would cut oil imports as much as he desires; consumers might choose to pay the high prices rather than cut back on their driving and turn down thermostats.

An alternative way to cut imports without raising prices so much might be to put a flat quota on foreign oil, accompanied by some form of allocation or modified rationing to share out the reduced supplies. In order to minimize racketeering, any rationing ought to be coupled with what has been called the "white market"—a kind of legal black market in which people who had more ration coupons than they needed could sell them, with Government approval, to others who needed and were willing to pay for extra coupons. On the other hand, if Congress buys the argument of the White House and many outside experts that rationing would be inequitable, it ought to consider enacting a 20¢-per-gal. tax on gasoline augmented by import restrictions—an idea that some of Ford's advisers would have liked more than the program that they finally produced. A gasoline tax would concentrate price increases in the area where the most energy was wasted, rather than spreading inflation throughout the economy by raising the cost of every form of energy.

Unfortunately, the Democrats do not yet have any coherent energy strategy except opposition to Ford's ideas. Congress is likely to vote down Ford's taxes on domestic oil and his plan to decrease prices. Several Democrats, including Tip O'Neill and Senators Henry Jackson of Washington and Edward Kennedy of Massachusetts, also are opening a drive to suspend the President's authority to raise oil tariffs.

-Mishmash Threat. The Democrats' alternative, though, is not at all clear. Their formal program mentions both rationing and a gasoline tax as options to be considered, but the Democrats seem to be thinking only of a 10¢-per-gal. tax, and that would be too small to force much conservation. Jackson plans to introduce a bill that includes both rationing and quotas—but only in the form of stand-by authority for the President to use if other measures fail. That does not go much beyond Ford's own program; the President has asked for stand-by rationing authority, even though he has explicitly rejected the idea of rationing now.

The Democrats stress mandatory conservation—a good idea but one that might not work fast enough. Jackson's bill, for example, will probably list such actions as Sunday closings of gas stations, federal regulation of hours of commercial businesses, forced reductions in commercial lighting and regulation of temperatures in commercial and public buildings. But the bill would only give the Federal Energy Administration power to order those standards; it would not compel the agency to do so. There is at least some danger that the final product will be a mishmash of Ford's tariff and a number of halfway conservation rules that would raise prices without cutting imports much.

Happily, though, there is also a good chance that the final result will be an economic-energy package better than the one that Ford himself has proposed. It could include bigger tax cuts than he has asked and an energy policy of gasoline taxes and tough conservation standards. The one outcome that seems impossible is continued drift. By proposing a sweeping and specific program—although one with grave flaws—and emphasizing the need for fast action, Ford has thrown down to Congress a challenge that it cannot ignore. A year or so from now, Ford might even be able to say—if he cared to borrow the phraseology of another Democratic President—that he got the country moving again.

A Progressive New System with a Rebate to Boot

The table below spells out some of the pocketbook benefits of President Ford's proposed income tax cuts. The figures assume that the taxpayer itemizes his deductions and subtracts 17% of his gross income—which is the national average for itemizers—before calculating his taxes. A further assumption is that married couples file joint returns.

In many respects, the new tax structure would be more equitable than the present system. People in all income groups would pay less in the future than in the recent past; but those with lower incomes would get larger reductions than more affluent people. In addition to collecting one-shot rebates, a childless couple earning $8,000 would pay 23% less in taxes this year and in future years than in 1974; but a couple earning $40,000 would enjoy a net reduction of only 1.5%.

