

**Memoranda (No date 1)**

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To: Stu Eizenstat  
From: Jay Carlson  
Subject: Callaway Report

~~The Senate~~  
Adm. Interior Subcommittee released  
its report on ~~the~~ Tuesday concerning

Bo Howard (Bo) Callaway's involvement  
in Forest Service decisions on the  
Hester Butte, Colorado trout area, a  
this area organized and controlled by  
the former Secretary of the Army and  
Director of the President Ford Committee.

~~In what follows, I have summarized the report~~

Do Not  
Touch

FOR: JIM FALLOWS\*\*\*

FROM: BILL KEEL

TO: BILL KEEL

FROM: TERRY DANGLE

RE: SALT LAKE CITY

At the request of the Washington Congressional liason office I spoke with one James McConkie, A.A. for Rep. McKay--Utah. His uncle, the now-famous Oscar McConkie, ran Kennedy's 60 campaign in Utah.

James McConkie had the following suggestions for the Salt Lake City speech, relating to "Education."

1. Talk about the relation of the home to education -- the "Coleman" report.
2. Talk against Federal legislation which will weaken the family.
3. Talk about freedom of religion and separation of church and state.
4. Talk about Brigham Young -- "As Brigham Young said..." in relation to the pioneer spirit, his sense of community planning, his belief in the importance of education, etc.
5. Talk about the tradition and high level of education among Mormons -- their educational achievement.

Stay away from:

14 (B), ERA, also liquor, sex and abortion (how dull). Also, Allan Have (remember him?).

*Kathleen Nolan*

"The life of the Arts, far from being an interruption, a distraction in the life of the nation, is very close to the center of the nation's purpose, and is a test of the quality of a nation's civilization."

-John F. Kennedy

The arts both underlie and canopy every aspect of American life. Through the extraordinary communication they provide, they meld the urban and agrarian population into a total whole. Civil Rights are as much a part of the arts as the arts are a part of America. Talent knows no race, beauty cannot be frustrated by fiat - only by a lack of imagination. To confine energy to a discussion of gasoline or atomic power, is to dismiss the greatest energy of all - the dynamics of the human mind; perhaps the greatest art of all - the ability to create. The arts alone flourish without a residue of smog or solid waste. They deplete no natural resources - indeed, they are a natural resource. They create profit - actual as well as intellectual. The artist generates vitality and economy in a community and provides food for the soul. If the image of America is a factor in foreign policy, then the arts do more to create a positive posture than any other single factor in our society.

The workers of America are the audiences of America, and the artists of America are equally workers in America. These artists (creators, expert technicians, craftspeople) contribute constantly and unstintingly to the fabric of our national life.

For too long we have accepted, without question, the Greek concept of the Seven Lively Arts, disregarding the fact that new technologies have given us over 700 arts livelier than ever! For too long the arts and artists have been victims of tunnel vision and have been forced to accept, whatever their economic level, second class citizenship as a pre-condition of their profession.

To deny access to the arts in all their varied and multiple facets is to deprive and depress our citizens.

With the advent of increasing leisure time and the urbanization of our nation, it becomes increasingly important for individual involvement in, and appreciation of, the arts. The arts require encouragement to the economic justice, creative dignity and social status of the artist and a realization that a free society cannot exist and prosper without a healthy regard for the arts.

We seek immediate action by the Federal government, in partnership with the States, to recognize artists and the arts as a productive part of American society, to hold that the arts are not the prerogatives of the rich but an essential human right and a right which all Americans must have the right to claim.

THEREFORE,

WE SUPPORT

- A. Aid and assistance to American arts and artists to provide growth, incentive and employment in our own art and culture;
- ✓ (1) The inclusion of labor representatives from the artistic and cultural communities on the Council of the National Endowment for the Arts and the National Endowment for the Humanities;
- ✓ (2) The need for qualified arts organizations, associations and groups to be

considered "prime sponsors" and thus eligible for direct funding from Title 6 and Title 8 CETA grants;

- (3) Call upon the FCC to regulate those who are entrusted with public air waves, provide that public with an adequate degree of fresh and creative programming that is more nearly responsive to the total needs of the public than to the unique needs of profit;
- (4) All workers in government supported projects in the arts, entertainment and media fields being paid prevailing wages, salaries and fringe benefits;
- B. The Equal Employment Opportunities Act in regard to minorities and women;
- (1) The rights of minorities and women to pursue any artistic career or professional education, or training, and the non-discriminatory application of employment benefits and compensation;
- C. Limitations being placed on the use of money by any federal funding source for underwriting the appearances in America of foreign companies and artists to the economic detriment and unfair competition of American artists and companies;
- (1) The abolishment of confiscatory estate tax policies and the adoption of more even-handed regulations which recognize realistic appraisals, taxes on unsold artists works, and taxing of heirs;
- (2) Artists donations of their works as being tax deductible;
- D. Copyright reforms to create protection for artists' and performers' rights;
- E. The development of new programs whereby the nation encourages all domestic arts, non-profit and commercial, through low cost, low interest loans and tax relief;
- F. The allocation of funds for the expansion of the arts on an equitable basis with all other learning disciplines throughout the public school curriculum, from pre-school through adult education;
- (1) The long-range and more extensive funding for the Corporation for Public Broadcasting provided such funding is realistically used to

support a balance between imported and domestically produced program material in the Cultural and Performance areas as a part of the total C.P.B. Programming;

- (2) Special funding for the American Film Institute and the Film and TV Study Center for the advancement of cinema studies and for archives of American film;
- (3) Increased cooperation between schools, community groups and artists to find and develop talent in the creative and performing arts;
- (4) The broadening of the NEA and NEH to deal with regional needs, issues, and diverse cultural heritages and make the Arts an integral part of education and human daily existence in America;

G. The establishment of a Department of Cultural Affairs with Cabinet level status;

H. The establishment of a National Theatre with professional standards in music, theatre, opera, dance and film;

I. The establishment of a federal arts training program which brings young athletes to a state of Olympic excellence and which fosters those conditions of excellence necessary to achieving top awards, particularly in figure skating, gymnastics and skiing;

J. The extension of environmental protection laws to the physical appearance of our environment and the allocation of a percentage of the total cost of all government-financed or subsidized capital construction projects for the setting aside of art areas and for the purchase and/or commission of works of art;

- (1) The inclusion of cultural centers for all creative arts in new or redeveloped urban centers;
- (2) The encouragement of mural projects, gardens, sculpture and the preservation of our American architectural heritage.

- .. Immediate action by the Federal government, working in partnership with the States, to make the arts available to every citizen - not as a luxury - but as an essential human right;
- L. The right of artists to run for political office without being denied the right to employment in their artistic profession;
- M. Action to be taken by the government to willingly and strongly protest the continued repression of intellectuals and artists in totalitarian societies, and to call for the right of all artists, everywhere, to express themselves freely;
- N. All opposition to local and state government practices which levy regressive admission taxes and other excise taxes which, in turn, inhibit performing, cinematic and other arts activities;
- O. A federal commitment of \$1 per person per annum for the development of the arts;
- P. A fair review of the tax provisions which introduce private sector money into the ailing American film industry;
- Q. Cultural Exchange as a non-State Department function;
- (1) Artistic participation in cultural exchange programs on a decision-making and management level and the encouragement of international artistic and cultural conferences, festivals and meetings, and the right of individuals to engage in artistic exchanges wherever and whenever such gatherings may occur.
- (2) All efforts to make America competitive with foreign arts groups and organizations and to develop all the arts in America to a position of international prominence, and the increase of financial aid to America's performing arts and media activities; the stimulation of new opportunities

for American artists abroad;

- ✓ (3) ~~The Helsinki Agreement clause which calls for the dissemination of~~  
cultural information and the seeking of new fields of exchange and  
~~communication between artists and their representatives worldwide.~~

RESOURCE MATERIAL RECEIVED FROM:

National Endowment for the Arts (NEA)  
Saturday Review  
The Helsinki Agreement  
1972 Democratic Platform  
Council of Professional Employees (CPE) AFL-CIO  
"Outside Investor Financing" Columbia Pictures  
Artist Equity  
Screen Actors Guild  
National Endowment for the Humanities (NEH)  
Department of State  
The Arts - Hendrik Van Loon  
Arts and Patron - a compilation  
Various pamphlets and brochures from other nations  
Articles, books, papers written in America

ADDITIONAL ENDORSEMENTS

California Platform Commission - March 1, 1976  
Confederation of the Arts  
California Labor Federation - AFL-CIO  
California Democratic Council  
National Screen Actors Guild  
AFL-CIO National Council of Professional Employees

Thousands of supporters in Art, Labor, Management  
Government, Industry, nationally, may be submitted to the  
Committee before the deadline

APRIL, 1975  
Union/Guild

APRIL, 1975  
Percent  
Unemployed

I.B.E.W., Local 40	10.5%
Makeup, Local 706	51.0%
Property Craftsmen, Local 44	29.0%
Grips, Local 80	50.0%
Projectionists, Local 165	15.0%
Illustrators & Artists, Local 790	30.0%
Art Directors, Local 876	42.0%
Cameramen, Local 659	42.0%
Editors, Local 776	24.0%
Motion Picture Electricians, Local 728	63.0%
Crafts Service, Local 727	30.0%
Plasterers, Local 755	75.0%
Publicity, Local 818	16.0%
Script Supervisors, Local 871	56.0%
Set Designers, Local 847	18.0%
Sound Technicians, Local 695	10.0%
Writers	45.0%
Costumers, Local 705	43.4%
Transportation, Local 399	40.0%
Screen Actors Guild	85.0%
Screen Extras Guild	90.0%

On the black lung statement, take out the second part of the fourth sentence which reads "and result in a net savings to the taxpayer after several years". The congressional budget office says there cannot be any savings until at least 1985 and even there it is speculative.

For your information the 5000 miners not now eligible would receive an average benefit of 3000 dollars a year or 15 million dollars a year total. This does not seem excessive.

As to the 180,000 claimed that would have to be reopened, even the bill's supporters admit that most of these are either frivolous or not related to work in the mines. So just say anything about it.

With those changes and the ones I gave you earlier I think the statements can go to Jimmy for approval and lots of luck. If you need to reach me, you cannot tonight but I will be at 212-656-2072 tomorrow until about 9:30.

-Milton Gwartzman

Larry Allison

NYC Mayor's Rep, Jr

Handicapped

SUGGESTED REMARKS THAT GOVERNOR CARTER COULD MAKE

Transportation

. . . We expect an underfunded and under manned system of rehabilitation services to somehow produce effectively when their clients in many instances can't use mass transit to get to work. . .

. . . It's not even a question of being in the back of the bus . . . it's being on the bus at all . . .

. . . The FAA recently promulgated an advisory for the airlines to use for handicapped passengers and then withdrew it . . . I guess the wings of man and the friendly skies don't encompass handicapped people. . .

. . . I always thought public transportation meant that everybody pays for it and everybody can use it when they please. Now I know that for millions of citizens with disabilities they're paying for a product they can't use . . . with no chance of asking for a refund . . .

Transportation is the hub and housing, employment, independence, and recreation are spokes of a wheel . . .

. . . UMTA tells the localities to institute a reduced fare program for the handicapped before they [the localities] can receive subsidies for mass transit. UMTA issues no guide lines . . . no definitions and the localities go ahead and make the people who can't use the system the most eligible. This is supposed to be enlightened leadership. What it is, is the kind of hypocrisy the Nixon-Ford administration has been employing all along . . .

Civil Rights

. . . The real question is can this nation afford to have any segment of its citizenry perpetually dependent and isolated . . . The answer in 1976 is the same as it was in 1776 NO - NEVER!! . . .

. . . If I can't get into a restaurant, or a courtroom, or a beauty parlor, or a church or synagogue . . . its the same as being turned away. If I can't get a job because someone thinks I look funny or am incapable its the same as being turned down because of color or sex their all wrong, all excess baggage from a sadder era and all must go . . .

. . . I propose the inclusion of handicapped and disabled people into the 1964 Civil Rights Act . . . and when I'm president I will lead the way to that end . . .

. . . We're two hundred years old and innocent people, are still being incarcerated into warehouses of despair . . .

. . . That is going to change because its wrong and this country is sick unto death of this kind of tacitly approved atrocity . . .

. . . Every Civil Rights movement needs indigenous leadership and a president willing and committed to doing his or her duty . . . We've got the indigenous leadership now and after November you'll have the president . . .

. . . I'm sending a telegram to National Chairman, Robert Strauss today asking him to ascertain whether the National Convention site in New York is totally accessible. If it is not I am requesting that it be made barrier free before the convention . . .

. . . I'm announcing today the formation of a National TAsk Force made up of handicapped people and their advocates to guide me in the formulation of solutions to their problems. . .

### Housing

. . . Where do we house disabled people today . . . in institutions state hospitals, and nursing homes . . . Where they are isolated - segregated from society. . . the recipients of charity and pity . . . We'll I don't pity them I want to help them become as independent and integrated as possible . . . and part of the solution is a national housing program which meets their needs . . .

. . . We've got to mandate that a certain percentage of public housing be made accessible to disable people . . . and that tax incentives be available for private developers . . .

TO: Stuart Eisenstat

FR: WILLIAM J. VANDEN HEUVEL

RE: letter from A.L. McDonald -

Stu -

This is an interesting  
letter - The Korean point  
may be of some concern,

WJH

11M

also  
in main  
file



# Jimmy Carter Presidential Campaign

For America's third century, why not our best?

Dear friends:

I hope that this will answer your question about Governor Carter's stand on the Viet Nam war.

Governor Carter publicly called for the immediate withdrawal of American troops from Viet Nam in February of 1971, shortly after he became governor. At that time he said, "Whatever our original motivations in becoming involved, it is apparent that no good purpose can come from our continued military involvement there. It is time to admit we made a mistake and come home."

Over the next four years, Governor Carter expressed outspoken opposition to the policies of Presidents Nixon and Ford and was a critic of President Ford's plan to increase aid to South Viet Nam.

Recently Governor Carter expressed in a speech what he hoped the United States had learned from its experience in Viet Nam:

"We have learned that never again should our country become militarily involved in the internal affairs of another nation unless there is a direct and obvious threat to the security of the United States or its people. We must not use the CIA or other covert means to effect violent change in any government or government policy. Such involvements are not in the best interests of world peace, and they are almost inherently doomed to failure.

"When we embrace one of the contending leadership factions in a country, too often it is the power of the United States, not the support of the people, which keeps that leader in power. Our chosen leader may then resort to repressive force against his own people to keep himself in power.

"We have learned the hard way how important it is during times of international stress and turmoil to keep close ties with our allies and friends and to strive for multilateral agreements and solutions to critical problems. I hope that our days of unilateral intervention such as occurred in Viet Nam, Cambodia, and the Dominican Republic are over.

-more-

P. O. Box 1976 Atlanta, Georgia 30301 404/897-7100

A copy of our report is filed with the Federal Election Commission and is available for purchase from the Federal Election Commission, Washington, D.C.

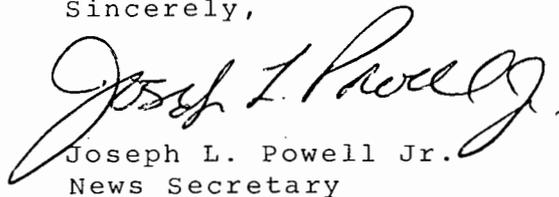
"Another lesson to be learned is that we cannot impose democracy on another country by force. Also, we cannot buy friends; and it is obvious that other nations resent it if we try. Our interests lie in protecting our national security, preventing war, in peacefully promoting the principles of human freedom and democracy, and in exemplifying the true character and attitudes of the American people.

"We must never again keep secret the evolution of our foreign policy from the Congress and the American people. They should never again be misled about our options, our commitments, our progress, or our failures."

I hope this makes clear Governor Carter's past stands on Viet Nam. He was one of the first southern governors to speak out against the war in a region where it took some courage to do so. Governor Carter has often said that as a former military man, he understands the Pentagon. He has termed it the most "bloated wasteful bureaucracy in Washington."

He believes that this country has a leadership role to play in the world, but says "that leadership ought not to be based on military might or economic pressure but on being right and open and honest."

Sincerely,



Joseph L. Powell Jr.  
News Secretary

Edwin Reichauer, former ambassador to Japan.

stressed that the Japanese are currently in doubt as to our relations with them; we need to spell out a clear distinction between them and the rest of Asia.

we cannot have a commitment to areas of the world which are internally unstable without being sucked into those problems; our only commitment in these areas should be general aid of an economic and technological variety

hence should be a distinction between Europe and Japan and the rest of the world, in terms of our relationship.

re: Japan, JC should stress the mutuality of interests, the need for closer contact, cooperation, consultation, economic and other; this is precisely the role of the Trilateral Commission

(Reichauer has just had a stroke, so was willing to give these comments over the phone, but no more)

office - 617-495-3220  
home - 617-484-7730

MEMO  
TO SC

MEMORANDUM

7M

51

TO: Jerry Rafshoon, Hamilton Jordan, Jody Powell, Charles Kirbo  
FROM: Stu Eizenstat  
RE: South Florida Cuban Vote

Many of the Cubans in the Miami area are registered voters. I offer these suggestions to help capture those who will vote Democratic.