<table>
<thead>
<tr>
<th>INCOME</th>
<th>1974 TAX BEFORE REBATE</th>
<th>REBATE</th>
<th>NET 1974 TAX</th>
<th>1975 TAX</th>
</tr>
</thead>
<tbody>
<tr>
<td>SINGLE</td>
<td>$ 8,000</td>
<td>$ 1,086.90</td>
<td>$ 130.43</td>
<td>$ 956.47</td>
</tr>
<tr>
<td>TAXPAYER</td>
<td>12,000</td>
<td>1,892.50</td>
<td>227.10</td>
<td>2,120.60</td>
</tr>
<tr>
<td>17,000</td>
<td>2,024.40</td>
<td>362.93</td>
<td>525.33</td>
<td>2,389.73</td>
</tr>
<tr>
<td>30,000</td>
<td>6,850.00</td>
<td>822.00</td>
<td>994.00</td>
<td>7,842.00</td>
</tr>
<tr>
<td>40,000</td>
<td>10,515.00</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>11,515.00</td>
</tr>
<tr>
<td>MARRIED</td>
<td>8,000</td>
<td>836.60</td>
<td>100.39</td>
<td>936.99</td>
</tr>
<tr>
<td>TAXPAYERS, NO DEPENDENTS</td>
<td>12,000</td>
<td>1,481.20</td>
<td>177.74</td>
<td>1,658.94</td>
</tr>
<tr>
<td>17,000</td>
<td>2,412.50</td>
<td>289.50</td>
<td>318.00</td>
<td>2,731.00</td>
</tr>
<tr>
<td>30,000</td>
<td>5,468.00</td>
<td>656.16</td>
<td>722.26</td>
<td>6,194.26</td>
</tr>
<tr>
<td>40,000</td>
<td>8,543.00</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>9,543.00</td>
</tr>
<tr>
<td>MARRIED</td>
<td>8,000</td>
<td>558.80</td>
<td>67.06</td>
<td>621.74</td>
</tr>
<tr>
<td>TAXPAYERS, NO DEPENDENTS</td>
<td>12,000</td>
<td>1,182.40</td>
<td>141.89</td>
<td>1,324.29</td>
</tr>
<tr>
<td>17,000</td>
<td>2,661.47</td>
<td>326.34</td>
<td>392.80</td>
<td>3,054.27</td>
</tr>
<tr>
<td>30,000</td>
<td>4,988.00</td>
<td>598.56</td>
<td>737.16</td>
<td>5,585.16</td>
</tr>
<tr>
<td>40,000</td>
<td>7,958.00</td>
<td>954.96</td>
<td>1,119.40</td>
<td>8,917.40</td>
</tr>
</tbody>
</table>
The Ford family pictured: Mr. and Mrs. Ford and daughter Susan at the White House.

Energy policy claims that Ford is submitting "an unworkable program that can't be enacted." The Administration, he feels, is "out of touch with reality on the Hill."

New Englanders are angriest of all, since their region is most dependent on imported oil and would be hardest hit by the Ford tariff. Last week the New England caucus released a letter challenging Ford's right to act under the 1962 trade act without public hearings.

"No matter what the Congress does," says a New England lobbyist on Capitol Hill, "the tariff makes it Ford's program. He'll be blamed for the consequences. It'll be like Lyndon Johnson's war."

**What the Democrats Want**

In their energy program, the Democrats offer more dramatic alternatives: mandatory petroleum allocations, higher gasoline taxes with rebates in hardship cases, steeper excise taxes on pleasure craft and high-horsepower automobiles, gasoline and home-fuel rationing. The Democrats also propose establishing a new independent agency to replace the Council on Wage and Price Stability. The agency would be empowered to issue subpoenas, hold extensive hearings, delay price increases and in selective cases impose controls.

The other longer-range provisions that may be included in Ford's energy package are less controversial and not likely to run into too much opposition in Congress. Some of the proposals:

* A national thermal efficiency standard will be set for all new residential and commercial structures. If builders or home buyers seek any kind of federal financing, they will have to install standard insulation, weather stripping, storm windows and doors and caulking. Potential savings in oil consumption by 1977: about 120,000 bbl. a day. By 1985: 2.3 million bbl. a day.

* Conservation in existing structures will be encouraged by a probable 15% tax credit on home investments in insulation up to $1,000, meaning a maximum homeowner receipt of $150. Savings by 1977: 77,000 bbl. a day. By 1985: 200,000 bbl.

* Mileage standards for new automobiles will be gradually increased until they reach the required minimum of an average 20 m.p.g. on the range of autos that a manufacturer offers the public in 1980. The Administration will not ask for mandatory legislation, since automotive executives agreed to meet the goal at a recent meeting in Washington. If they fail to comply, however, the White House is expected to ask Congress to enact a law requiring the minimum mileage. In return for their cooperation, the Administration will ask Congress to grant the auto companies an extension of the deadline, from 1977 to 1981, for further reduction of exhaust emissions — perhaps an overgenerous amendment to the Clean Air Act. But the compa...
The False Start

Ford is given considerable credit by economists for sharpening his skills during the months he has been in office, even though circumstances have forced an abrupt shift in his policies. He declared inflation public enemy No. 1, as indeed it was at the time he became President. But willing to listen and anxious to build a consensus behind any policy, he turned to others for advice. In retrospect, his celebrated summit conferences probably inspired more fear among consumers than new policies among experts. Though some economists warned that the recession was going to be harder than Ford thought, none of them predicted the precarious decline the economy would take before the year was out. In the fall, the President was tilting too far in his fight against inflation, but there was scant solid guidance to set him straight.