1. Publish ads in the Cuban papers in the Miami area stressing the following:

(a) We should not recognize Castro's Cuba whole Castro on a wholesalex~~xxx~~ basis is exporting troops and revolution to other countries, whether in this Hemisphere or elsewhere, such as Angola.

(b) We should insist that as a condition to any dealings with Castro's Cuba that he live at peace with his neighbors, and that he agree to enter into negotiations for compensation of those Cuban-Americans whose property he seized.

2. Send a letter, in Spanish, to Cuban registered voters under ~~Mxxxxjxxxx~~ Governor Carter's name.

3. That Carter spots be run on Cuban radio stations in Miami.

cc. Phil Wise

J  
8M

JODY:

Here is the short paper on S1. The bill is quite a long one and this deals with some of the sections most objectionable to the "liberal community". As you probably know, Birch Bayh has been having problems because of his sponsorship of the bill, but lately has backed off. Terry Sanford was heckled at the last meeting in Minnesota because he knew little about the bill.

It will not alienate conservatives to come out against those provisions as long as the concept of revising the criminal code is supported. An approach may be to return to the recommendations of the National Commission on Reform of Federal Criminal Laws for study; Nixon rejected their recommendations and drafted S1 as a substitute. The onerous revisions did not exist before the Nixon draft.

S1 is an attempt to reform the federal criminal code. Federal criminal laws have not been codified and their development has been haphazard; an attempt to reform them is laudable.

Unfortunately the proposed "criminal justice codification, revision REFORM ACT of 1975" goes beyond what is needed, and threatens to disrupt civil liberties guaranteed by the Constitution. The basic problem is the vagueness in the manner that many of the crimes are defined:

-- Sections 1121, 1122, and 1123, which deal with espionage, define "national defense information" so broadly that ordinary agricultural, industrial, and economic data could be reasonably protected.

-- Section 1124 criminalizes disclosure of classified information whether the information was properly classified or not.

-- Section 1103 reenacts the SMITH ACT which makes it illegal to incite to imminant conduct or to act in a manner which could facilitate such conduct. The SMITH ACT was the statute which allowed the imprisonment of dozens of Communist Party leaders in the 1950's until it was declared unconstitutional.

-- Sections 541-544 allow as a defense in the prosecution of a "public servant" that the conduct "was required or authorized by law to carry out the defendant's authority."

After our recent experience with Watergate, it is important that national government once again become a government of the people. Accountability is an elementary principle of democratic government. S1 makes government officials less accountable to the people by not only making "just following orders" a valid defense for any public servant, but also by limiting our knowledge of what public officials are doing by making it illegal to release misclassified documents.

The criminal code is archaic and in need of reform. But reform can be accomplished without undermining the basis of democratic government. S1 would allow for the jailing of those who protest Viet Nam-type wars. S1 would stop newspapers from printing such things as the Pentagon Papers and possibly would prevent reports such as the stories about the grain deals with Russia.

S1 has many vague provisions which could be used against people disliked by those running the government. S1 retains the provisions which would stop us from discovering the abuses. Secrecy in government is cancerous, as Watergate taught us, and S1 is designed to make government more - not less - secret.

From John  
Schmittker

Notes for Steve Stark:

1. On page 2 of my 3/23 paper it should read a "cost consumers \$500 million more b. "cost taxpayers \$180 million more (than the old support level of ~~fx~~ \$7.71 in the first year after the increase) (the numbers above were transposed in the earlier memo)
2. When the above estimates were made by USDA in January a. milk prices were already \$8.25 per cwt, or nearly as high as the 85% level of \$8.42. Thus, the higher support level would have had relatively little effect. b. I estimate that the additional consumer cost of 85% of parity in its first year of operation starting from April 1, 1976, would be \$250 million - half the USDA estimate. c. The figure of \$1.6 billion extra consumer cost which you have heard is made up of: (1) first year - \$500 million (2) second year - \$1100 million; total \$1600 million.
3. I recommend saying approximately the following now. a. "It is impossible to look ahead to April 1977 and guess at the dairy situation then. I would face up to 1977 milk prices as one of the first issues on the agenda after January 20, 1977." b. "The USDA estimate of extra consumer costs of ~~fx~~ 85% of parity in the second year of its operation were far too high and seem to be designed as a scare tactic."
4. If Mr. Udall is offering 90% of parity, a. find out if he introduced such a bill. b. Did he argue for 90% of parity on the House floor. c. Tell Milwaukee and other urban voters that would cost U.S. consumers far more at the supermarket than they are presently paying. Again, I recommend not getting into a numbers game but I would put the extra consumer cost of 90% of parity at about \$1 billion in the first year.

5. Additional precautions: a. In my March 23 paper, I said that you could mention to consumer voters the need to reexamine milk marketing order procedures. Now I am told that the farmers resent federal trade commission and Justice Department effort in this direction. Better consult your Wisconsin farm friends on that.

b. In addition to supporting the idea of an escalator on price support, you should favor the quarterly review of ~~xxx~~ price support. Thus if dairy farmer costs rise, the support level will be raised each quarter, not each year.

*Jody has original paper.*

TO: Mr. Kirbo  
FROM: C. Cabot (issues) CCC, III  
RE: Prof. Klein

INFORMATION ON PROF. LAWRENCE KLEIN

Prof. Klein, Benjamin Franklin Prof. of Economics and Finance at the University of Pennsylvania, is president elect of the American Economic Association. He is also Chairman of the Board of Trustees of Wharton Econometric Forecasting Associates Inc. and Principal Investigator of Project Link, an academically oriented research project linking econometric models of various regional and national economies. Dr. Klein is an internationally acclaimed author, speaker, and academician.

Books by Dr. Klein:

Text Book of Economics

An Introduction to Economics

The Keynesian Revolution

Essays in Industrial Econometrics

(3 vol.)

5M

Recommendations on Prop 15.

This is a bigger issue in California currently than the primary. I would recommend the following approach when asked:

--It would be very dangerous politically to come out totally opposed to the initiative. While it probably will not pass (although the vote will be close), those who favor it feel much more strongly about it than those opposed. Thus you are likely to lose a number of liberal votes by coming out in staunch opposition.

Thus, I would give the following answer:

1. Nationally, you do not favor a nuclear moratorium. However, as a nuclear physicist you understand the problems and dangers and favor much stricter controls. List those stricter controls.

2. ~~Define the proposition as a local matter.~~ You can say that in general, you favor a legislative approach to this question rather than dealing with it through initiative. If the executive branch in California had really shown leadership in this area, the people would not feel compelled to bypass the legislature and deal with the question through an initiative.

You might want to say a nice word or two about Assemblyman Warren's bills ("I have not read them closely but they represent the type of approach I would like to see.") Brown, in his inimitable style, has sort of endorsed those bills so by taking a position close to his, it will be hard to lose politically by your answer.

3. You might also want to point out that this whole initiative question also shows a lack of leadership at the federal level. If the federal government had really educated our people about nuclear power, there would not be the overwhelming ignorance that currently exists on the subject. Also can point out how this shows a lack of trust in government in general. You could mention your plan for a series of fireside chats on energy once elected.



Steve

To: Jody Powell

From: Bob Dicks

Subject: Jimmy Carter "Industrial Northeast" speech,  
working draft.

I AM OFTEN ASKED TO EXPLAIN WHY, AS A SOUTHERNER, I AM WILLING AND THINK MYSELF ABLE TO LEAD THIS NATION (AND ESPECIALLY THE INDUSTRIAL NORTHEAST) THROUGH SOME OF ITS MOST CRITICAL AND DIFFICULT PROBLEMS.

I answer that question by speaking to an issue that many of you have been contending with for some time, and which is certainly not going to go away. I'm speaking of the general economic decline in the industrial northeast, and the multitude of physical, economic and human resource problems that radiate out from this decline like the rays of the sun.

What is really happening in the northeast, the knowledge of which makes Jimmy Carter from Georgia know he has workable solutions and the ability to lead?

The economy is changing, the distribution of age groups, ethnic groups, employment patterns, availability of government services, and we ask ourselves, "...how can we weather the storm?".

One way we cannot weather the storm is to fall back on the old ways of doing business, the ways developed to respond to totally different economics, social relationships, and industrial base, old ways resulting in assumptions that government or the financial community can always come to the rescue.

If we examine textbooks in industrial engineering or business management, we find sections devoted to the process by which business firms mature. These steps in maturation are considered extremely important for an industrial manager, for if he is not aware of the stage of growth of his firm, he will be unable to use the correct procedures to solve growing pains.

Let's take a look at such descriptions.

Every business enterprise has an identity, a growth pattern, and a history of its own. The executive who has guided a manufacturing organization, a large farming operation, or, for that matter, a labor organization, who has seen it grow from a struggling enterprise into a strong, complex organization, cannot view that organization as a static, lifeless collection of systems, methods and policies.

In our free enterprise system it is characteristic that business organizations have vitality, individuality, growth patterns, and life cycles of their own. Each business organization tends to go through four developmental stages, compared to biological growth in humans: (1) birth and struggle for survival; (2) a period of rapid growth, or adolescence; (3) a vigorous stage of prolonged maturity, and; (4) senescence, with its decline, decay and eventual death.

Organizations encounter crises in maturing very similar to the crises that occur in the lives of individuals. And, as with individual success or failure, the performance of business organizations is influenced markedly by the measures they take in times of stress. Thus we can speak of the maturing process in terms of how they react to the stress of the marketplace. In managerial terms these four stages may be called (1) entrepreneurial management, generally not well planned or controlled, and utterly dependent on immediate resourcefulness. It is the basis of our free enterprise system. It is more impulsive than cautious.

It is apt to be flexible, erratic, and is the child period of a firm's maturing process. (2) Personal management is the stage of those firms which have survived the diseases of childhood, is characterized by an informal style of management with autonomous decision-making, specialization, formal systems and other structured approaches, etc., and, if successful, balances these trends with the motivational link to the former entrepreneurial stage. This period of adolescent growth must

realize <sup>V</sup>the replacement of sloppiness and crudeness with administrative <sup>T</sup>orderliness and clarity will breed failure if the human motivational element of the former stage is not kept alive and prospering in the new organization. (3) Professional management is the grown-up stage of organizational development, and points to the loss of the competitive edge. It brings with it many hard decisions concerning merger, reaching out for new talent, decentralization to increase entrepreneurial motivation, and other choices which are painful because of the necessity of breaking with the easy past <sup>t</sup>patterns of business response that were honed on the whetstone of a different business age.

(4) Obsolescent management is the result of not responding to the challenges of this continued growth pattern, of being not aware of the fact that firms, like people, are living, that they are born, become mature and grow old, and are replaced by new births. (1)

How does this relate to the dire straits in which the people of \_\_\_\_\_ find themselves? Anyone who has been schooled in business or public administration, who has examined <sup>SUCH</sup> ~~the~~ innovative efforts of our country in the last two decades ~~such~~ as NASA or COMSAT, knows that business management and public management are both sides of the same coin and knows further that government procedures and organizations, just as much as business procedures and organizations, go through the same maturing process, and can just as easily become obsolete.

This is the hard and sure fact that underlines our conclusion - the conclusion that \_\_\_\_\_, given the historical development of its industrial base, is in a period of industrial, commercial and governmental obsolescence similar in many respects to the obsolescence of the Old South when the plantation way of doing things gave way to the struggle of the common citizen to organize enterprise, when the Bourbon gentry worked hard to divert attention from the resurgence of this entrepreneurial activity by pitting poor black against poor white, when

the financial institutions and the political institutions were blindly tied to challenges of the past that were honed on the whetstone of its frontier age.

As long as government and business of the Old South fell back on the old ways which did not match up with the new realities, and as long as the social customs reflected these old ways, the region was doomed to be out of touch with itself, and just like the obsolete business firm, it only fed upon itself like a cancer and withered to nothingness.

We are familiar with the dust bowls in the midwest which presaged the Great Depression. Why did the Dust Bowl develop? This calamity occurred because of two factors. First, conditions changed - the weather became drier. Secondly, and more importantly, the easy way out had been taken in agriculture with the prolonged use of the old frontier "slash and burn" methods. Little thought was given to replinishing the land, to maintaining the balance of roots, moisture and fallow time necessary for the land to maintain itself against the ravages of the wind.

What we saw in the Old South was a similar "slash and burn" philosophy for its people. When the land of the Dust Bowl was no longer <sup>easily</sup> useful, it was abandoned by business and government.

When the rural population of the Old South was no longer <sup>easily</sup> useful, it was abandoned by business and government and in effect shipped out to the industrial cities of the Northeast and the Far West. In the nation as a whole, we have seen similar patterns of taking the easy way out.

When the buildings in the central city were no longer <sup>easily</sup> useful, they were abandoned by business and government.

When the family farm was no longer easily useful, it was abandoned by

business and government. And now, the easy way out is striking the industrial heartland of the country.

Now, when the industrial base of the Northeast is beginning to be no longer easily useful in comparison to the lower costs and greater flexibility of the resurgent entrepreneurial Midwest and New South, it is being abandoned by business and government.

The housing industry is being abandoned (if we ignore the cosmetic patches of the Republican Administration in an election year and examine the wholesale and purposeful failure in administration of the programs now on the books).

Penn Central has already been abandoned.

Downtown \_\_\_\_\_ has already been largely abandoned.

AND THE METHODS OF BUSINESS, AND THE METHODS OF LABOR, AND THE METHODS OF GOVERNMENT, IF THEY CONTINUE TO IGNORE THE INESCAPABLE FACT THAT THE INDUSTRIAL NORTHEAST IS NOW A POTENTIAL HUMAN AND ECONOMIC DUSTBOWL RESULTING FROM THE OPTING OUT OF INVESTMENT CAPITAL, WILL RESULT IN ECONOMIC AND SOCIAL DECLINE SIMILAR IN PATTERN TO THAT OF THE OLD SOUTH.

Even now the Census Bureau tells us that not only is the northeast losing population, but also that its cities and suburbs, its metropolitan areas if you will, are losing population to its small towns and rural areas just like the plantation communities of the Old South saw their populations scatter to the winds.

If, in this election year, the various candidates for the presidency reflect the same old resource investment, management, government and labor stances of their backers which are grounded in assumptions that "the company" still does run the "company town", if they propose more

and more restrictions against the entrepreneur, if they propose more and more public expenditure programs which take homes and businesses off the tax roles, if they reward expanding government bureaucracies, expanding labor bureaucracies, and expanding business bureaucracies, instead of demanding and rewarding accountability and performance in government, in business, in labor, AND ESPECIALLY IN THE BURDGEONING MIDDLEMAN LAYERS WHICH HAVE FED UPON THE BASIC PRODUCER AND THE CONSUMER ALIKE, then they are all, like tweedly-dum and tweedly-dee, only perpetuating the economic and social decline of this area.

Anyone who lets his existing housing stock decline but screams bloody murder when subsidy programs to build new housing are cut back (just because his backers only know how to make an easy buck by building new units), when by instituting programs and fighting hard for funds to train workers in modernizing, making more energy efficient and attractive existing units could increase employment opportunity and investment incentive in the housing industry and increase the tax roll basis of local government, is cutting off his nose to spite his face.

Anyone who would spend extravagant amounts of public funds to underwrite bussing of students to comply with the law of the land concerning eradicating segregation, instead of saving gas, potential public safety funds and social harmony by aggressively pushing for home ownership by minority citizens in all an areas' school districts through seed money use of housing funds, is cutting off his nose to spite his face.

Anyone who cuts back necessary programs (as compared to honestly unnecessary ones) just to lure in industry, knowing full well that the cost will be much larger to local government as well as that industry when those programs finally have to be implemented, is cutting off his nose to spite

his face.

Anyone who advocates excessively large expenditures for wasteful national defense programs just to make the bargaining easier in disarmament efforts, or to reward industry back home, while ignoring programs of incentive to industry for turning around the physical plant of the nation and this region to address critical domestic problems which would be both more labor intensive and entrepreneurial than a bomber or a tank and would spread the money further around the communities of \_\_\_\_\_, is only cutting off his nose to spite his face.

ANYONE WHO BUYS LOCK, STOCK AND BARREL, THE BACKING AND PROGRAM OF LABOR LEADERS, OR BUSINESS LEADERS, OR FARM LEADERS, OR INDUSTRIAL LEADERS, WHO FORMULATES HIS PROGRAM FROM THE INPUT OF THESE DECLINING INFLUENTIALS IN A REGION COMING INTO ITS PERIOD OF HISTORICAL DECLINE INSTEAD OF TAPPING NEWLY EMERGING ENTREPRENEURIAL LEADERSHIP IN LABOR, BUSINESS INDUSTRY AND AGRICULTURE, FINDS HIMSELF IN THE SAME BOAT AS THE NORTHERN POLITICIANS WHO USED TO MAKE PEACE WITH THE DIEHARD SEGREGATIONISTS OF THE OLD SOUTH JUST TO GET ELECTED, AND IS CUTTING OFF HIS NOSE TO SPITE HIS FACE.

SUCH APPROACHES ARE NOT INDICATIVE OF THE PROGRESSIVE LEADERSHIP NEEDED TO BEGIN OUR BICENTENNIAL YEAR, LEADERSHIP WITH WHICH TO SET THE COURSE OF THIS NATION AND OF THIS REGION.

SO WHEN I AM ASKED TO EXPLAIN WHY I AM MOST ABLE TO LEAD THIS NATION, I HAVE NO NEED TO EXPLAIN MY ABILITY IN SPITE OF THE FACT THAT I AM FROM THE SOUTH. I AM HAPPY AND PROUD TO EXPLAIN THAT I AM BETTER ABLE TO LEAD THIS NATION OUT OF THE PROBLEMS FELT IN THE INDUSTRIAL NORTHEAST BECAUSE I AM FROM THE SOUTH - THE SOUTH THAT CHANGED FROM THE OLD SOUTH TO THE

NEW SOUTH-A SOUTH THAT HAS ALREADY GONE THROUGH ITS INEVITABLE PATTERN OF ECONOMIC AND SOCIAL DECLINE AND COME THROUGH WITH FLYING COLORS- A SOUTH THAT HAS DEVELOPED LEADERS WHO CAN REBUILD A REGION'S ECONOMY, CAN REBUILD ITS SOCIAL HARMONY, CAN TURN MYTH INTO REALITY, AND WHO ARE EQUAL TO THE TASK AND READY TO DO THE RIGHT THING INSTEAD OF TAKE THE EASY WAY OUT.

I HAVE THAT VISION, I HAVE THAT DESIRE, AND I HAVE THAT TRUST IN ALL THE PEOPLE, AND IT IS THE FULL AWARENESS OF THIS VISION AND THIS STRENGTH THAT ENABLES ME TO PROUDLY ASK YOU FOR YOUR VOTE, TO GIVE ME YOUR CONSENT TO LEAD THE INDUSTRIAL NORTHEAST AND THE ENTIRE NATION INTO A NEW AND RESURGENT PROGRESSIVE ENTREPRENEURSHIP IN THIS THE FIRST YEAR OF OUR THIRD CENTURY AS A NATION.

33M

*(I have a rule)*  
*202 197-6010*

To: Steve Stark  
From: Milt Gwartzman (*worked out w/ Jewish lobby*)

~~Draft of Middle East speech for delivery in Westchester County, New York~~  
~~April 1~~

I am happy to be here this afternoon. I am grateful to Rabbi \_\_\_\_\_ and the membership of Temple \_\_\_\_\_ for giving me the opportunity to speak on a subject of <sup>intense</sup> personal concern to me, and of importance to all the world's people.

The land of Israel has always meant a great deal to me, personally and spiritually. As a boy, I read of its prophets and martyrs in <sup>the</sup> Bible, ~~and in your~~. As a <sup>the owner of a</sup> young man on a farm, I watched with admiration as its barren deserts were renewed with productive agriculture. As an American, I appreciated how the State of Israel, <sup>like the United States,</sup> taking up our own historic mission, opened its <sup>doors</sup> ~~arms~~ to the homeless and the victims of oppression.

I have had the privilege of travelling to Israel on three occasions, stopping in Jerusalem and Tel Aviv and Haifa, visiting the Holy places, meeting with Mrs. Meir and Prime Minister Rabin and other leaders, <sup>and</sup> talking to ~~the~~ <sup>its</sup> people. I found--as I am sure many of you found--Israel to be a land of contrasts and inspiration. So much danger and so much optimism. So much joy and so much suffering. ~~So many plans that must be put aside in the interest~~

~~The ruins of many civilizations lie beneath the soil of Israel. The Jewish people are determined that theirs, at last, will be one that survives some 2000 years after the destruction of the Second Temple left the Jewish people scattered throughout the four corners of the world. (For those 2000 years, the Jewish people (are) in a major foreign policy.)~~  
Two weeks ago, in Chicago, I made a speech in which I said that the <sup>insert at p. 8</sup> ~~diplomacy of balance of power politics~~ should be replaced by a new effort to join with other nations to ~~bring~~ build a just and stable world order. I criticised the ~~tendency for~~ <sup>fact that</sup> our foreign policy <sup>is being</sup> made and executed by just <sup>SAC MGA</sup> ~~one man~~, the Secretary of State. I said the American people should

next at p8

propaganda!

in century after century, in country after country, had to withstand <sup>discrimination</sup> pogroms, attempts forced conversion, <sup>discrimination</sup> pogroms, and death, until the ultimate horror of the Holocaust. Surely the Jewish people are entitled to some place on this earth where they can have their own state, one given to them from their <sup>commemorial</sup> ~~commemorial~~ <sup>anniversary</sup>

be consulted in making foreign policy, because that policy ought to be as open and honest and decent and compassionate as ~~our~~ <sup>our own</sup> people ~~are~~.

~~That speech was criticised, by a national columnist I <sup>greatly</sup> respect, as being too ~~highly~~ "idealistic". As if somehow we must change our face and turn our fundamental <sup>hopes</sup> ~~beliefs~~ into cynicism whenever we venture abroad.~~

Thomas Jefferson once wrote to John Adams that "the flames kindled on the Fourth of July, 1776, have spread over too much of the globe to be extinguished by the feeble energies of despotism." The great moments of our country's foreign ~~policy of the Founders, President Wilson and President Roosevelt, the Marshall~~

~~Plan~~ policy--President Wilson's League of Nations, President Roosevelt's Four Freedoms, President Truman's Marshall Plan, President Kennedy's Peace Corps-- have reaffirmed that faith. Once we <sup>Americans</sup> lose ~~their~~ idealism--once we ~~decide~~ <sup>come to</sup> to accept international terrorism, or international bribery, or the spread of nuclear weapons, or the squeezing of small nations by large neighbors--we lose a precious part of our inheritance. Unless we stand by our <sup>unless we</sup> ideals, ~~and~~ are as willing to work for them in peace as to fight for them in war, we shall not be true, either to the goals of the Founders, or to our ~~own national~~ <sup>as a nation</sup> character.

I would like to speak about how some of these principles apply to the situation today in the Middle East. ~~For almost thirty years, this region has been a~~ <sup>This region has experienced a sustained resurgence of</sup> ~~place of~~ <sup>which have been its unhappy lot for decades and indeed centuries</sup> tension and conflict. ~~Four wars have been fought. Countless diplomatic initiatives have launched, and have failed. Millions of prayers have been offered.~~ <sup>since 1948,</sup> Yet peace seems no closer today than it was in 1948, and the possibility of <sup>The</sup> Middle Eastern ~~war~~ touching off a global war is still with us.

The burden of arms and economic sacrifice hangs over every nation in the region. The explosion of terrorist bombs has spread from Zion Square in Jerusalem, to ~~Cointrin Airport in Geneva,~~ <sup>Cottbus and the to Rome and to Athens</sup> ~~to Kennedy Airport in New York.~~ In the ~~worldwide~~ fallout of hatred, thousands of innocent people have been needlessly killed--soldiers and civilians, farmers and children, young Olympic athletes at Munich, <sup>and businessmen in London, world</sup> ~~outstanding leaders such as Count Bernadotte and your own~~

late Senator Robert F. Kennedy.  
~~Kennedy.~~

~~No differences could be so great as to justify the loss of so much~~  
~~life for so many years.~~ <sup>between nations</sup> ~~It is time--~~ <sup>long</sup> ~~It is~~ <sup>past time</sup> ~~for the~~ ~~establishment~~  
~~for a~~ permanent peace in the Middle East, based on genuine reconciliation and mutual respect between those who live ~~their~~ as neighbors. And in this effort, ~~our~~ <sup>the American</sup> people, as well as those of Israel and the Arab lands, ~~are~~ looking to the ~~government~~ <sup>government</sup> of the United States to lead the way.

We have a unique opportunity to contribute to the solution of this conflict if we can maintain the trust of all sides. But a lasting peace in the Middle East ~~can only come about through~~ <sup>America can contribute to</sup> ~~an American~~ policy which is moral ~~and~~ <sup>and consistent,</sup> decent, ~~and~~ fair, and which reflects the basic ideals of our people and our nation.

More than a year ago, the Secretary of State outlined what he considered to be America's national interests in the Middle East. They were:

- The survival and security of Israel.
  - The maintenance of good relations with 140 million Arabs
  - The steady supply of crude oil to ourselves and our allies
  - The avoidance of another Arab-Israeli war
- and
- the avoidance of a major power confrontation over the area.

The Secretary said all these concerns were of equal importance. He even underlined the word "all" in his speech to make his meaning clear.

But can we really accomplish all these things at the same time? Should we rate them as ~~being~~ equal in importance? Is the survival of the people of Israel only equal to the supply of oil? Should ~~confrontation~~ <sup>maintenance of good relation with</sup> be ~~avoided~~ <sup>the Arabs be at the risk of</sup> ~~at all~~ <sup>avoided</sup> ~~at all~~ <sup>at all</sup> sacrificing a progressive, advanced, democratic nation which is our friend? <sup>Obviously not</sup> Each of <sup>(The Secretary's love)</sup> ~~these~~ goals is important; but to equate all of them ~~is~~ is an example of the amoral arithmetic of balance of power politics.  
~~My friends, as long as I am President, Israel will not be sacrificed on the barrelhead of oil.~~

~~As long as I am President, the American people will never sacrifice the security or survival of Israel for barrels of oil. Even if every other nation is forced by the oil weapon to desert Israel, we in this country, with our resources, our power, our sense of decency and our potential for energy independence will stand fast.~~

I do not believe the Middle East is the place for the United States, or any <sup>great</sup> ~~big~~ power, to ~~play~~ <sup>engage in this kind of</sup> balance of power politics. As long as nations are played off against one another, there will <sup>be</sup> ~~not~~ be peace. There will only be periods of uneasy truce, punctuated by border raids and terrorism, while <sup>each side</sup> ~~nations~~ build up forces for another conflict. In October of 1973, while Israelis were praying in their synagogues, hostile forces were moving in to bring about their nation's destruction. <sup>on the holiest day of the Jewish religion</sup> ~~They were~~ <sup>on an attempt</sup> ~~fight~~ <sup>The Arab forces attempted to turn the Day of Atonement into a day of infamy and annihilation.</sup> ~~off~~, but not without fearful loss of life and ~~property~~ <sup>annihilation</sup>. This must not be allowed to happen again.

~~The United States has, to my mind, but one overriding national interest in the Middle East: the attainment of a lasting, meaningful peace. All its other interests flow from this goal. Without it, the region will be increasingly vulnerable to Soviet influence, and more susceptible to radical violence, ~~and~~ <sup>unable to join in a peaceful international order.</sup>~~

~~The surest road to peace is through communication between Arabs and Israelis. The United States is in a unique position to bring about this human communication, and to encourage accomodation and reconciliation.~~

~~and to demonstrate our justice~~

*The absolute assurance of Israel's survival*

A lasting peace must be based on ~~assuring~~ <sup>the absolute assurance of</sup> Israel's survival and security. I would never ~~a~~ yield on that point, and it is very important for us to make this ~~quite~~ clear to the rest of the world. The survival of Israel is a significant moral principle for the people of ~~this~~ <sup>the United States</sup> country. We share democracy in a time when few nations are free. We both enjoy a free press and freedom of expression. We are both nations of immigrants. We share cultural and artistic values. We are friends who admire and respect each other. *This country was the first nation to recognize Israel's existence as a country and we must remain the first country to which Israel can turn*

~~For all these reasons, as long as I am President, the American people will~~  
*with assurance.*

For all these reasons, as long as I am President, the American people will never sacrifice the security or survival of Israel for barrels of oil. Even if every other nation <sup>were</sup> forced by ~~the~~ <sup>Thirst for</sup> oil ~~weapon~~ to desert Israel, we in this country, with our resources, our power, our sense of decency ~~and our potential for energy independence,~~ <sup>can and</sup> will ~~stand~~ stand fast.

The people of Israel have sacrificed heavily to ~~defend~~ defend themselves. They have sought peace with their neighbors from the moment of their nation's birth. They are entitled to live in peace, free from threats and boycotts and the crushing burden of defense spending <sup>like all people</sup> <sup>--almost half their national income.</sup> They have much more to offer the world than ~~its~~ military might and a nation bearing arms~~x~~--and so do their Arab ~~ne~~ neighbors.

~~There are those who say that peace will come only as the Israelis retire from their present borders. This is an end, not a beginning of the process. Peace can only come about through face to face negotiations, through a change in attitudes, not through a transfer of real estate. If America's foreign policy is clear about our commitment to the preservation of Israel, it should also be clear about our commitment to genuine Arab-Israeli negotiations. Only face-to-face communication can build the trust and nurture the accommodations that will be needed. By insisting on these kind of talks, and by demonstrating the seriousness of our commitment to a real peace, we can use our influence to prepare all sides for the best way out of this tragic conflict.~~

There are those who say that peace will come only as ~~the~~ <sup>conflict</sup> Israelis ~~retire from~~ <sup>fall back</sup> ~~their present borders.~~ <sup>from certain of the territories which it gained in the 1967</sup> <sup>But those same people never ask what Israel is forswear in return.</sup> ~~But that is an end, not a beginning, of the process.~~

Peace in the Middle East depends ~~much~~ <sup>for</sup> more upon a change in attitudes than ~~the~~ <sup>on</sup> transfer of real estate. <sup>critical question; Arab recognition of the right of Israel to exist as a viable Jewish state is the prerequisite to peace.</sup> <sup>National</sup> While we work towards a future peace, ~~we~~ we must acknowledge the lessons of past wars. Progress toward peace requires that Israel ~~remain~~ remain strong enough that it can neither be overrun militarily nor isolated in the international <sup>is an</sup> ingredient

(\*)

any of

community. Israel has never sought American ~~soldiers~~ soldiers and never will. It asks us only for the tools to assure its own defense. We should continue to supply them. And we ~~should~~ should continue to aid her economy, which has been ~~so~~ <sup>to the utmost</sup> strained by the burdens of defense.

I do not believe that a firm commitment to Israel of this nature will interfere <sup>either</sup> with our ~~ability~~ <sup>ability</sup> ~~either~~ to retain the trust of ~~the~~ Arab states, or to <sup>help</sup> mediate the conflict. We can do much to encourage moderation and pragmatism in the Arab world. There are strong links of trade and friendship between us and the Arab countries. ~~We~~ <sup>They</sup> have developed over many years. ~~It is because we are respected as a friend, by both Arabs and Israelis, that we alone are trusted as a mediator.~~ The process of peace will be best served if these relations ~~are~~ deepened. But not at the ~~expense~~ expense of Israel, and not as the result of oil blackmail.

<sup>P</sup>We have developed ~~The~~ close ties of investment and economic aid ~~we have developed~~ with many Arab countries. <sup>This</sup> <sup>economic</sup> shows that interdependence can also be a foundation of peace. <sup>I would</sup> ~~The~~ Arab peoples are no less tired of war than Israel's, no less weary of its burdens and waste, ~~just as~~ no less ~~grieved~~ mournful of their dead. <sup>Some</sup> ~~The~~ Arab states have set ~~for themselves~~ <sup>economic</sup> goals for development and education which are worthy of great respect, as well as our aid and participation. But ~~these~~ <sup>Their</sup> <sup>like the dreams of Israel,</sup> dreams will come true only if ~~there~~ there is a lasting peace in the Middle East.

<sup>This is why</sup> ~~For this reason, it is not possible to~~ ~~encourage~~ encourage both Arab <sup>blasting</sup> moderation and Arab militarism at the same time. <sup>I do not believe arm sales buy friends.</sup> I am concerned with the way in which our country, as well as the Soviet Union, Britain and France, have ~~become the supplier~~ <sup>X</sup> have poured arms into certain Arab countries far beyond their legitimate needs for defense. <sup>-- 5 or 6 times more than Israel receives.</sup> This headlong rush for weapons increases the chance of war. <sup>negotiations.</sup> It postpones peace. It defers development. It erodes security.

That is why ~~it makes no sense~~ <sup>it would not be wise</sup> at this time to begin an arms supply relationship with Egypt, ~~despite~~ <sup>Signs</sup> despite ~~that~~ that nation's recent ~~history~~ <sup>history</sup> of friendship for the United States. <sup>offensive weapons such as</sup> Egypt needs housing and jobs and health care far more than tanks and planes and missiles. Investment in Egypt's economic development is <sup>fighter</sup>

7. and this country should willingly make it.

an investment in peace. The shipment of ~~offense~~ arms is full of risk and peril. ~~we wish to~~ <sup>should</sup> show other Arab nations the benefits that come from friendship with the United States. <sup>But</sup> there are far better ways to do ~~it~~ <sup>that</sup> than by loading ~~a~~ Egypt with instruments of death. (insert 2)

Peace in the Middle East involves ~~many~~ difficult and emotional issues. ~~But if both sides come to see that mutual accommodation and cooperation is in their national interest, all the issues can be resolved.~~ In face-to-face negotiations, with a maximum desire for fairness, and a modicum of good will, the questions of the ~~borders~~, <sup>boundary lines and the</sup> of Jerusalem, even the status of the Palestinians can be resolved.

within the complexities of

The Palestinian problem, a ~~central one~~ <sup>the</sup> is a humanitarian ~~problem~~ <sup>one</sup> which has been neglected far too long. <sup>denied a sense of hope for the future,</sup> Too many human beings live

in makeshift and crowded camps where gunslinging demagogues feed on ~~their~~ ignorance and despair. ~~But so long as the demagogues have the upper hand so long as the Palestine Liberation Organization encourages terror and killing in ~~the~~ <sup>the</sup> around the world and calls for the destruction of Israel it excludes itself from the process of peace-making.~~ <sup>But we must not permit our sympathy for their plight lead us to recognize the existence of brutal terrorist who masquerade as their legitimate representatives in the world forum.</sup> Those Arab states that allow would-be Palestinian leaders to

wage war on Israel, and who sit back while the very concept of <sup>Israel's</sup> Jewish nationhood is attacked, ~~are~~ <sup>are</sup> undermining their own best interests and ~~delaying~~ <sup>delaying</sup> the day of peace.