The economic summit produced a policy mouse. What Ford offered in his economic message in October was pretty much more of the same from the Nixon years: a federal budget with spending held at $300 billion and a tight-fisted monetary policy that would keep the economy growing at 4%, but at a price. Ford did not rule, and neither did anybody else. White House staffers wandered into the Oval Office pretty much as they pleased and so did innumerable outsiders paying courtesy calls. The President was determined not to repeat the mistake of his predecessor and isolate himself from the outside world. He gave a warm welcome to practical anybody and ushered in a short-lived era of good feelings.

But his appealing permissoness took a fearful toll of orderly decision-making. Out of a sense of continuity or perhaps misplaced compassion, Ford was very tardy in ejecting the Nixon holdovers, some of whom had nothing to add to the White House except mistakes. As the recession deepened, he continued to listen and prepare for more expansionist policies, as some of his advisers urged. To his credit, he continued to take sometimes uncongenial action against inflation. He pocket-veoted the cargo preference bill, which would have vastly increased the price of oil by requiring that 30% of imports be carried in U.S. vessels. He permitted—perhaps encouraged—vigorous antitrust action by his Justice Department, notably against U.S. Steel, too, re-considered a price increase when Ford grumbled.
The New Team

More recently, Ford has been trying to straighten out the jumble at the White House. Pieces have begun to fall into their proper places; aides have stopped shifting uncertainly from office to office. "He's coming along," says a former presidential adviser. "There's been a significant improvement in his perception of the job. I assume the experience of sitting at that desk and seeing the things you have to deal with daily accounts for the change in presidential chemistry."

Before taking office, Gerald Ford described the kind of staff he would like if he were to become President: "I want them to have a good public image because what they do reflects on me, good or bad. I want them to conduct themselves as I try to conduct myself—in a friendly, personable way. I want them to be loyal to me. I want them to be frank with me. I want them to be a working unit, not individuals. I want them to reflect my personality, and I think my personality is open and candid."

Ford seems to have nearly completed the carpentry of just such a staff. The majority of the men Ford has chosen are, by common consent, much like the President himself. Most are not endowed with formidable intellectual gifts, and nearly all are unaccustomed to dealing with problems of national scope. Yet they bring some of Ford's own candor, ease and plainspoken personal drive to their work. The one man close to Ford who may possess an innovative sense of the art of government is White House Chief of Staff Donald Rumsfeld. With the unique exception of holdover Kissinger, Ford's staff seems to make up in earnestness what it may lack in sophisticated political awareness.

Few of its members can call upon long years of Government experience to guide them, but they all seem to possess unquestioning trust in Ford's leadership and a bracing, personal loyalty to him. In some cases, this is born of longstanding close friendship. Philip Buchen, 58, Ford's courtly, scholarly legal counsel, and L. William Seidman, 53, the millionaire accountant who consults with Ford on economic affairs, both come from Ford's hometown, Grand Rapids.

The chief feature of the Ford White House is the face-to-face access to the President each of Ford's top aides enjoys. In an effort to avoid the palace-guard remoteness that characterized the Nixon White House, Ford has authorized nine senior aides to walk in on him virtually whenever he is free. Ford has also insisted on having frequent dealings with each man's deputy, so a steady stream of official faces continues to flow in and out of the Oval Office, all of them growing increasingly familiar to the President.

Among the newest faces is John O. Marsh Jr., 48, a genial, hard-working former Democratic Congressman from Virginia, who now is the President's chief congressional liaison, as well as public liaison with non-Government organizations. With his staff in place, Ford now guards his time more carefully. Aides have finally persuaded him not to read every letter from somebody on the Hill and then dictate a personal reply. Now staffers respond to routine communications with form letters, though the President still insists on signing them personally. He also has cut back on the number of his callers, and those who drop by are ushered out fast.

Ford now guards his time more carefully. Aides have finally persuaded him not to read every letter from somebody on the Hill and then dictate a personal reply. Now staffers respond to routine communications with form letters, though the President still insists on signing them personally. He also has cut back on the number of his callers, and those who drop by are ushered out faster. He sets aside more time for study and reflection.