<sup>Whatever the plight of the Palestinians and whatever may be their hopes for the future,</sup> The grievances of the past, real and imagined, cannot dictate the agenda of the future. <sup>to hope for the future, neither they nor the other people</sup> Any new war will create a whirlwind of destruction that will sweep all our hopes before it. <sup>in the region</sup> Our daily task is to <sup>make sure the future of the Middle East will be a future of peace.</sup> <sup>terrorism</sup>

<sup>We all want to see a</sup> And that out of communication and conciliation will come a new Middle East, dedicated to human progress rather than sterile hate. We want to see the desert bloom on both sides of the River Jordan, and along the Nile, and everywhere that human beings hope for better lives for themselves and their children.

*Handwritten note:*  
I want  
to report

We must work toward these goals through international organizations, as well as ~~bilateral~~ negotiations. This is a difficult time for Israel in the international arena, primarily because of the importance of oil to the world's developing nations. I deplore the actions taken recently in the United Nations, and I reject utterly the charge that Zionism is a form of racism. <sup>115</sup> History shows <sup>NS</sup> the opposite: *Indeed, Zionism was a response to racism against the Jewish people.* ~~Zionism has been a powerful remedy against racism.~~ ~~It is~~ The concept <sup>of Israel</sup> of a Jewish state <sup>was</sup> born out of centuries of persecution of human beings because they practiced a different religion. *(insert here from p1)* ~~It was~~

~~A Hitler who decreed that because of this difference, Jews were an inferior race which must be exterminated.~~ <sup>To</sup> For years, <sup>a vision of Israel embodied</sup> Zionism ~~was~~ <sup>was</sup> the <sup>at least</sup> dream that there could be <sup>at least</sup> one place on this earth where this kind of racism could never be <sup>EXIST.</sup> practiced. Now that dream has come true. (As a country founded upon religious freedom and dedicated to brotherhood) America has a special responsibility, not only to oppose this baseless charge wherever it appears, but to keep that dream alive.

*And yet it is outrageous that the first utterance of our new Ambassador to the U.N. (wa)*  
Finally, I want to say I ~~emphatically disagree with those in~~ ~~office in Washington today who think~~ ~~that American~~ ~~policy~~ ~~only the~~ ~~State~~ ~~Department~~ ~~can make~~ ~~American~~ ~~policy~~ ~~toward~~ ~~the~~ ~~Middle~~ ~~East.~~ ~~There~~ ~~have~~ ~~been~~ ~~far~~ ~~too~~ ~~many~~ ~~secret~~ ~~undertakings,~~ ~~contradictory~~ ~~promises,~~ ~~and~~ ~~diplomatic~~ ~~sleight~~ ~~of~~ ~~hand.~~ ~~Maneuvers~~ ~~of~~ ~~this~~ ~~type~~ ~~are~~ ~~bound~~ ~~to~~ ~~produce--~~ ~~as~~ ~~they~~ ~~have~~ ~~produced--~~ ~~both~~ ~~failure~~ ~~and~~ ~~suspicion~~ ~~among~~ ~~its~~ ~~participants.~~ ~~The~~ ~~recent~~ ~~disclosure~~ ~~by~~ ~~President~~ ~~Sadot~~ ~~of~~ ~~undisclosed~~ ~~assurances~~ ~~by~~ ~~our~~ ~~Secretary~~ ~~of~~ ~~State~~ ~~exemplifies~~ ~~all~~ ~~that~~ ~~is~~ ~~wrong~~ ~~with~~ ~~the~~ ~~presentation~~ ~~of~~ ~~our~~ ~~foreign~~ ~~policy.~~ ~~policy~~  
American policy toward the Middle East--and toward every other <sup>in negotiation</sup> ~~part~~ ~~of~~ ~~the~~ ~~world--~~ should be shaped with the participation of the Congress, from the outset, on a bipartisan basis. It should emerge from a broad and well-informed public debate ~~and participation.~~ ~~Pol-~~ ~~icies~~ ~~made~~ ~~in~~ ~~that~~ ~~way,~~ <sup>our foreign policy</sup> will reflect the best that is in us. Indeed, it is a necessity. In every foreign venture that has failed--whether

is not in support of Israel's right to exist within safe and secure boundaries, but  
rather a call for unilateral Israeli withdrawal from certain territories.  
unilateral Israeli territories

it was Vietnam, Cambodia, Chile, Angola or in the excesses of the CIA, our government operated secretly, and forged ahead without consulting the American people. It did things that were contrary to our basic character.

Public understanding and support today are as vital to successful foreign policies as they are to any domestic program. No one can make our foreign policy for us as well as we can make it for ourselves. It should be based not just on military might or economic power or political pressure, but also on truth, justice, equality, and a true representation of the moral character and compassion of our people. A policy of that kind will reflect the best in all of us. And it will succeed.

Peace in the Middle East is not the impossible dream. It can be made a concrete possibility. ~~By our own hands, our own science and our own devotion, we can do it on equal terms with them.~~

As your President, I shall work hard with you to make America an agent of that peace <sup>in the Middle East and elsewhere --</sup> in keeping with the teaching of the Scriptures, in our own best tradition, and in fulfillment of the highest hopes of all mankind.

insert  
at very  
end

I would like to leave you by quoting a portion of a <sup>modern</sup> Jewish prayer, <sup>recently</sup> published in part by a young Jewish rabbi at the ~~Strength Jewish Conference in Atlanta, the capital of the State of Georgia.~~ It reflects I believe the attitude of the American people and the people of Israel.

" We cannot merely pray to You, O Lord,  
To end war.

For You have made this world in such a way  
That man must find his own path to peace  
Within himself and with his neighbor."

" We cannot merely pray to You, O Lord,  
To root out prejudice: <sup>prejudice</sup>  
For You have already given us eyes  
With which to see the good in all men  
If we would only use them wisely."

" Therefore, we pray to You <sup>instead</sup> O Lord  
For strength, determination, and will-power  
(over)

To do instead of just to pray, <sup>wish</sup>  
To become instead of merely to wish

"For Your sake and ~~for~~ ours,  
Speedily and ~~soon~~,  
That our land may be safe,  
And that our lives may be blessed."

→ insert per. from front of p. 9.

Monday

Steve:

We need to send Jimmy's standard labor letter to this man for publication in his union's magazine (I think the name of it is "The Machinist").

Floyd E. Smith  
President  
International Association of Machinists  
and Aerospace Workers, AFL-CIO/CLC  
1300 Connecticut Avenue, N. W.  
Washington, D. C. 20036.

Our local contact is a guy named Grady Elrod who works at Lockheed. He said you might mention something like Jimmy's appreciation to IAM & AW -- the local IAM endorsed JC for Governor last time around. You might check with Frank or Jody to see if some reference to that should be included.

Frank just said send standard letter.

396 Virginia Ave SE  
Milledgeville Ga  
30660

orig question → answer

Steve:

Attached is response to question 7.

I intend to ensure, to the degree that it is in my power under the Delegate Selection Rules of the Democratic Party, that delegates pledged to me will be divided equally among women and men, and that minorities are represented in proportion to their presence in the Democratic electorate. This also applies to alternates.

Rule 10 of the Mikulski Rules, which gives presidential candidates the means to see that their delegates and alternates are bona fide supporters, has been interpreted by the Compliance Review Commission as giving presidential candidates a virtually unrestricted right to approve candidates for delegate and alternate. Although presidential candidates must be careful not to violate Rule 18A2, Rule 10 enables me to ensure that those persons who have been traditionally discriminated against will be fully represented on my delegate and alternate slates.

In addition, my staff is attempting, where possible, to supplement the affirmative action efforts of state parties with efforts of our own to involve traditionally under-represented Democratic constituencies in our campaign. In Illinois and New Hampshire, for example, which have the earliest filing deadlines, we have sent press releases to the affirmative action target lists urging persons interested in becoming alternates or delegates, or in working in my campaign, to get in touch with the campaign in those states.

present capacity, what will you do to promote immediate passage of the Equal Rights Amendment in those states that have not yet ratified, or where there is an organized attempt to rescind ratification?

3. CHILD CARE

Do you favor enactment of a comprehensive child development bill which will provide quality non-profit child care programs for all children, regardless of income and age, in a variety of settings? Do you favor parental and community control in line with Congressional intent?

4. VICE PRESIDENTIAL NOMINEE

As the Democratic presidential nominee, do you intend to consider affirmative action standards in your determination of the vice-presidential nominee? How would you rank these with other considerations such as age, religion or a recommendation from the nation's Democratic Governors, Mayors and other elected officials?

5. PRESIDENTIAL APPOINTMENTS

When you are assembling your cabinet and executive staff, or if you have the opportunity to appoint a Supreme Court Justice or United Nations delegate, will you do so affirmatively, drawing upon the wealth of talent and experience of women and racial minorities. Furthermore, do you intend to make the executive branch an example for the rest of the nation in regard to equal pay for work of equal value?

6. ECONOMY

Women and racial minorities are the most disadvantaged groups in the total economy and are the greatest victims of the current depression. What is your program for dealing with the economic injustice suffered by these groups?

7. POLITICAL PARTY REFORM

In view of the Compliance Review Commission's recent decision on Rule 10-B what do you plan to do to ensure that your delegates, and separately your alternates, to the 1976 Democratic Convention are equally divided between women and men and that minorities as defined in the Democratic Party Charter are represented in proportion to their presence in the Democratic electorate?

8. SOCIAL SECURITY

How do you propose to reform social security and government employment security programs to remove all forms of discrimination by sex and race? To help compensate for the wage gap resulting from discrimination, would you support social security changes that give adequate cost of living income to everyone regardless of sex and the amount paid into the social security system?

Rick

69M

CUT BY  
TELECOPY 1/19

Bill <sup>Vanden Heuvel</sup>  
^

Here are some of the points we'd like stressed in the speech.

- need for federal long-range policies for all areas affecting urban policy (especially health areas)
- welfare costs shared by state and local govts'
- diverting revenue sharing funds to cities
- time to end the Ford Administration's policy of confrontation with the cities
- although Jimmy comes from a rural background, he understands the problems of the cities.
- some talk how preservation of cities is a preservation of old American values.

At any rate, we need two pages of some good rhetoric about the cities, that you or a friend could come up with. I'll talk to you Tuesday evening.

# BACKGROUND FOR QUESTIONS

17M

4. There are 155,000 federal firearms license holders -- these are dealers. They keep records of the buyers of any gun; the buyer must provide positive identification.

6. The term Saturday Night Special does mean different things to different people. The term ususally connotes a small, cheap handgun. The Bureau of Tobacco, Alcohol and Firearms, in a study of handguns seized by police in connection with major crimes in 16 cities, offered this arbitrary definition:

THE gun must meet all of these criteria:

- 1) it must cost \$50 or less
- 2) the gun must be .32 caliber or less.
- 3) the gun must have a three inch barrel or less

The Gun Control Act of 1968

7. The Gun Control Act of 1968 tightened up issuance of dealers' licenses and the requirements placed on the dealers to keep records of their sales. It prohibited the shipment of guns in interstate commerce except among dealers. It prohibited the importation of guns not suitable for sport. This requirement was easily circumvented by importing parts which were assembled in the United States.

In the House of Representatives all bills go to the Subcommittee on Crime. One bill which seems the most likely to be reported is H.R. 11193. This would ban the importation of cheap parts in an attempt to rectify the shortcomings of the Gun Control Act of 1968. It would also create a National Tracing Bureau for guns lost or stolen. Another provision is the mandatory sentencing of people involved in gun-related crimes. There is still doubt that this bill will appear.

*gun control*  
Dave Moran

*more information  
available from Rep.  
Compt's office*

THREE MORE BAD VOTES FOR UDALL ON AGRICULTURE

18M

--4/26/66 Udall voted against a Congressional <sup>agriculture</sup> appropriations bill for fiscal 1967. Had the House voted with him, it would have cut off all funds for all farm programs. The entire Wisconsin delegation voted the other way.

--11/29/67 Udall voted to kill a bill that would have made farm cooperative credit systems more competitive with non-farm banks by allowing them to invest in the same kind of securities that other banks invest in. The entire Wisconsin delegation voted the other way.

--In 1968, Udall voted against a bill prohibiting unfair trade practices affecting farmers and farm coops. Majority of Wisconsin delegation voted the other way.

Jody --

Preliminary, in-house research on the above has produced the following results:

1. The 1966 appropriations bill was a composite of funding for several different agricultural programs. There are any number of reasons Udall might have voted against it.
2. The 1967 bill was eventually passed and signed into law Dec. 15, 1967. The House staff claimed they could not give me a telephone summary of a bill that was so old.
3. The date was too vague for me to get any information.

If you want me to follow up on the above, I can do so tomorrow at the library. Let me know if I should pursue it or bag it.

cm  
~~cm~~

# BACKGROUND FOR QUESTIONS

16M

Jody --

I spoke with Gene Gleason of Cong. Conyers' Committee (the one which is hearing the gun control bill). In addition to the information on the preceding page, the following might be useful in framing answers to the questionnaire:

Question 9. At present, individuals are not limited in the number of firearms they may own. The Conyers bill proposes a limitation of one gun purchase per thirty day period. Obviously, any individual could continue to buy as many guns as he wanted to at one-a-month, but the object is to prevent people from buying several guns at a time and then reselling them.

Question 10. The Conyers bill proposes a 21-day waiting period. The length of the period, although chosen after consultation with police officials is arbitrary.

Question 12. At present, only a very few states (including NY, NJ, and California) require gun purchasers to register with the police. The local police can then have these names recorded with the FBI if they desire.

Question 15. At present, there is a mandatory minimum sentence of 2-15 years for a second offence using a gun. The Conyers bill would require a minimum sentence of 1-10 years for the first offense.

Question 16. Complaints about the performance of the Bureau of Alcohol, Tobacco and Firearms come from two main sources. The first consists of those who are opposed to restrictions on the purchase, sale and trafficking of guns and see the Bureau's attempts at gun control as an infringement of their rights. The second consists of those who want to see stricter enforcement of present laws by the Bureau. The bureau has always suffered from a shortage of personnel to inspect and enforce gun control laws. The shortage has been made worse by the Federal government's need to borrow agents to provide security for presidential candidates.

OTM

Steve --

These are some things Governor Carter may be asked in Nebraska. I think that they are fairly straightforward. If you need any backup let us know.

They are concerned about national health insurance. The citizens are especially concerned that private insurers have a role in any system. The health speech deliberately ignored this issue. Mary King says that "it is still under study."

Agriculture

They are for full production of food as long as they have open and free markets. This means that they do not want any embargos on exports such as the embargo on shipments to the Soviet Union.

They are against regulations on pesticides and herbicides.

They would like the import quotas on imported beef lowered to lessen foreign competition.

He will again be asked about the inheritance tax.

Papillion Dam

The Army Corps of Engineers is planning to build a dam in the Omaha area. It is called the Papillion Dam, and sentiment is divided on it. I talked to Carlton and he said that if it was an important issue he would have heard of it from conservationists in Nebraska. He said that the Governor cannot take a stand on every dam in the country, that he can talk about his record in Georgia on the subject.

Our people in Nebraska say that there is no "hot" issue out there. Perhaps

Dave  
Dave

Steve -- some notes:

1. in calculating the % of Nebraska production that is destined for export, the Dept. of Agric. uses the % that a state contributes to total us production. Therefore, Nebraska accounts for 8.7% of U.S. corn exports, etc....

2. The big issue is corn prices. Note the drop since last year. The Nebraska Dept. of Agriculture says that farmers intend to ~~xxxx~~ increase their acreage devoted to corn by 6%. This threatens to cause prices to drop even lower. Farmers are worried. Note how close market prices are to cost of production figures.

3. As you remember from the agric. meeting last Saturday, the big issues are freedom to export as much produce as possible so as to keep prices up, and adequate price supports. You should mention these in any speech or release.

4. Use the two cost of production columns with care. The Dept. of Labor adds the following to get the cost of production per bushel: land, management, machinery & seed etc. The differences in land valuation accounts for the differences in cost of production figures

5. Other things you may be able to throw in Nebraska is:

- #1 in alfalfa
- #2 cattle slaughtering
- #3 fed cattle and cows marketed
- 3 grain sorghum
- 4 corn production
- 4 number of cattle on farms
- 5 hay production
- 5 cash receipts from farms
- 6 winter ~~xxx~~ wheat
- 6 number of hogs

ie.  
nebraska is  
#3 grain sorghum producer in  
U.S.

SOURCES:

- Neb. Dept of Ag.
- U.S. Dept of Ag

MEMO TO: Stu Eizenstat

FROM: Madeline MacBean

Stu, Bob Ivey seems to be more suited to your department than any other, at least from his letter, so I am sending this on for your consideration. If you have any interest, or need, I would appreciate your calling him. If not, please let me know so that I can follow up.

He would "get on a plane tonight" and fly to Atlanta for a personal interview if that would help -- he's very serious about taking a leave of absence from the law firm to work fulltime for Jimmy's election, just for subsistence if necessary.

The handwritten note on the letter is Rosalynn's -- as you can see she does acknowledge that he is a good friend.

Thanks.

mfm

## INHERITANCE TAXES

It is important to prevent hardship in cases where farms and small businesses are subject to estate and gift taxes in cases where the estate is not liquid. Adequate provisions should be made for stretching out payments in such cases.

Chuck Percy's bill

✓ Sundry  
✓ Pectman

IN HOUSE FILE

## Brief notes on tax cut (from Pechman and advisors)

1. Nowhere does President Ford say what he intends to cut to reduce the budget by \$28 billion. Pechman says that the Democratic congress will probably have to reduce the cut to about the size of last year's --\$17 billion -- arguing that the other needed cuts would badly reduce needed social programs. The argument is that Ford will then run against a "spendthrift Congress."

Two essential points here, Pechman notes -- there is no way we can afford to cut the budget by that amount; it is highly improper to propose a cut but not suggest what will be cut.

2. According to his present package, a new standard of maximum deductions replace a "low income allowance" designed to help the poor. (The allowance was \$300). Thus a family of 4, earning \$5,000 a year would get no reduction at all under President's proposal; family earning \$50,000 a year would receive \$390 reduction. (See articles for more details)

The new proposal also lowers corporate tax rate from 48 to 46%.

Another essential point -- this bill places an unnecessary hardship on working people while giving big business and the wealthy a bigger break. What we ought to be doing, you can argue, is reforming the tax structure instead of making the inequities more pronounced.

ste

IN HOUSE URBAN

File 1 (35M)  
in-house  
mrla

NOTE: This started out to be an outline for a speech to a New York audience-- cynical, bored, finished with the conventional five-point programs and deeply distrustful of all the government programs of the last ten years. We know that medicaid leads to enormous fraud, we know that poverty programs have ~~be~~ turned into ripoffs, we know that all the education money has swollen teacher payrolls but not increased reading levels.

Now, as I understand it, your Governor is to address a bunch of Mayors, which is an entirely different audience. You have only two ways to go, with Mayors. One is to give them what they came to hear. This means more of the five-point programs, promising them new federal revenues with which to perform their eternal juggling act, dancing on the high wire to meet the constant demands of their civil service unions (probably now the most cohesive bloc of substantial voters in the country), while seeking above all to avoid the blame for new taxes. All they really want to hear, therefore, is that you will try to give them the money. From such a speech, they will come away telling the press that you have a deep grasp of urban problems. This is not to be sneezed at; as distrustful as they are by their own voters, a gaggle of Mayors sounding your praises still impresses some voters.

The other way to go is more dangerous; it is the politics of risk. Your Governor has already taken this road, in his

early opposition to fed bailouts of N.Y.C. etc

2

was right, of course. But that is not the same thing as popular with the Mayor.

With the first type of speech, you need no help. No doubt you can find some former Lindsay speechwriter who can set forth all the formulae. What I will try to set forth, rather, is how you might take the other road: how you might address a group of New Yorkers, either directly or over the heads of his immediate audience.

(There is a third way, a variant of the second. It is directly to confront the Mayor-- to tell them what is wrong with the way they are doing things, as I recall your Governor told the other Governors that they were misusing revenue sharing. That way not only takes risks, albeit discounted ones; it speaks directly to the kind of leader you intend to be. If that is the speech you want, call me day or night).

To: Stu Eizenstat  
Dick Creeey

From: Orin Kramer

Re: Economics Task Force

The Economics Task Force agreed to produce six short issue papers for use immediately after the convention either as speech material, backgrounders for the Governor or direct use.

The papers cover:

1. The problem of unemployment: focus on various unemployment rates and structural problems - Al Sommers.

2. Policies to deal with structural unemployment - Bernard Anderson and Michael Wachter.

3. The coming inflationary pressure: diagnosis 1976-1978 - Larry Klein.

4. Eliminating obstacles to free competition - Rendigs Fels.

5. Alleviating the pains of inflation - Martin Feldstein

6. Improving the distribution of income - Carolyn Shaw Bell.

In addition, Larry Klein will seek papers from others, as follows:

1. Reorganization of the monetary system - Andrew Brimmer

2. International trade policies - Irving Kravitz

3. Capital Formation - Ben Friedman

4. Commodity agreements and international price stabilization - Bob Rosa.

The task force is aware that some of these topics stray into the bailiwicks of other groups. They wanted to be informed of, and to develop some mechanism for coordinating their work with, groups working on tax policy, energy, welfare reform, and other related fields.

The papers are to be completed and distributed for review no later than two weeks before the next meeting on June 23 in Washington, D.C.

Stine -  
from Tom Belford, Common Cause

Common Cause has released issue profiles which report the positions of presidential candidates in 11 issue areas. Each issue area profiled -- such as jobs, inflation, taxes -- is divided into subtopics in order to simplify comparison of candidates' views -- and only for that purpose. The Common Cause profiles released to date do not purport to be inclusive and should not be used to allege that certain candidates have not addressed particular issues. The first edition of these profiles reflects information publicly available as of February 13th. Common Cause will release subsequent editions which we expect to be more comprehensive for each candidate.

this is statement you can use.

tonight: 703-536-1721

1. Gary Hanauer is writing a humorous piece for Esquire magazine on the presidential candidates. He has asked all the candidates to answer the following questions. Bayh, Udall, McCarthy and Harris have all responded. The answers are meant to be off-the-cuff and humorous, and non-political. I thought you or the Governor might have fun answering them. Otherwise, we in the humorless issues department will take a crack at them. The questions are:

- a) Can you tell anything by the way a person shakes your hand?
- b) Do you like kissing babies? Why?
- c) Eisenhower is remembered for his golf games, Kennedy for his rocking chairs, and Johnson for his beagles. What non-political thing will you be remembered for if you are elected?

Gary Hanauer  
1929 Haste St.  
Berkeley, Ca 94704  
415-845-8336

# Jimmy Carter Presidential Campaign

Steve Stark

Re: Morris J. Amitay's perception of J.C.  
From: Phil Sanford

due  
- 5/25

Howard Samuels called today to express concern over Amitay (The Exec. Director of The American Israel Public Affairs Comm. [the Jewish lobby]). Amitay wrote Samuels stating that J.C. had ~~said~~ <sup>made</sup> in Tokyo in May some statements that could be construed as Pro-Arab / Anti-Israeli. Specifically the "76 resolution" of the Senate. Amitay also feels that Brez has written some adumment that could also be viewed as Anti-Israeli.

Samuels thinks JC should call or meet Amitay. Ph. (202) 638-2256.

Phil

7/27/76

# Udall COMMENTS

47M

TO:

Steve Stark

Jody Powell

Vanden Heuvel

In Pittsburgh on April 7, Udall accused Carter of practicing "the politics of racial division" and of making "thinly veiled hints of racial division".

In Philadelphia on April 9, he said Carter's "comments and choice of words" are revealing of basic attitudes".

In an interview with the editors of The Washington Post published on April 17, Udall said of Carter's "ethnic purity" statement, "It says to me that when the chips are down, if I'm a black person or a Jew, I would wonder where he was really going to be". (This was eight days after Carter retracted the statement).

On May 14, Udall's campaign manager Paul Tully said of the Michigan campaign, "We'll get most of the Jewish vote. Jews know what Carter meant by ethnic purity".

On April 5, Udall said he was "concerned by the arrogance as well as the harshness" of Carter's remarks, calling them "unfitting" "someone who preaches love and Christianity".

telecopied p.m. 5/18/76

MEMO: STU EISENSTAT

FROM: BILL JOHNSTON

I WORKED OUT WITH MAX CLELAND AND GUY ~~RENEER~~ MCMICHAEL, THE GENERAL COUNSEL OF THE SENATE VETERANS AFFAIRS COMMITTEE, THE LANGUAGE ANSWERING THESE VFW QUESTIONS. YOU SHOULD BE AWARE THAT THEY ARE NOT COMPLETELY IMPARTIAL OBSERVERS OF VETERANS AFFAIRS, BUT ARE RELATIVELY COMMITTED TO THE PRESERVATION OF THE STATUS QUO OR BETTER. ACCORDINGLY YOU MAY WANT TO HOLD POSITIONS MORE THAN THESE. BECAUSE OF THE ~~VERY~~ VIRTUAL POLITICAL IMPOSSIBILITY OF REALLY CHANGING THE STRUCTURE OF THE VA ADMINISTRATION OR THE HOSPITAL SYSTEM, (HALF THE NATION IS EITHER A VETERAN OR DIRECTLY RELATED TO A VETERAN, <sup>Thus</sup> AND THE CHANCE OF PUTTING A MAJOR REORGANIZATION & THAT ~~REALLY~~ COMPROMISED THE VA THROUGH CONGRESS ARE ABOUT EQUAL TO THOSE OF A CONSTITUTIONAL AMENDMENT (LEGALIZING HEROIN) I CANNOT SEE ANYTHING TO BE GAINED BY NOT SIMPLY REASSURING THE VETERANS ON THESE POINTS.

1. Yes. The needs of Veterans, their widows, and dependents can best be served by a single combined administrative ~~structure~~ structure.

2. I agree that the special service rendered by wartime veterans qualifies them for ~~special programs enacted by Congress.~~ I think it is important to distinguish between the contributions of those who have served in wartime, and the still important but less demanding service of those who served only in peacetime. I would never allow the benefits so richly deserved by war veterans to be eroded or compromised. But I do not believe that any federal program, no matter how just its goals can be placed above review to insure that it is effectively realizing its intended aims.

3. Yes. I believe that in any national health plan, the VA health system should continue as a strong, independent provider of first rate care to veterans.

3. (More modest alternate. The above is Cleland-McMichael language)  
The medical care available to veterans must always be second to none. At present such high quality and specialized care is only possible through the VA hospital system. Unless continued delivery of such specialized, high ~~standards~~ quality care could be guaranteed, I would ~~not~~ favor ~~integrating~~ retaining the independence of the VA system.

4. ~~Yes Veterans programs cannot be vulnerable to hidden erosion by inflation~~ <sup>should be protected against</sup> if necessary

5. I believe that burial assistance should be available to all eligible veterans. <sup>to the full protection of their benefits</sup>

6. Yes. Veterans whose lives have been disrupted by national service should be given every consideration in the readjustment to civilian life. The laws that mandate this special preference in hiring should be ~~more~~ rigorously enforced.

45M

file



# Jimmy Carter Presidential Campaign For America's third century, why not our best?

Memo

To: Hamilton Jordon, Landon Butler and Barbara Blum  
From: Merle Lefkoff and Richard Reiman  
Re: Organization of Speakers Bureau: past, present and future

I. Function of Speakers Bureau to date (summary):

The Speakers Bureau began operation on approximately June 1st in order to coordinate speakers and forums prior to the large primaries on June 8th. Speakers were obtained not only to fill political speaking engagements in New Jersey, Rhode Island, California and Ohio, but to assist in fund-raising efforts there and in other parts of the country as well. Approximately 100 speakers were scheduled during the month of June and into the first week in July. On July 7 the Speakers Bureau went to New York for the convention, where we interviewed some potential speakers for the general election campaign and filled a few caucus requests.

As an indication of the types of engagements thus far handled, please review the following sampling:

On June 5 Gus Speth addressed the "Citizens for a Responsible Power Policy" in Trenton, N.J. More than 1000 leaders (primarily in the nuclear field) met and heard Gus and other surrogates for other candidates. We then arranged for Gus to attend a cocktail party that evening unrelated to the speaking event. However, there were environmentalists in attendance at this fund-raiser, and Gus was very helpful.

On June 1 Ted Sorenson attended a Stark County democratic party cocktail party (fund-raiser) in Canton, Ohio.

On May 27 Henry Maier spoke at a "Candidate's Night" rally in Dayton, Ohio. Approximately 500 people were in attendance.

On June 30th, Walt Bellamy attended a rally at a Black church in Morristown, N. J. and addressed approximately 400 persons.

On June 3 Morris Abram addressed several thousand representatives in Beverly Hills of the Jewish Homes for the Aged.

On June 3 Midge Costanza attended a cocktail/fundraiser

P. O. Box 1976 Atlanta, Georgia 30301 404/897-7100





# Jimmy Carter

## Presidential Campaign

For America's third century, why not our best?

in Santa Cruz, given by the mayor.

A filing system was set up to incorporate new speakers as they became available through endorsement and other means; a resume and picture was requested; and follow-up investigation of the speakers political background and talents was made to insure that the right speaker was sent to the right event.

A memo was sent out to all field officers and Atlanta staff requesting their cooperation in forwarding speaking requests to this desk. Unfortunately, many requests were side-tracked, never reached the speakers bureau and thus were not handled. However, this situation continues to improve weekly, as more people within the campaign become aware of the Speakers Bureau and its function.

## II. Function and Organization of Speakers Bureau for the General Election Campaign.

A. The purpose of the Speakers Bureau is to maximize the political exposure of the Carter-Mondale ticket, by providing surrogate speakers to those events of sufficient importance, which cannot be filled by the candidates themselves.

1. Receiving and determining priority of speaker requests: When a request is received, a phone call will be immediately made to the contact to determine the following: number of people expected to be in attendance; influence of group in the national or local community; potential for peripheral events, ie. media coverage or other speaking opportunities. The contact is asked to indicate his preferences and whether or not his group will assume the expenses for the trip.

2. Obtaining the speaker: the pool of speakers is reviewed, keeping in mind the preference of the request. The speaker is obtained and scheduled. A detailed itinerary of the speaker's trip is prepared, with one copy going to the speaker, another into the file of the requestor, and a final copy to the group receiving the speaker.

3. Follow-up: Follow-ups will be routinely requested in order to determine the effectiveness of the speaker, and to assess the type of group most suitable to his abilities in the future, thus building an in-depth speaker profile.



# Jimmy Carter

## Presidential Campaign

### For America's third century, why not our best?

B. Enlarging the pool of speakers: In order to insure the continued expansion of the speakers pool, it would be helpful if others on the national campaign staff and field staffs will forward to us the names and telephone numbers of potential speakers. The Speakers Bureau will continue to enlarge the pool of speakers in the normal course of activities.

1. Celebrities: The speakers pool will be further expanded by tapping those people in the sports and entertainment fields who are available to speak.

C. Cost accounting: A bookkeeping system will be devised in order that we can insure a continuing flow of speakers up to election day, without exceeding our approved budget.

D. Speakers Bureau--Personnel structure and responsibilities: The Director and Assistant Director will share responsibility for those functions detailed above. In addition, the assistant director will lend assistance to the director in whatever capacity she deems necessary. The Administrative Assistant will be responsible for filing, ticketing (when that function is transferred to the Speakers Bureau), follow-up after speaking engagements and other clerical work.

1. Advance work: We anticipate that there will be occasion when the nature of the speaking engagement will demand advance work. When the local headquarters are either unable to do the advance, or it is preferable that it be handled directly from this office, the Director and/or the Assistant Director will do the necessary advance.

Summary. Operationalization of the above is current; cost accounting to commence upon finalization and approval of the budget. Administrative assistant to be hired, upon approval.

After this memo is read and approved, we feel it essential that a further memo be sent to the national staff here and in the field describing the nature and function of the Speakers Bureau. Said memo will be submitted by us for your approval.

IN HOUSE  
MEMO

43M

Q

From Stu and Steve:

Phil has been pleading for permission to release a statement along the lines of:

"Jimmy Carter favors a national health insurance program along the lines and similar in scope to the Kennedy-Corman bill?"

What's your feeling?

Stu and I think his statement for you is O.K.

Stu

To: HAMILTON JORDAN, LONDON BUTLER, CHARLES KIRBO, STU EIZENSTAT,  
STEVE STARK

42M

From: Rex Granum

The following statement was released at 1 a.m. Thursday to AP in Jody Powell's name:

Governor Carter has had no contact with representatives of foreign governments.

Governor Carter would consider such contacts highly improper. He believes the conduct of American foreign policy to be the responsibility of the President and the Congress, not of presidential candidates.

The source or sources of this story have mistakenly interpreted the independent activities of advisors or supporters and the natural curiosity of foreign governments about a relatively new national figure as initiatives taken under the governor's direction. No such initiatives have taken place. These sources are unfamiliar with the governor's attitudes in this area.

####

Steve

I had something come up at the last minute and haven't had much time to develop the "urban problem" bit so far. Below are some issue type problems that you might incorporate into Carter's statement in Boston

1. There is no comprehensive Federal urban policy now. There are fragmented programs with objectives other than solving urban problems, i.e. housing, public works, etc. to improve economy.

Another good example is the very poor relationship between the Community Development Program (whose objective is to revitalize cities) and the Housing Act which isn't generating low income housing to provide resources for families affected by the CD program. As a result, the CD program really can't attract stimulus.

2. The lack of a clearly defined energy policy is greatly affecting urban policy and urban problems at the present time. Cities, Counties and States don't know exactly how Federal policy will affect growth, revenues, mass transit, etc.
3. The lack of program continuity has had disastrous effects on local governments particularly, social service programs. The termination of many of these programs has forced the diversion of local funds from physical maintenance, construction projects to pick up the slack. This has caused a decrease in City, County & State gov. construction at a time when unemployment is low.
4. By in large, there has been good cooperation in the area of exchange of policy planning, management, budgeting, etc. expertise between the Fed and local government. This has greatly increased the ability of local government to identify problems and deal with them. However, local government has not the resources to do it.