How Decisions Are Made

The decision-making process has-speeded up. To compensate for President Ford's deliberate, not to say ponderous pace, Rumsfeld has begun demanding earlier deadlines for position papers from presidential advisers. "Ford is making more decisions himself," says an aide. When he does, he cuts down on dissenion and internal crossfire. He is no less concerned with administration than with policy. Last week, for example, he decreed that Vice President Nelson Rockefeller's top staffers should join the President's chief advisers in the reg-
ular round of White House meetings—a merging of two usually warring camps. Says Kenneth Cole, the director of the Domestic Council, who is due to leave the White House in March: "Ford asks good questions, which show that he knows what is going on in those areas. I have watched him stand up against extremely difficult decisions, and I'll tell you that he does it as well as any of them—if not better."

Sometimes decisions are a little too decisive. Once Ford makes up his mind, it clamps shut and cannot be pried open by the most eloquent appeal of his advisers. He once publicly reprimanded Secretary of the Interior Rogers Morton for advocating a higher gasoline tax after it had been rejected by the Oval Office. "One thing that irritates him is when somebody comes back again to try to make him change his decision," says Cole. But then he is equally stubborn on matters of principle where lesser men might cave in. He vetoed the inflationary veterans education bill even though he knew that Congress would override it. "He was advised that it was political suicide," recalls Cole. "But he said: 'I'm going to make my decision on what I think is right for the country, not on the basis of what Congress will do.' So he stuck to his principles over politics. I think that is leadership."

Facing the World

Ford has made some strides in foreign affairs, an area in which he had little expertise in Congress. But then he had had an exceptional teacher in Kissinger. "The President finds foreign policy exciting," says a longtime associate, "partly because of the way Henry presents it to him." Ford tends to accept his lessons without much argument. Kissinger confers with him in the Oval Office between 9 and 9:30 every morning, and the Secretary of State does most of the talking. The President does not have the worldly confidence or foreign acumen of Richard Nixon, and he knows it. His staff is equally in awe of Kissinger, who was the constant butt of gibes from Nixon's palace guard.

But if Ford lacks an overview and a firm, conceptual grasp of foreign policy, he has proved to be adept at person-to-person negotiations. Foreign leaders who have met him have instinctively liked him. The President, in fact, gets along well with Soviet Ambassador Anatoly Dobrynin better than Kissinger sometimes would recommend. Yet Ford personally and successfully negotiated with Soviet Party Chief Leonid Brezhnev by cable for the release of Simas Kudirkas, the Lithuanian seaman who jumped ship in 1970 and was then turned over to the Russians by the obliging U.S. Coast Guard.

Ford has not yet fully mastered the precision of the language of diplomacy. Occasionally, Kissinger has to cover for a Ford misstep. At a press conference last November, the President seemed to suggest that Israel would negotiate with the Palestine Liberation Organization—a thing the Israelis have sworn never to do. Then Ron Nessen compounded the error by declaring that the President stood by his statement. Kissinger

Now the Constituency Is the Nation

Alternately sipping black coffee and puffing on his pipe, White House Chief of Staff Donald Rumsfeld talked with TIME Washington Correspondent Dean Fischer about his perceptions of Gerald Ford as President:

He likes to keep things moving. [White House Press Secretary] Ron Nessen may have a question about a piece of legislation, and the President will say, "Well, let's get so-and-so in here and find out about it." I can sit down with him and run down 40 items in 30 minutes. The President doesn't like things hanging around a long time.

He's not self-conscious. He's comfortable with people and very much at ease even if he hasn't met an individual before. We can bring in an expert, and the President is not inhibited from exploring an issue he's interested in. Nor does his demeanor prevent anyone from frankly discussing a problem. He's not as reserved as many people in high office. He's relaxed and outgoing.

When we were meeting with the energy advisers the other day [in Vail, Colo.], the caretaker of the house where the President is staying walked in to get a pair of ski boots. The President paused and introduced him around the room. That put everybody at ease.

Twenty-four to 48 hours prior to those meetings, lengthy papers came in summarizing the work done in the interim—as I recall, a 58-page paper on energy, a somewhat shorter paper on the economy. I gave them to the President and he read them. I remember the President once said that he is a better listener than he is a reader. I have not found that to be the case. He'll take a thick stack of papers and read them after dinner. It is clear that he reads them because I'll get handwritten notes or questions he scrawled in the margins throughout his evening of work.