5. Local government is often ignored in policy planning and program development. This has resulted in inadequate legislation and funding of programs.

6. The indiscriminate impounding of Federal funds 18-24 months ago is beginning to have its real effects now on Cities like New York. This effectively took the momentum away from local government to solve or deal with critical urban problems. These then either went unaddressed or were funded with local funds.

ie. Model Cities Program  
Urban Renewal  
Low Rent Housing  
Rehabilitation Loan Program  
Many HEW programs.

The New York problem is in my opinion an example of trying to do too much with Federal funds without long term commitment. The same is going to happen with MARTA in Atlanta. The Fed, because it has no policy or commitment to urban problems is trying to coerce local government into taking the bait and then cutting the line.

Would like to work with you some more on  
this when I have more time. You caught me  
at a bad time this go round. Hope this helps.

Pls. call again

Jim Harane

Dave et al,

31 M

Please look over this address - it was presented at the Dem-Gov. Conference ~~and~~ by Gov. Exon of Nebraska - Passed UNANIMOUSLY - This plan has been very well received by the farmers of this state. But the publicity has been held to a minimum - Feelings are that Exon is holding back for his U.S. Senate Campaign to really start pushing it. The person who drafted this plan is Bill Harris - he is our fundraiser in Nebraska - Please see to it that either you or someone on the issues staff talks to Bill when

he comes in Monday. His  
agr. ideas are good and  
I think it could help Jimmy  
w/ specifics - Whether or  
not you think his ideas  
are worthwhile please "SNOW"  
him and PRAISE - this would  
help our fund raising which  
we need here desperately -  
If Carter comes to Nebraska,  
it would be a prime location for  
a major agricultural address - Bill  
knows this area (& he doesn't mind  
saying so) but he really knows  
it - listen to him and I think  
he could be an asset.

THANKS - Robbin

Presented by Gov Exon June 19, Omaha, Neb.  
National Democratic Governors Conference.

IN HOUSE  
AGRICULTURE

31M

A NEW HOUSE FOR AGRICULTURE POLICY

I THINK IT IS APPROPRIATE THAT WE ARE MEETING IN THE CENTER OF THE MAJOR AGRICULTURAL AREAS OF THE WORLD TO DISCUSS NEW DIRECTIONS IN POLICY NEEDED TO INSURE A CONTINUED PLENTIFUL FLOW OF REASONABLY PRICED FOOD AND FIBER FOR THE PEOPLE OF THE U.S. AND A FAIR INCOME FOR THE NATION'S AGRICULTURAL PRODUCERS. I AM DEEPLY CONCERNED THAT A CONTINUATION OF PRESENT POLICIES AND THINKING WILL EVENTUALLY CAUSE ECONOMIC STAGNATION OF THIS MOST VITAL INDUSTRY AND THE INESCAPABLE CONCLUSION THAT CONSUMERS OF THE U.S. WILL BE REQUIRED TO BUDGET INCREASINGLY GREATER PROPORTIONS OF THEIR INCOME FOR THAT MOST NECESSARY OF ITEMS -- FOOD. I AM ASKING THE GOVERNORS OF THE STATES TO JOIN ME IN A REFORMULATION OF OUR APPROACH TO AGRICULTURE AND ACTIVE SUPPORT FOR A NEW HOUSE FOR AGRICULTURE POLICY. I AM CONVINCED THAT THE ESSENTIAL ROLE PLAYED BY MODERN AGRICULTURE IN THE WELL-BEING OF OUR TOTAL ECONOMY IS, AT BEST NOT WELL UNDERSTOOD, AND AT WORST, DISMISSED AS LACKING RELEVANCE TO THE PROBLEMS FACING OUR NATION.

FOR TOO LONG, AGRICULTURE HAS BEEN DEFINED IN A NARROW, RATHER PROVINCIAL FASHION.

FOR TOO LONG, THE WORD "AGRICULTURE" HAS BROUGHT FORTH A MENTAL IMAGE OF A RURAL PASTORAL SCENE, DIVORCED FROM THE PRESSURES OF THE MODERN WORLD.

FOR TOO LONG, POLICIES FOR AGRICULTURE HAVE SEEMINGLY SOUGHT JUSTIFICATION SOLELY FOR THE PRESERVATION OF A WAY OF LIFE MUCH LIKE WE SEEK SUPPORT FOR THE ESTABLISHMENT OF ZOOLOGICAL PRESERVES TO MAINTAIN ENDANGERED SPECIES.

FOR TOO LONG, THE CONNOTATION ASSOCIATED WITH THE WORD "AGRICULTURE" HAS BEEN PORTRAYED AS BEING SEPARATED FROM THE "FOOD" THAT CONSUMERS PURCHASE IN SUPERMARKETS AND RESTAURANTS.

FOR TOO LONG, THE THOUGHT HAS ABOUNDED THAT IF MODERN AGRICULTURE PRODUCERS RECEIVE INCOMES COMPARABLE TO THOSE RECEIVED IN OTHER SECTORS OF THE ECONOMY, THEN CONSUMERS WILL SUFFER.

MODERN AGRICULTURE IS THE ASSEMBLY OF RESOURCES NECESSARY TO PRODUCE THE PRODUCTS WHICH FLOW FROM OUR FARMS AND RANCHES TO A VAST AGRICULTURAL STORAGE, TRANSPORTATION, PROCESSING AND AGRICULTURAL DISTRIBUTION INDUSTRY; TO THEN BE AVAILABLE AS FOOD AND CLOTHING TO THE CONSUMERS OF THE U.S.

MODERN AGRICULTURE, AS I HAVE DEFINED IT, IS THE NATION'S LARGEST INDUSTRY -- ACCOUNTING FOR OVER 10% OF THE GNP, IT IS THE NATION'S LARGEST DOLLAR-EARNING EXPORTER AND PROVIDES EMPLOYMENT FOR MORE WORKERS THAN ANY OTHER INDUSTRY. TO MAINTAIN A CONTINUED STEADY FLOW OF ABUNDANT FOOD AND FIBER, HOWEVER, REQUIRES THAT ALL SEGMENTS OF MODERN AGRICULTURE ENJOY ECONOMIC HEALTH. FOR IF ONE SEGMENT OF MODERN AGRICULTURE FALTERS, THEN THE FUTURE WELL-BEING OF THE ENTIRE INDUSTRY IS PLACED IN JEOPARDY.

I AM ABLE TO IDENTIFY AT LEAST TWO BROAD AREAS THAT THREATEN THE ECONOMIC WELL-BEING OF MODERN FARMING. THE FIRST IS RETURN TO RESOURCES, THE SECOND IS STABILITY.

MODERN BUSINESS HAS LEARNED THAT A REASONABLE RETURN TO INVESTED RESOURCES IS ESSENTIAL FOR EFFICIENT PRODUCTION, NOW AND IN THE FUTURE. IF RETURNS ARE LOW, INVESTMENT EVENTUALLY WILL BE SLOWED OR STOPPED. NEW TECHNIQUES THAT WOULD IMPROVE THE LONG-RUN EFFICIENCY OF AN INDUSTRY ARE LESS LIKELY TO BE EMPLOYED IF RETURNS ARE LOW, OR FORECAST TO BE REDUCED.

I WILL NOT DWELL ON THE NEED FOR NORMAL PROFITS TO THE CONTINUED GROWTH OF THE ECONOMY, BUT LET ME JUST PAUSE TO POINT OUT THAT WHILE THE AVERAGE RETURN ON INVESTED CAPITAL AFTER TAXES IN THE INDUSTRIAL SECTOR IN RECENT YEARS HAS FLUCTUATED NARROWLY AROUND 13-14 PERCENT RANGE, THE AVERAGE RETURN FOR AGRICULTURAL RESOURCES ON OUR MOST EFFICIENT FARMS HAS BEEN MUCH LESS, CAUSED IN PART BY CONSTANTLY RISING COSTS. ACCURATE DATA IS DIFFICULT TO OBTAIN, BUT THE INFORMATION AVAILABLE FOR RECENT YEARS INDICATES FLUCTUATING RETURNS AVERAGING AROUND 6 TO 8 PERCENT TO RESOURCES OF OUR BEST FARMS, AND CONSIDERABLY LOWER -- OR EVEN NEGATIVE RETURNS -- FOR THE SMALLER FARMS AND RANCHES. I MAINTAIN THAT THESE LOW RETURNS ARE THE SEEDS OF REDUCED EFFICIENCY FOR AGRICULTURAL PRODUCTION IN THE FUTURE; A REDUCED EFFICIENCY THAT THIS NATION CAN ILL AFFORD.

THE FOUNDATION FOR OUR NEW HOUSE FOR AGRICULTURAL POLICY SHOULD THUS BE BASED ON THE PRINCIPLE THAT MODERN FARMING MUST RECEIVE A PARITY OF INCOME WITH OTHER SECTORS OF THE ECONOMY. PARITY OF INCOME -- EQUAL RETURNS TO INVESTED RESOURCES -- IS THE FOUNDATION. THE PARITY PRICE CONCEPT, USED FOR NEARLY 40 YEARS, IS NOT ABLE TO PROPERLY EVALUATE THE INCOME SITUATION OF MODERN AGRICULTURE. SINCE FARMING IS A BUSINESS WE MUST USE THE MEASUREMENT TOOLS APPROPRIATE FOR BUSINESS -- RETURNS, NOT PRICES.

THE SECOND PROBLEM AREA OF MODERN AGRICULTURE PRODUCTION IS STABILITY, AND IT IS CLOSELY RELATED TO THE PROBLEM OF RETURNS. MODERN BUSINESS COULD NOT OPERATE IF THE FUTURE WAS COMPLETELY UNCERTAIN. NON-FARM BUSINESS HAS THE CAPACITY TO INJECT STABILITY INTO MARKET SITUATIONS BY CONTROL, TO A LARGE DEGREE, OF PRODUCT PRICES THROUGH MANAGEMENT OF TOTAL OUTPUT. FARMS DO NOT HAVE THIS POWER -- THE ABILITY TO STABILIZE OUTPUT PRICE -- AND THEREBY, REDUCE FLUCTUATIONS IN EARNINGS. THE DIFFICULTY IS IN THE SHEER NUMBERS OF INDEPENDENT BUSINESSMEN INVOLVED. FOR THE INDIVIDUAL AGRICULTURAL PRODUCER, IT IS LOGICAL FOR HIM TO ASSUME THAT HE, ACTING INDEPENDENTLY, IS UNABLE TO INFLUENCE TOTAL SUPPLY AND THUS HAS NO CONTROL OF PRICE. HIS STRATEGY HAS BEEN TO TAKE THE PRICE AS OFFERED AND TRY TO REDUCE HIS PRODUCTION COSTS IN AN EFFORT TO MAINTAIN INCOME.

THE DIFFICULTY IS THAT THE COST REDUCING TECHNIQUES USED BY THE INDIVIDUAL FARMERS ARE, BY THEIR VERY NATURE, ALSO OUTPUT EXPANDED TECHNIQUES. THE EXPANDED SUPPLY OFTEN DRIVES PRICES DOWNWARD -- REDUCING RETURNS. THE CHANGE IN THE QUANTITY OF AGRICULTURAL PRODUCTION IS NEVER MUCH IN ANY ONE YEAR, BUT ENOUGH TO CAUSE WIDE SWINGS IN PRICES AND EARNINGS. FOR EXAMPLE, HOG PRICES HAVE ALWAYS BEEN KNOWN FOR WIDE MOVEMENTS. WITHIN THE PAST YEAR THE PRICE RECEIVED BY FARMERS FOR HOGS FELL 50 PERCENT -- A REDUCTION THAT DRASTICALLY DEPRESSED EARNINGS AND IS LEADING TO LESS EFFICIENT PRODUCTION AS INVESTMENT IS SLOWED IN THIS IMPORTANT INDUSTRY.

I AM CONVINCED THAT STABILITY IN AGRICULTURAL PRICES CAN ONLY COME ABOUT THROUGH AN EFFECTIVE NATIONAL PROGRAM OF PRODUCTION MANAGEMENT.

I THEREFORE SUGGEST THAT THE FOUNDATION OF A NEW HOUSE FOR AGRICULTURE POLICY SEEK STABILITY OF AGRICULTURAL PRODUCTION AND PRICES ON AN EQUAL FOOTING WITH THE CONCEPT OF EQUAL RETURNS TO INVESTED RESOURCES.

IF THERE IS AGREEMENT ON THE FOUNDATIONS OF A NEW AGRICULTURAL POLICY, WHERE SHOULD THE RESPONSIBILITY LIE FOR ESTABLISHING DETAILED PROGRAMS? OUTSIDE THE PRESENT CONGRESSIONAL-USDA STRUCTURE IS MY RESPONSE. THE PROBLEMS FACING AGRICULTURAL PRODUCTION ARE NOT NEW NOR ARE THEY RECENTLY DISCOVERED. RESEARCHERS AT OUR LAND GRANT INSTITUTIONS HAVE BEEN RECOMMENDING

STABILITY AND PARITY RETURNS FOR AGRICULTURE FOR SOME TIME. THE DIFFICULTY IN REACHING WORKABLE SOLUTIONS TO THESE PROBLEMS LIES NOT IN THE DEFINITION, BUT RATHER IN THE IMPLEMENTATION OF SPECIFIC POLICIES.

POLICIES FOCUSING UPON AGRICULTURE HAVE SUFFERED BECAUSE THEY HAVE BEEN SHORT RUN IN NATURE -- CONCENTRATING MAINLY UPON PRODUCT PRICES. SHORT-RUN POLITICAL EXPEDIENCY HAS BEEN SUBSTITUTED FOR LONG RANGE PLANNING. IT IS MY BELIEF THAT NO CHANGE CAN OCCUR AS LONG AS THE DETAILS OF FARM POLICY ARE FORMULATED BY A CONGRESS THAT HAS A BASIC TIME HORIZON OF TWO YEARS..

I SUGGEST THAT CONGRESS ADOPT THE CONCEPT OF STABILITY AND PARITY OF RESOURCE EARNINGS AS THE LONG-TERM POLICY GOALS FOR MODERN AGRICULTURE AND THEN ESTABLISH A NATIONAL FOOD AND FIBER BOARD TO DEVELOP THE DETAILED PRODUCTION MANAGEMENT PROGRAMS NECESSARY TO INSURE AN ADEQUATE SUPPLY OF FOOD AND FIBER FOR THE FUTURE.

MEMBERS OF SUCH A BOARD WOULD BE NON-PARTISAN, APPOINTED BY THE PRESIDENT, AND WOULD REPRESENT ALL PHASES OF MODERN AGRICULTURE, FROM THE FARM-RANCH LEVEL THROUGH TO THE CONSUMER. SUCH A BOARD WOULD HAVE BROAD POWERS TO STABILIZE AGRICULTURAL PRICES BY VARIOUS CONTROL AND INFORMATION DEVICES, AND TO RAISE EARNINGS OF COMMERCIAL PRODUCERS BY REGULATING THE TOTAL QUANTITIES PRODUCED. SUCH A BOARD WOULD HAVE MAJOR RESPONSIBILITY FOR THE ESTABLISHMENT OF STRATEGIC RESERVES NECESSARY FOR PRICE STABILITY.

THE BOARD WOULD ENCOURAGE AND SUPPORT FARM BARGAINING ASSOCIATIONS THAT ALSO HAVE AS THEIR GOAL THE STABILIZATION OF AN EFFICIENT AGRICULTURE INDUSTRY.

THIS NATIONAL FOOD AND FIBER BOARD WOULD PROVIDE THE FOCAL POINT FOR THE REALIZATION THAT MODERN AGRICULTURAL POLICY CANNOT BE FRAMED IN AN ARENA WHERE THE FARMER IS PITTED AGAINST THE MIDDLEMAN AND THE CONSUMER. THE BOARD WOULD HAVE BUT ONE CHARGE, TO ESTABLISH PRODUCTION AND MARKETING CONTROL PROGRAMS -- TO BE IMPLEMENTED BY U.S.D.A. -- THAT WILL INSURE PRODUCTION OF FOOD AND FIBER IN THE MOST EFFICIENT MANNER BY PROVIDING STABILITY AND REASONABLE EARNINGS TO ALL CONCERNED.

LET ME EMPHASIZE THAT EVEN IF WE FIND A WORKABLE SOLUTION TO OUR FOOD PRODUCTION PROBLEMS WE WILL HAVE NOT NECESSARILY ELIMINATED RURAL POVERTY. FOR TOO LONG, WE HAVE ASSUMED THAT RURAL PROBLEMS ARE IDENTICAL WITH SLUMPING FARM INCOME.

RETRAINING AND INCOME MAINTENANCE PROGRAMS MUST BE NATIONAL IN SCOPE, NOT CONFINED TO THE CITIES. THE LOCATION OF INDUSTRY OUTSIDE THE CITIES MUST BE COORDINATED BY A SINGLE AGENCY, AND NOT BE LEFT TO MULTI-AGENCIES THAT OFTEN WORK AT CROSS-PURPOSES. IT IS UNREALISTIC TO THINK THAT A COORDINATED PROGRAM FOR THE RURAL POOR WILL BE FORTHCOMING FROM THE CURRENTLY UNCOORDINATED EFFORTS OF HUD, USDA, HEW AND OEO. WHEN WE SPEAK OF PROGRAMS TO REBUILD OUR CITIES, WE MUST INSIST THAT SUCH PROGRAMS ARE EQUALLY APPLICABLE TO THE THOUSANDS OF SMALL TOWNS THAT HAVE PROBLEMS

JUST AS GREAT, BUT ARE SIMPLY LESS VOCAL AND VISIBLE. IN SHORT, IT IS TIME THAT WE REAFFIRM THAT THIS NATION IS ONE NATION, NOT DIVIDED BETWEEN RURAL AND URBAN, AND THAT NATIONAL PROGRAMS SEEKING TO REDRESS LEGITIMATE PROBLEMS AND GRIEVANCES MUST NOT BE ISOLATED IN THEIR SCOPE OR IMPACT EITHER TO CITIES, OR TO RURAL AREAS.