He's a do-it-now kind of person. The other day, on the spur of the moment, he picked up the telephone and called a Senator who opposed a veto of a particular bill. And conversely, when somebody is violently opposed to a bill he signs, the President may call him up to explain his reasoning. You don't get to be minority leader of the U.S. House of Representatives without being one hell of an able guy. The President is not smooth in the modern sense of the word, but the House is a pretty tough league.

I've seen him get a little angry on two or three occasions. In each case his irritation was well merited. If his schedule gets fouled up and people are kept waiting, he expresses his dissatisfaction. He also has a not unreasonable degree of impatience.

The President's gregarious nature does not interfere with the flow of White House business. On the contrary, I'd say his many friends are helpful to him. He has so many people calling him or writing him notes that it gives him what he wants, namely, multiple sources of information.

Fischer recalled that Rumsfeld worked for Jerry Ford the minority leader when Rumsfeld was an Illinois Congressman, and is now working for Jerry Ford the President. Has there been any basic change in his approach?

Of course, the major difference is that the minority leader's constituency is that of 40 Representatives in both houses of the House and, in a somewhat larger sense, the Republicans of the nation. The constituency of the President is the nation. If you looked at the President's calendar, you would find that the spectrum of people is considerably broader. I suppose that is the most dramatic difference.
finally managed to make the remark appear to be ambiguous, as if the President had some remote Machiavellian purpose in saying it. That is diplomatically acceptable.

The Aroused Democrats

Ford faces a stern test when the 94th Congress convenes. The Capitol halls are filled with a new sense of urgency as Democrats, enjoying an overwhelming majority, prepare to set their own goals and priorities. "They are a national, operational team," says Russell He- mmer, director of the National Commit-tee for an Effective Congress. "The power of oversight will be used more broadly than ever before." Among the host of programs to bring tax relief, spur the economy and cushion unemployment that congressional Democrats have considered, they have discarded practically nothing, with the exception of the charter of the Reconstruction Finance Corporation. They have discovered that the Depression-born agency's function of lending money to foundering businesses had been assumed by other federal agencies. The Democrats' program issues a clear challenge to the President: "The nation at this juncture could ill afford a passive Congress that did no more than await and then react in leisurely, piecemeal fashion to Executive recommendations."

This is no idle threat, since the Demo- crats command the troops to enforce their program. The 75 freshmen Demo- crats in Congress have assumed an im- portance on the Hill that newcomers never dared seek before. Since Albert and the leadership have made caucus king once again, the freshmen are aware of the weight their numbers carry. As long as they agree among themselves, what they say goes. They have even sum- moned the once imperious committee chairmen to appear before them one by one to state their position on the party program. If the chairmen try to behave with their traditional independence and ignore party instructions, they risk being removed. Such a strengthening of the opposition party means a rougher srapf for Ford on the Hill.

No less thorny will be the Demo- crats' stand on foreign policy; both chambers virtually bristle with hostility toward the diplomatic-military estab- lishment, an attitude that Kissinger is at pains to combat. One of the first items on the Administration's agenda may be the weight their numbers carry. As long as they agree among themselves, what they say goes. They have even sum- moned the once imperious committee chairmen to appear before them one by one to state their position on the party program. If the chairmen try to behave with their traditional independence and ignore party instructions, they risk being removed. Such a strengthening of the opposition party means a rougher scrap for Ford on the Hill.

No less thorny will be the Demo- crats' stand on foreign policy; both chambers virtually bristle with hostility toward the diplomatic-military estab- lishment, an attitude that Kissinger is at pains to combat. One of the first items on the Administration's agenda may be the weight their numbers carry. As long as they agree among themselves, what they say goes. They have even sum- moned the once imperious committee chairmen to appear before them one by one to state their position on the party program. If the chairmen try to behave with their traditional independence and ignore party instructions, they risk being removed. Such a strengthening of the opposition party means a rougher scrap for Ford on the Hill.

Coleman: A Choice Cabinet Choice

In a move that will add luster as well as diversity to his Cabinet, President Ford this week will name William Thaddeus Coleman Jr., 54, Secretary of Transportation. A senior partner in a prestigious Philadelphia law firm and former president of the N.A.A.C.P. Legal Defense and Educational Fund, Cole- man has filled appointive posts under four Presidents. Married and the father of three children, he will be the second black to hold Cabinet rank; Robert Weaver, Secretary of Housing and Urban Development from 1966 to 1968, was the first.

A magna cum laude graduate from Harvard Law School in 1946, Coleman was selected by Justice Felix Frankfurter to be the first black law clerk in the history of the Supreme Court. He and another young clerk, Elliot Richardson, used to spend one uninterrupted hour each morning reading poetry together. Coleman helped draft the brief that led to the landmark 1954 Supreme Court decision outlawing school segregation. He defended Freedom Riders and sit-in demonstrators in the 1960s and repre- sented the N.A.A.C.P. in a case that found unconstitutional a Florida law prohibiting cohabitation between the races. At the request of former Penn- sylvania Governor William Scranton, he led the legal fight to desegregate Girard College in 1965. Coleman served on the Eisenhower National Commission on the Causes and Prevention of Violence, President Kennedy's Lawyers' Commit-tee for Civil Rights Under Law, the Warren Commission and the federal Price Commission in 1971 and was a U.S. delegate to the 24th United Na- tions General Assembly.

A Republican, he urged Richard Nixon to resign rather than put the country through a lengthy and divisive impeachment process. But he also ar- gued that the President should be per- mitted to destroy tapes and documents before leaving office.
President Ford looked trim and rested, his face surprisingly unlined, as he met with members of TIME's editorial staff in the Oval Office last week. He sat easily in an armchair, cupping an unlit pipe in his left hand, and answered questions on energy and economic policy, foreign affairs and the demands of presidential leadership. In several areas, he was clearly still in the process of formulating his State of the Union program. The questions were asked by Managing Editor Henry Grunwald, Chief of Correspondents Murray Gart, Washington Bureau Chief Hugh Sidey and White House Correspondents Bonnie Angelo and Dean Fischer. Excerpts from the exchange:

Q. What went wrong with your earlier economic program that makes you feel you need a new program?

A. We went through a long, I think, constructive process of economic summit, culminating in a program which we felt at that time would meet the primary threat of the problem of inflation. I thought it was well tuned to meet that head-on, with some consideration given to the problem of economic stability.

But all of the economists that I have talked to, including the ones here and some from Western Europe, have indicated to me that they did not foresee the precipitous drop, particularly in the automotive field. Of course, that has been told to me very directly by the automotive manufacturers. There was a rapidly developing and certainly unforeseen massive loss of public confidence. When you combined all of those, the plan we had wasn't adequate and it wasn't properly balanced.

We have had to restudy conditions as we see them now and as we foresee them, and the new plan is aimed at the current circumstances rather than what the circumstances were in August and September. It is just an updating for the current conditions, conditions which were unforeseen and are far, far more serious.

Q. What is the shape of your energy proposals?

A. We have had the benefit of massive, year-long study. The energy program is the pulling together of the various recommendations that generated out of that study. In addition, we find that the voluntary program has not been as successful as it should be. Although for the first nine or ten months of this year we were using energy—either as a whole or imports—at a rate of about 5.4% less than '73, in the last several months it has gone about 5% ahead of a year ago. A year ago we were importing about 6 million barrels per day. Now we are importing about 7 million barrels per day. This proves to me that a voluntary program isn't sufficient.

Q. Is this failure of voluntary effort a disappointment?

A. It is a disappointment, but I think understandable. Everybody had ample gasoline, or even in some selected areas price wars, which certainly is not an indication of any lack of supply. What I am saying is that the American people don't respond unless they see firsthand a crisis. Now, that may come. If we get some of these natural-gas shortages, which are inevitable up in New Jersey and New England, particularly if we have a hard winter, then again that crisis will be thrown at the American people and maybe a voluntary program will be regenerated.

Q. Can you foresee rationing under any circumstances?

A. Not unless we have an oil embargo. I don't see rationing unless something of that magnitude takes place.

Q. Can you foresee wage and price controls?

A. I certainly see no wage and price controls in the offing period. We have found that the wage settlements have been fairly moderate, so I just don't foresee controls as any proper remedy under any circumstances that we can see.

Q. Would you sacrifice some of the environmental controls for the sake of energy policy?

A. There has to be responsible reconsideration of some of the extreme standards that were set. Let me give you an illustration.

On auto emissions, the Secretary of Transportation can extend for one year the present standards. But that means that those other standards [a 40% increase in efficiency of gas per mile] have to be met, I think, in three or four years. The automotive people tell us that they can't achieve those standards unless they get some relief on emission standards.