I HAVE SUGGESTED THAT A NATIONAL FOOD AND FIBER BOARD WOULD PROVIDE THE MECHANISM THAT WOULD PERMIT A NEW APPROACH TO THE UNIQUE PROBLEMS FACED BY THE FAMILY SIZED FARMS. I AM CONVINCED THAT THE GOVERNORS OF THE STATES REPRESENTED HERE ARE UNIQUELY QUALIFIED TO FURNISH LEADERSHIP IN THESE AREAS, AND I ENLIST YOUR IDEAS AND SUPPORT IN THE BUILDING OF A NEW HOUSE FOR AGRICULTURE POLICY.

# IN HOUSE STATEMENTS

To Jody

56M

## SUGGESTIONS FOR TUESDAY NIGHT REMARKS:

SORENSEN: He says you should recount the results in the states so far, demonstrating how your showing has been far better than both Jackson's and Udall's in both delegates and first-place finishes. If you finish first, you might want to reiterate that this proves that Jackson and Wallace both used an anti-busing appeal to win in Mass. but the voters of Fla. have shown that such a divisive appeal will not work nationally etc. etc.

You might also want to point out that in the last 2 weeks you have been criticized for being for too much tax reform, that you have been attacked for not being enough against busing, and for making too many defense cuts. The point is, of course, to portray yourself as the moderate-liberal as opposed to the other rightist candidates.

## STEVE:

I think the point is to downplay whatever showing Wallace makes and treat Jackson and Udall as the real opponents (you might want to mention Udall's low total). I think it obvious that Jackson is going to be in the race for some time and we have a real chance to force Udall out after Wisconsin. So any statement should reflect a feeling that you are the left-center candidate while Wallace and Jackson are off to the right, appealing to the same constituency. You might also want to point out that Jackson's nomination would split the party, electing Ford in November. I would consistently stress that you are now the only candidate who can unite the Democrats and lead them to victory in November.

MANK: Would treat the Wallace vote seriously, mistake if we write off him completely, he obviously represents a force within the Democratic party -- he has a lot of questions however, and no answers.

He would also indirectly criticize some of the other candidates by saying the American people don't want candidates who pick and choose in which spots to run. They want someone who presents himself to all the people. "We're not running for president of Massachusetts and New York, or president of Wisconsin and Oregon. We're running for the presidency of the U.S."

Showed it's possible to take on Wallace in his own turf -- I have been saying the same thing everywhere and so far, I lead in delegates.

FILE  
IN HOUSE  
ECONOMY  
(UNEMP.)

57M

To: Lawrence Klein

From: Lester C. Thurow

Subject: Campaign Issues for Jimmy Carter

I think that the generally moderate tone of the recommendations and policy options are fine except in the case of the first one-- reducing unemployment

This policy suggestion sounds like Ford economics to me. As I UNDERSTAND the President's policies this is his strategy. Have a very slow rate of growth that will very gradually reduce unemployment. If there is any difference at all I suppose it must be in the unstated unemployment target. Do you recommend going to a 5 percent unemployment rate as the President's advisers recommend or are you talking about something lower?

If you believe that unemployment is the key issue as far as Democrats are concerned, then any candidate for the Democratic nomination must have a more convincing policy for reducing unemployment rapidly. Public service employment won't do the job since that is currently perceived by congress as a shell game. State and local governments lay off people and then hire them back on the federal payroll. Employment tax credits are a non-starter from the word go since the excess burdens are a large fraction of the total costs. Government ends up paying for employees that would have been hired anyway. No one that I know of thinks that there are a lot of job vacancies that could be filled if we only had more vocational training. More vocational training is not going to improve the Phillips curve.

In the end I will be willing to bet you that the nomination will go to that candidate who can persuade Democrats that he has an answer to the unemployment/<sup>problem</sup> better than that given by Ford. On that basis these recommendations certainly do not qualify as an improvement.

The current Hawkins-Humphrey guaranteed job bill is a bad bill ( a new one is in the process of preparation by Humphrey's staff in cooperation with the AFL-CIO), but it is going to put him out front as the only Democrat with even the pretense of having an answer. I do not know the outlines of the new bill that he is working out with the AFL-CIO, but I can easily imagine it as the vehicle which he rides to the nomination.

A real public service employment program or a guaranteed job bill could be worked out with Carter's name attached, but there is no point in doing this unless he wants to make unemployment a ~~major~~ major issue.

If he doesn't, it seems to me that the aim should be to portray oneself as competent on economic issues, but not to make economics the major campaign issue. The economic issue that is the main issue is ~~unemployment~~ unemployment and if you do not have an answer to this problem the best thing is to keep as ~~quiet~~ quiet as possible on economic issues.

JK

55M

JODY:

Here is the short paper on S1. The bill is quite a long one and this deals with some of the sections most objectionable to the "liberal community". As you probably know, Birch Bayh has been having problems because of his sponsorship of the bill, but lately has backed off. Terry Sanford was heckled at the last meeting in Minnesota because he knew little about the bill.

It will not alienate conservatives to come out against those provisions as long as the concept of revising the criminal code is supported. An approach may be to return to the recommendations of the National Commission on Reform of Federal Criminal Laws for study; Nixon rejected their recommendations and drafted S1 as a substitute. The onerous revisions did not exist before the Nixon draft.

S1 is an attempt to reform the federal criminal code. Federal criminal laws have not been codified and their development has been haphazard; an attempt to reform them is laudable.

Unfortunately the proposed "criminal justice codification, revision REFORM ACT of 1975" goes beyond what is needed, and threatens to disrupt civil liberties guaranteed by the Constitution. The basic problem is the vagueness in the manner that many of the crimes are defined:

-- Sections 1121, 1122, and 1123, which deal with espionage, define "national defense information" so broadly that ordinary agricultural, industrial, and economic data could be reasonably protected.

-- Section 1124 criminalizes disclosure of classified information whether the information was properly classified or not.

-- Section 1103 reenacts the SMITH ACT which makes it illegal to incite to imminant conduct or to act in a manner which could facilitate such conduct.

The SMITH ACT was the statute which allowed the imprisonment of dozens of Communist Party leaders in the 1950's until it was declared unconstitutional.

-- Sections 541-544 allow as a defense in the prosecution of a "public servant" that the conduct "was required or authorized by law to carry out the defendant's authority."

After our recent experience with Watergate, it is important that national government once again become a government of the people. Accountability is an elementary principle of democratic government. S1 makes government officials less accountable to the people by not only making "just following orders" a valid defense for any public servant, but also by limiting our knowledge of what public officials are doing by making it illegal to release misclassified documents.

The criminal code is archaic and in need of reform. But reform can be accomplished without undermining the basis of democratic government. S1 would allow for the jailing of those who protest Viet Nam-type wars. S1 would stop newspapers from printing such things as the Pentagon Papers and possibly would prevent reports such as the stories about the grain deals with Russia.

S1 has many vague provisions which could be used against people disliked by those running the government. S1 retains the provisions which would stop us from discovering the abuses. Secrecy in government is cancerous, as Watergate taught us, and S1 is designed to make government more - not less - secret.

Penny Frest  
321

Steve - our people in Ohio are concerned that we get a response. Can I call one of our union advisers & find out what we can say? OR YOU  
om. DONE (23M)

The 1974 fair Trade Act states that by executive order, eligible products from designated countries will be excluded from U.S. tariffs.

Executive order #11888 was signed into effect by President Ford in January 1976 and is in effect for one year or until such imports reach a competitive level with U.S. products.

Under the FTA and executive Order #11888 there is a limit of 26.6 million of 50% of the total U.S. market whichever is greater of any particular product.

Opposition to the individual executive orders may be expressed by petition for a hearing before the Fair Trade Board to exclude a designated ~~pre~~ imported product from the Executive Order.

Opposition was filed against Brazilian motors being imported into the U.S. under designation #664.030. Ken Bannon, Vice President of UAW Ford Department testified as at the hearings of the FT Board against these importations.

*FOR TEST*

But Ford motor company is now importing 4 cylinder 2.3 liter compression motors directly into the U.S. under designation #660.42.

This has greatly affected employment at the Lima Ford plant which also produces the 4 cylinder 2.3 liter engine. These imports have caused layoffs and temporary shutdowns at the Lima plant.

Now we find that Ford Motor Company in Lima has applied for federal funds under the Trade Recovery Act to pay the cost of unemployment caused by foreign imports, while at the same time it takes the profits from tariff free imports that are causing the local lay-offs and shutdowns.

Any statement should be sent to

William L. Johnson JR.  
President, Local #1219 UAW  
1440 Bellfountain Ave.  
UAW Hall Lima Ohio 45805

By Wed. Afternoon

*John Glen*

PRESIDENTIAL CANDIDATE STATEMENT SHEET

Roman Catholic Diocese of Des Moines, Iowa  
Office of Legislative Activities  
P.O. Box 1816  
Des Moines, IA. 50306  
Attention: Rev. Frank E. Bognanno

*Fr. Frank Bognanno*

*rights wanted to know*

Categories of Statements

INTERNATIONAL: (Food distribution, armaments limitations & commitments, limitations on international corporations, kinds of assistance to third world countries, etc.)

*Leon Cooper*  
*Paul Cooper*

*Educate young*  
*health care*  
*capital punishment*

~~arm~~  
*arms limitation*  
*food*  
*unemployment*  
*social programs*

NATIONAL: (Education financing, unemployment, national health insurance, taxation, campaign financing, justice for minorities, social programs, etc.)

*I never gave aid to private schools at all levels but in  
area -> don't want to get that part.*

*aid to private*

*self qualified students*

*\$400 ->*  
*\$600*

*only issue*  
*concern private colleges*  
*skipped allocation of funds*  
*for school to go to private college*

PERSONS: (Specific position on supporting a Constitutional Amendment to legally recognize the personhood of the unborn, specifically the amendment allowing States and Federal Jurisdictions to limit abortions if they so choose; capital punishment; national health insurance; euthanasia; assistance to elderly, etc.)

NOTE: Statements on any one or all the suggested issues may be completed, together with the candidates background and history regarding the issue, and returned to the address above. Enclosed is a detailed paper explaining the Noonan Amendment regarding the State's right to decide on abortion limitations.

Gregory

Doug Hinson is doing a lot of work for us in Philadelphia. Rex Granum had a conversation with him and Sam Evans, who is apparently a major Black leader for us in Philadelphia.

Evans and Hinson both said that the Thursday 7:30 p.m. meeting, which Evans set up, is being underestimated. The meeting will be attended by top leaders from around Philadelphia and the state; and Evans, who Hinson claims can really pull out the Black vote there, wants JC to discuss the following areas:

- 1. equal justice for all Americans; not strictly an appeal to Blacks.
- 2. remarks on improved educational opportunities for Blacks; and the increases that would bring in the number of Black professionals.

We can get JC memos on the above if he wants, but we think he is probably well-versed enough on the topics.

Oliver as per Rex Granum

GM

The three attached sheets have been sent to you before. You may find them especially useful tonight.

RELEVANT CQ'S  
AVAILABLE IF YOU  
WANT THEM.

20M

SUMMARY OF UDALL'S RECORD ON DAIRY BILLS

Dec. 20, 1974. UDALL VOTED FOR S-4206 which would have increased the milk support price from 80% of parity to 85% of parity. The bill passed the House 205-58. The bill was subsequently vetoed by Pres. Ford on Jan. 3, 1975, citing the damage that higher milk prices would cause to consumers and the dairy industry.

AND PROVIDED FOR QUARTERLY SUPPORT  
LEVEL ADJUSTMENT

March 20, 1975. UDALL VOTED FOR HR-4296 which would have increased the milk support price from 80% of parity to 85% of parity. The bill passed the House 259-162. The bill was subsequently vetoed by Pres. Ford on May 1, 1975.\*

WITH QUARTERLY ADJUST-  
MENTS

April 22, 1975. UDALL WAS ABSENT FOR THE VOTE ON THE FINAL CONFERENCE FORM of HR-4296 which would have set the milk support price at 80% of parity. The bill passed the House 248-166. The bill was subsequently vetoed by Pres. Ford on May 1, 1976. (NOTE: ALTHOUGH ABSENT FOR THIS VOTE, WE HAD VOTED PREVIOUSLY FOR ANOTHER VERSION OF THE SAME BILL WHICH WOULD HAVE RAISED SUPPORT LEVELS TO 85%.)

May 13, 1975. UDALL VOTED FOR THE OVERRIDE OF PRESIDENT FORD'S VETO OF HR-4296 (see above). The override failed in the House, 245-182.

Nov. 18, 1976. The house passed, by voice vote, an amended version of S J Res 121, which called for quarterly adjustments of the support price for milk, and an increase in milk support price levels to 85% of parity. THERE WAS NO RECORDED VOTE.

Dec. 17, 1976. UDALL WAS ABSENT FOR THE VOTE ON THE FINAL CONFERENCE FORM OF S J Res 121, which called for quarterly adjustments of the support price of milk, and an increase in milk support prices to 85% of parity. The bill passed the house 307-111. The bill was subsequently vetoed on Jan. 30, 1976.

Feb. 4, 1976. UDALL WAS ABSENT FOR THE OVERRIDE OF PRESIDENT FORD'S VETO OF S J Res 121 (see above). The overide attempt failed, 37-31.

VERSIONS OF THE BILL

\* there were three versions of the bill voted before this final version was passed.

1. raise support price from 80% to 82%. UDALL VOTED FOR.
2. retain support price at 80% instead of raising to 85%. UDALL VOTED AGAINST.
3. recommit bill to Agriculture Committee. UDALL VOTED AGAINST.
4. final version (see above)

I don't think he is  
vulnerable here, do you?

OM

Jerry --

Enclosed are a few suggestions for media ads. Some introductory points:

In these ads, we have tried to stress points or facets of Jimmy that we think would be of great appeal:

- he is the only non-Washington candidate running (with all that implies)
- he is the principal candidate who is a governor
- he would reorganize the bureaucracy and cut federal spending.
- he is new to the national political scene

As some of Caddell's surveys have shown, and as I think the results in New Hampshire have recently shown, these are points which if presented properly, can be quite attractive to the voter. I recall a poll that some 70% want to vote for someone new this time; I think the anti-Washington resentment is almost as high.

Since we figured that you are more familiar with filming Jimmy and that aspect, we have concentrated on ads that do not feature him but strike at these principal themes. In conjunction with other types of ads, you might like them.

New Hampshire: In addition to the points listed above, I would stress a couple of things here. It is important to make the New Hampshire voter feel important, as if his vote can change the course of history. After all, that is the principal reason for their early primary. Voters there like to feel instrumental in pointing direction to the rest of the country. One reason McGovern did so well in '72 was simply that many people thought Muskie was going to win and therefore a vote for McGovern was that much more important.

A vote for Muskie (or Johnson in '68) was merely a ratification.

A vote for McCarthy and McGovern was a vote for new direction.

If the voters there think Jimmy needs a victory in New Hampshire to prove to the country the value of his "crusade," they are more likely to support him.

Florida: Some of the same non-Washington points are important here. But if we are to defeat Wallace, we have to convince the voter that the Florida primary is the election that will decide the future of Democratic politics. Assuming Jimmy wins in New Hampshire, and Wallace does well in Massachusetts (which I think he will), you can set up the confrontation of Carter vs. Wallace for the future of the party. Tell the voter that both candidates have proven themselves by winning up north; one of them is going to be the nominee -- it's up to Florida to decide.

What this could do, if worked effectively, is first, eliminate any other opposition, and second and more important, reduce the Wallace vote by a key 8-10%. Many surveys have shown that the Wallace vote drops substantially when people vote in elections rather than primaries, i.e. more responsibly. What you can do here, I think, is turn this primary into a mini-election. Convince the voter that this time it's for real and the Wallace vote, the protest vote, could be reduced.

Radio spots -- New Hampshire

First

One voice: "How would you feel to wake up on the morning of February 25th to find that New Hampshire voters had selected a candidate for President who had never served in Washington? (Pause)

"Not a bad idea is it?"

"Send Jimmy Carter to Washington."

Second: -- again using one voice

"Washington tells you when to spend your money. Washington tells you where to run your business. Washington tells you how to run your town. Washington even tells you who should be your next president.

"Isn't it time you told Washington you've had enough? Isn't it time we sent a president to Washington?"

"This time it's our turn. Send Jimmy Carter to Washington."

TV or radio spots:

Third:

In the background, the dull throb of teletype machines, sporadic bursts of typewriters.

The scene is the traditional smoke-filled room with a group of bleary-eyed hacks smoking and arguing.

"We'll run him in Idaho"

An argument. Idaho is tossed aside.

"How about Montana?"

"Alright" -- cheers -- more discussion -- "No, too risky," says one.