I think the new emissions standards that will be agreed upon are thoroughly defendable, but they will be somewhat less than the standards that were set in the law four or five years ago. So there will be a reconsideration based on better data and hopefully it will be a better balance between the environment and energy.

Q. Regarding the problems of leadership with a heavily Democratic Congress, would you think in terms of some kind of coalition approach to solving problems?

A. Obviously the Congress and the White House have to work together. I obviously have to work with Republicans most of the time, but there is a floating coalition up there.
Ford’s Economic Nostrums

Same Old Medicine

Jockeying brazenly to be first in line before the public, President Ford and congressional Democrats presented plans last week that they claimed would meet and overcome the present economic crisis. Their competitive efforts proved to be a standoff. Both warmed many a heart by offering a cut in taxes. Both promised that their astute use of fiscal and monetary policy would end the deepening recession. In both cases the promised outcome seems less likely than ice-skating on Biscayne Bay.

History teaches that skepticism. Since World War II the American economy has ridden a roller coaster powered by such promises, with the swings growing steadily worse. The pattern of those cycles, culminating in recessions in 1949, 1954, 1958, 1961, 1970 and 1974, has been always the same. When inflation intensifies, we have deployed the powerful arsenal of Keynesian techniques to raise taxes and/or raise interest rates and/or reduce government outlays. Their effect has been predictable. They retard the rise in prices but increase unemployment. Then, as the resulting recession spreads, we again resort to the Keynesian arsenal only now in reverse: we lower taxes and/or lower interest rates and/or raise government outlays—the present Republican and Democratic proposals. In the past their effect has been always to relieve unemployment somewhat but raise prices.

In short ever since World War II we have fought inflation with recession and recession with inflation, and are now fixing to do the same. But can we afford the same in 1975 with prices and wages still rising mightily (at a 10 to 12 percent annual rate) while unemployment at 7.1 percent is at the highest level in nearly 14 years?

The obvious peril is that if business activity is pumped up vigorously under present circumstances, the American inflation will shine forth in the world economy like Mt. Everest in a field of ant hills. No doubt President Ford and his advisers recognize that danger. Their answer is to work the fiscal pump just a little—enough to stop the present slide but not enough to turn the economy around. In that case we should look for continued high unemployment for the next year or two while inflation dips modestly below its current two-digit rate. As is customary, we shall be asking those at the back of the employment queue to occupy the front lines in our persistent, inconclusive war against inflation—only now their tour of duty will be longer.

The figures underlying that judgment relate to the size of the stimulus President Ford has recommended and the magnitude of the economic decline now in progress. In this context we can put his energy pro-gram aside, since it provides no stimulus at all. It would collect $30 billion in new crude oil taxes but return the same amount in a variety of ways to the public. The President has placed sole reliance for moving the economy ahead on a temporary, one-year $16 billion tax reduction—partly through a 12 percent rebate on 1974 personal income taxes and partly through a boost in the investment tax credit for businesses. Allowing for the certainty that some of the rebate will be saved, these measures would add no more than $15 billion to the nation’s aggregate demand for goods and services.

In contrast the forces generating the current recession appear mountaneous. From $20 to $25 billion annually is drawn out of the economy to the Middle East and elsewhere by the oil price hikes. New orders for business for machinery and tools recently have slumped by $24 billion, and are drooping further daily. Residential construction is down by $10 billion. Consumer outlays for durable goods are running at about $20 billion below their peak. State and local governments are tightening their budgets. At best the administration’s tax cut may be expected to retard this precipitous decline by the summer or autumn of this

Carrying On

When C. P. Scott retired after 57 years as editor of The Manchester Guardian, his successor, who happened also to be his son, retained the father’s chair but never sat in it. When the younger Scott died, his successor sent the chair to the dump pile only to have an astounded staff insist that he get it back and restore it to its place of honor. From then on, it is said, he used it as a throne.

The departure of an editor can be an unsettling event, to his readers sometimes no less than to his writers. But when Gilbert Harrison passed on the stewardship of The New Republic to me almost a year ago, we both knew that sometime soon he would give up his editorship as well. After nearly two decades he has now stepped aside. Through grim years and a few hopeful ones, the distinctive qualities of his mind—a compassionate reality, a tolerant disposition, and a literate sensibility—marked this magazine. Harrison left behind no chair to be fearful of sitting in. Those of us who worked with him, however, see his standards of excellence as a challenge. It is, in any case, to those standards that I intend to stretch myself and The New Republic.

This journal will remain an independent weekly, in the progressive spirit—open, controversial, scrupulous. This is a commitment that the editors make to each other and to our readers.

Martin Peretz
year, not stop it. Any hope for subsequent recovery would have to rest on other reasons, such as the possible need for consumers and business to replenish their stocks of autos, machinery, trucks and other durable goods.

If the President's recommendations are followed, then, it seems nearly certain that unemployment will zoom to eight percent in the months ahead—a level not reached since 1941—and remain in that bad neighborhood for most of the year. Because of wage contracts, the new crude oil tax; and the monopolistic power of industry, the continued recession in prospect will be relieved only modestly by an improvement in inflation. When recovery does come, at long last, a revived inflation will arrive with it. Yet it is my impression—since these figures are available to them as well as to me—that the long, painful road ahead is what President Ford and his advisers expect and want. As he promised, "the going will be rough." Unfortunately, their own program suggests, Democrats see it the same way.

Melville J. Ulmer

Energy Strategy

No one quarrels with President Ford's statement that we need "the strongest and most far reaching energy conservation program we have ever had" if we are to curb our appetite for foreign oil. The President is probably the last man in government to reach this conclusion. Others in the State and Treasury Departments have been talking about the need for conservation since summer, and members of Congress have been drafting oil allocation plans for more than a year. The news in the President's two speeches last week was that he has joined the club. He agreed that strong medicine is required. His proposals, however, are to be applied so indirectly that they probably won't have the desired effect.

Mr. Ford refused to act directly to limit oil purchases from abroad, though he said this might be necessary someday if his current strategy fails. He decided instead to fiddle with the market through price and tax increases on wholesale petroleum. "There will be no need for compulsory rationing or long waiting lines at the service station," he promised, nor will gasoline prices go up more than 20 cents a gallon. But he did ask for "standby" authority to ration gasoline, and he announced that he would impose a new three dollar tariff on every barrel of imported crude oil. Domestically produced oil and gas also will become more expensive if Congress grants the President's request and does away with price ceilings that now keep certain fuels at less than peak prices. These changes, the President believes, will discourage not just unnecessary driving, but all forms of excessive energy use.

The risk in Mr. Ford's program is twofold. First, he has decided to unloose the demon inflation again, but this time he can't blame the Arabs. Until recently inflation was considered by Mr. Ford the most serious of the many economic troubles confronting the country. Underlying this concern was the fear that Western economies would be shaken badly by the increase in the price of foreign oil and the transfer of billions of dollars to Middle Eastern oil producers. Experts in the Treasury and the World Bank worried that if inflation continued to climb as it had last summer and governments sank deeper into debt, the structure of international trade would come apart. The economic crisis would cause a series of bank failures in Europe, they thought, accompanied by lesser business disasters in America. The fiscal experts believed that inflation had to be kept under control to avoid economic and social upheaval. Now that preoccupation has been replaced by a new concern for growing unemployment and recession.

The oil cartel still operates, however, still collects its tribute and grows more powerful. Mr. Ford hopes to combat OPEC with a little inflation of his own making. He will raise the price of oil by another three dollars a barrel, like a desperate man in a poker game who hopes to win back all his losses in the last hand. The new oil tariff will be added to the OPEC monopoly price (about $11 a barrel) in the expectation that it will reduce sales. This represents a tremendous change in Ford's energy policy and it strains his credibility for just months ago he argued that America cannot afford the high price of OPEC oil. It is a perilous experiment.

The President's gamble is risky in another way. In trying to discourage petroleum sales and to stimulate industry at the same time, he is attempting something quite novel. No government we know of has done this before (except in war), and some experts in the energy business, like Henry Linden of the Institute of Gas Technology, say it can't be done. Others, like David Freeman, director of the Ford Foundation's Energy Policy Project, say it is feasible, but only in conjunction with fuel rationing. In any case there's little support for President Ford's view that consumption can be reduced significantly by imposing tariffs. The history of OPEC's rise to power provides a clue to that. Two years ago foreign crude cost less than four dollars a barrel; now it costs more than $10. Yet today we consume as much foreign oil as we did two years ago, and recent figures show that we gradually are using more. President Ford's three dollar tariff promises to bring further inflation, but it does not augur independence from OPEC.

Eliot Marshall