"How about Indiana?" says another.

"Alright -- way to go Fred," War whoops. The phone rings. One of the men shakes his head. "No -- Indiana's out," he says.

The argument continues as the voice and camera fade; a voice-over comes in:

"There is one man running for President this year who's not listening to the experts. Who's not unfolding a complicated strategy. Who's not counting on the party hacks to select him at a brokered convention. There's one man who's going to go to the people in as many states as possible. Who thinks that it's time our leaders stopped lying and our politicians stopped making backroom deals. But he needs your help. Because his way is the hard way. But Jimmy Carter knows it's the right way."

*(The clutter of words stops here)*

*(Pause)*

Send Jimmy Carter to Washington."

#### Fourth:

The scene is a circus, with carnival music and barkers at their booths. The atmosphere is light, comic.

In the foreground are a number of booths with barkers at each one. The camera zooms in on a few of these booths.

Barker 1: "For only \$450 million ladies and gentlemen, watch us cure the housing problem. See new programs -- new expenditures -- watch us dazzle you with ideas you never thought possible (voice fades)

Barker 2: This is going to be the greatest show you've ever witnessed. With \$2 billion dollars, we are going to stop crime! That's all it will take and then ladies and gentlemen, I ask you (voice fades)

Barker 3: Step right up, step right up. Step behind me and what will you find? Everything your heart dreamed of. For only \$1.5 billion, we will have a program that guarantees that everybody will have anything

anything he wants. You see (voice fades)

The camera moves to booth number 4. It is empty -- a Carter poster is on the botton. A voice-over comes in:

"Jimmy Carter doesn't believe that spending money is the answer to every problem. He's tired of waste. As governor, he cut the bureaucracy in his own state and instituted zero-based budgeting, innovative processes that cut the cost of government in half. He can do the same in Washington.

"Your government doesn't have to be a circus. Vote Jimmy Carter for President."

Fifth (an anti-Wallace ad):

The scene opens and shows only a Wallace for President poster, from 1964.

"In 1964, George Wallace ran for President. He said he was tired of government interference in the lives of its citizens. He lost."

THE POSTER FALLS OVER. CUT TO A WALLACE POSTER, 1968.

"In 1968, George Wallace ran for President. He said he was tired of Republicans and Democrats. He said he stood for law and order and he picked as his vice-president a man who advocated the use of nuclear weapons. He lost."

THE POSTER FALLS OVER. CUT TO A WALLACE POSTER, 1972.

"In 1972, George Wallace ran for President. He said he was standing up for the little man, although tax~~e~~ rates in Alabama were among the most unfair in the country. He said he was tired of big government. He lost."

THE POSTER FALLS OVER. CUT TO A WALLACE POSTER, 1976.

"This year, George Wallace is running for President again. No doubt, he has some more reasons why. <sup>what will happen?</sup> But... (VOICE FADES AS DOES CAMERA WHICH SHOWS POSTER FALLING OVER.

Another voice-over.

"Don't throw your vote away on a candidate who loses.  
It's time to stop sending messages to Washington which are ignored.  
It's time to send a candidate who can win and will change government.  
Send Jimmy Carter to Washington."

Sixth:

The scene is a crowd at some sort of sporting event. Focus on three or four members of crowd who evidently have just arrived and are debating the merits of the team.

"Ah, they're all bums," says one. "Every time we get together, it's the same old bums. We're never going anywhere."

"Forget it," says another. "Every year they tell us 'it's different -- we're different.' Then they get on the field and what happens? The same old garbage. Nothing changes."

"That does it," says another, "I'm not going to have another thing to do with this. I'm getting out of here. I'm sick of it."

They all rise to leave. Suddenly, a great crowd roar. They turn to the field. One looks through binoculars.

"What's going on," says one. "Who is it?"

"I don't know," says another. "Some new guy I've never seen before. His name is Carter, Jimmy Carter. He's different."

Voice-over as camera shows them watching in amazement.  
"Jimmy Carter is different. He's a new face. He hasn't run for President before. He's offering a new set of ideas and proposals. He's never served in Washington. He has no political debts to pay-off. He doesn't owe anyone anything, He's not like all the others.  
and he Isn't it time we had a president?"

Give Jimmy Carter a chance -- send him to Washington."

Jerry: The wording is probably not great but I hope you get the idea. Thanks for taking a look at these.

*Ste*



call Coast Guard (26M)

# Jimmy Carter Presidential Campaign

For America's third century, why not our best?

Steve,

I have enclosed below exact quotes from my phone conversation with Kenneth Boehner, the Laconia City Manager and he is also a retired Lt. Commander in the Coast Guard.

"the situation is quite volatile"

"ashamed of what the Coast Guard is doing up here"

" intrusion of federal authority where it has no place to be"

I have a reliable media contact (person I room with) who provided the following information. The local congressmen (James Cleveland and Norman D'amours, the latter being from Laconia) have drafted legislation in Washington D C on this Matter. The state Legislature has requested New Hampshire's governor to go to court to fight the Coast Guard take-over.

This has just broke in the last few days as a very hot item. All the major candidates have either announced thier opposition or will be doing so on Monday 2/2 according to my contact. Appreciate a statment as soon as possible of course. Thankyou for your attention

Lawrence St. Pierre  
Coordinator Lakes Region

Carter Campaign  
General Delivery  
Laconia N H 03246

P.O. Box 1976 Atlanta, Georgia 30301 404/897-7100

There is a significant disparity between the capacity of our health care system and the state of our health. This nation, first in the genus of its technology and the wealth of its resources, ranks 15th in infant mortality. We lead the developed world in areas where we would prefer to be last, in the diseases of highly industrialized nations -- the rate of heart disease and cancer.

We have failed <sup>to</sup> completely to control medical costs. That only 38% of Medicare expenses are now being met. Medicine has become a national scandal. It is being bilked of millions of dollars by charlatans.

The Administrations of the last 8 years have slashed 1 essential health program after another in the fields of maternal & child health, community mental treatment centers, health manpower, health maintenance organizations & biomedical research, among others.

We have built an unsound, undirected, inefficient non-system which has left us unhealthy.

It is time for change.

~~First~~ First, we must shift our emphasis toward prevention of the killers & cripples of our people. Our purpose must be to promote health, not just to provide health care as such, and this includes strong initiatives in insuring adequate family incomes & a clean environment as well as reforming the financing of health care.

Second, any comprehensive health policy must begin with the needs of the people as well as the needs of all our people. Our vital needs require redirecting medical education toward primary care as one means of correcting the geographic and professional maldistribution of ~~services~~ services & personnel. We need more paraprofessionals ~~physicians~~ physician assistants & health personnel who can free doctors & nurses for the work that only they can do.

Open  
1 with  
set

Availability is linked to quality in other vital respect  
Many of the aged live out their lives in nursing homes or hospitals  
that violate minimal safety, sanitation, and even fire standards.  
Adequate enforcement of hospital & nursing home standards ~~on the~~  
~~exp~~ can certainly help.

National health insurance alone cannot redistribute doctors  
or raise the quality of care. So we must plan + phase in,  
simultaneous reforms of services + reforming of costs. As I have  
outlined previously, my national health insurance program ~~will~~  
would include,

- Universal & mandatory coverage.
- Reduction of barriers to early & preventive care in order  
to lower the need for hospitalization
- Strong & clean built-in cost & quality controls
- Consumer representatives in the development & administration  
of the health program

-- incentives for the reorganization of the delivery ~~system~~  
of health care must be built into the payment mechanism

-- resources set aside to encourage development of  
alternative approaches & to spur new distribution of personnel

-- Insured benefits by a combination of resource  
employer & employee shared payroll taxes & general tax revenue  
As President, I would want to give our people the most rapid  
improvement in individual health care the nation can afford,  
accommodating first those who need it most, with the understanding  
that it will be a comprehensive program in the end

At the same time, maximum personal interrelationships  
between patients should be preserved as well as freedom of choice  
in the selection of ~~physicians~~ <sup>physicians</sup> & treatment units

In May of 1975, President Ford gave us his policy for the future of the unemployed when he vetoed \$1.6 billion for public service jobs and \$500 million for summer youth jobs.

In May of 1975, he gave us his vision of the role of government in an emergency when he responded to the deepening recession by returning the first public works authority the Congress had approved in over 3 decades -- the job opportunities program.

And in February of 1976, he gave us vision for the future for the jobless construction workers when he vetoed the Public Works Act of 1975. With unemployment in the construction industry at 15% and another 15% receiving reduced wages and shorter work hours, the President told us not to worry, that other federal programs were enough.

It is true to say that it is not enough.

Ellis <sup>+ Chris (when he returns)</sup>  
--  
^

I know it's a bit early for this, but I've got a few ideas for radio spots in New Hampshire as the primary approaches. I think the important thing to stress in the state is that the voters have a chance to change history -- by voting for Jimmy Carter they can begin to send him on the road to the White House. One spot which was particularly effective during the '68 race was written by Dick Goodwin and went something along the line of -- "Think how you would feel on the morning of March 9 to wake up to find that New Hampshire had changed the course of American history. Vote Eugene McCarthy for president."

Borrowing a page from that ad, I would concentrate on elements in Jimmy Carter that sets him apart from the other candidates -- his administrative ability, his record as governor, his call for a return to moral values, the fact that he's from a different part of the country. Link him to Thomas Jefferson and other "farmer-statesmen" of another era. It's important to realize that in New Hampshire, substance and style is often more important than organization (not to downgrade organization). Henry Cabot Lodge won the '64 Republican primary without appearing in the state. To be sure, McGovern's organization in New Hampshire gave him an extra boost, as key 5-7%. But 30% of his vote came because people perceived him as different and most important, because a vote for McGovern might change the course of American politics and make the New Hampshire primary viewed as more important. Muskie, people thought, could always win elsewhere. But McGovern managed to convince people that he couldn't win without a strong showing in New Hampshire and I think that gave people in the state a key reason to support him.

So, I would concentrate on that in my ads. I would say something

like "Isn't it time the American people had a president who could run the government effectively? Let the people of New Hampshire show that the country is ready for .... etc. etc. I would almost stress the fact that he is a southerner. Any difference between him and the other candidates is a potential vote-getter in New Hampshire.

As ideas on specific ads occur to me, I'll send them along. You and Chris can think this through and let me know what you think.



Steve (Stark)

-- Make the campaign a crusade. Will the voters of New England accept a southerner for president? The trick in New Hampshire is to make the voters think they are the vanguard of a new wave in American politics.

(This would have to conflict with an essentially "conservative" appeal.)

KLEIN, CARRY  
(215) 243-7713

---

51M

For private pensions,  
the system is complex and  
discourages private pension  
plans. Wants to propose  
full vesting of private  
pension plans. Gov's  
plans are inadequate.

Unemployment & inflation are  
handled in the list of  
issues he sent about  
a month ago (in  
corrected version).

---

CALL HIM TONIGHT

I cannot commend any, and I  
I have not seen, but I do not  
know at Our entire agricultural

program is a mess. I

note the family farmer,  
and ~~the~~ the consumer,

and the taxpayer. I

believe it is possible to devise

concrete ~~and~~ a program

for all commodities that

will insure a reasonable

return on investment for

farmers, reasonable supplies

reserves to for times of

scarcity 3 low grain

market's prices.

~~The present program~~

~~is~~

A thorough review of our  
~~the~~ entire approach to  
agricultural production will  
be a top priority of  
my administration.



# Jimmy Carter

## Presidential Campaign

For America's third century, why not our best?

MEMO

FROM: Mike Miller  
 TO: Steve Stark, Stu Eizenstat, Milt Gwartzman  
 RE: California Issues

In general, the things people are interested in here are the national issues Jimmy has already discussed in detail. We are finding that the more people know about his stands, the better we do.

However, there could be some sticky points.

(1) **BALLOT INITIATIVES.** In California, laws are commonly added to the statute books by direct referendum. We should definitely avoid endorsing or opposing any ballot initiative, since it could only alienate one of the well-organized lobbies involved in the proposition fight. Most of the current ballot initiatives are innocuous, with these exceptions:

**THE NUCLEAR INITIATIVE (Prop. 15)** - This initiative would have the effect of shutting down nuclear power plants for reasons of safety. It is strongly supported by environmentalist groups and strongly opposed by organized labor. I am enclosing the pro and con adds for this initiative.

An interesting point is that ex-Gov. Pat Brown (Sr.) is doing radio ads here opposing the nuclear initiative. If some how we could force Jerry Brown to take a stand on this issue, we could sting him very badly from one side or another. (And after all, JB should comment - he is the governor.)

I have sounded out Jimmy's position on nuclear safety, and it seems to play well. However, we will need some sort of position on nuclear waste disposal.

**THE FARM LABOR INITIATIVE** (this has no # as yet) - Essentially, the FLI reestablishes the Agricultural Labor Relations Act of 1975, which has become ineffectual because the State Assembly won't fund the board - and also because all but one of the members of the board has resigned. There are some important

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P. O. Box 1976 Atlanta, Georgia 30301 404/897-7100

differences from the current law, however.

The critical difference appears to be the provision in the initiative which allows union organizers to enter the farms during working hours. This is not popular (to say the least) with growers.

The FLI is supported by Sens. Tunney and Cranston. Most of the FLI sponsors are bigwigs with the Brown campaign.

We could use a brief statement on farm workers' rights which does not endorse or oppose this initiative.

I am enclosing a statement prepared by our "Viva Carter" people for your examination.

HANDGUN CONTROL - Again there is no number for this initiative, and it probably will not appear on the ballot until November. Our position here is sound, and it is a good selling point for liberal audiences.

+++++

In addition to the ballot initiatives, there are three issues which merit special attention.

(1) DEFENSE SPENDING (particularly the B-1 bomber):

A huge number - I've seen figures as high as 250,000 - of people are involved in defense work in Southern California. We should have no trouble with the Navy people, but the aerospace workers are terribly afraid of losing their jobs because of cutbacks or cancellations.

I cannot emphasize the importance of this too strongly. HHH was highly successful during the closing days of the 1972 Ca. primary by hitting hard on the defense spending issue against McGovern.

We're apparently committed to being against the B-1. We can live with that, but we need - as soon as possible - a statement to the effect that we will substitute something for the B-1 (revamping the B-52 force, cruise missiles, and the construction of more FB-111's have been widely suggested as possibilities.)

A secondary consideration is that the Ford-Reagan race is really whipping up concern over our defense posture. Therefore, we need something in the way of an alternative - preferably to be built at the same plants as the B-1.

(2) "UNDOCUMENTED" ALIENS - So far, I've received no calls, letters, or input from people who would really like to see us crack down hard on illegal aliens. I insert that comment for what it's worth.

One caveat on this entire question: our position as given to me so far is fine, but any endorsement or support for the Rodino bill (with emphasis on the provision using legal sanctions against employers who knowingly hire illegal aliens) would be POISON in the Chicano community. Their feeling is that this would give employers a carte blanche to fire (and refuse to hire) any Chicano.

(3) "THE ARTS PLANK" - The entertainment industry is one of the largest in the State.

Celebrities and industry people here are frankly roped off because they are always called upon for media events and fund-raisers, yet (they claim) they are virtually ignored by the government. To correct these conditions, the Screen Actors Guild has gone to the DNC with a plank to add to the platform.

The bottom line at this point seems to be that the industry would like to hear some praise from Jimmy. They do not expect an endorsement.

For future reference, I am meeting with Kathleen Nolan, President of the Screen Actors Guild, and she will let me know what the minimum is that we can say.

This issue seems to be more important from a fund-raising standpoint than a vote-getting standpoint.

I will keep you up to date.

#### MISC. L.A. ISSUES

(1) THE "DIAMOND LANE" - This was a concept mentioned by Jimmy in his comprehensive urban statement. The diamond lane is a special lane reserved for carpools and buses.

So far, the diamond lane in LA has been about as popular as the swine flu. The public was given virtually no advance warning that the plan was being put into effect, and as a result, there were huge traffic jams and thousands of ruffled tempers.

There seems to be a general agreement that the diamond lane project was a decent idea (Supervisor Ed Edelman - one of our most important LA supporters - has asked the public to "keep an open mind until a conclusive study can be finished") but the advance work was not good, and the feeling is another lane should have been added to the freeways rather than reserving one of the existing ones for car pools and buses.

(2) CROSS-BURNINGS - For the past two weeks, some person or persons unknown have been burning crosses on the lawns of black residents in predominately white neighborhoods. Naturally, the black community is up in arms about this.

Some statement from Jimmy would be helpful.

IN GENERAL, THESE ARE THE BIG ISSUES IN SOUTHERN CALIFORNIA

Jobs (lots of support for Humphrey-Hawkins)

National Health Insurance

Inflation

Crime

(plus the others mentioned prior)

Deliver to Milt Gurtzman who is to give this to  
Carleton Neulle in Portland.

(GM)

Carleton --

Some points you might be able to use against Jerry Brown on the environmental front (from Barby Heller):

1. Despite support of proposition 13, Brown failed to take action to stop construction of the New Malones Dam. In a legislative action (by Peter Baer) to put the Stanislaus River in the wild and scenic system, Brown remained neutral. But his staff worked behind the scenes to kill the bill.
2. Brown signed and supported a moratorium on environmental impact reports for timber operations in California.
3. In his first year in office, Brown had no natural resource legislative program at all.
4. He has taken no stand on nuclear issue.
5. He has failed to fill appointments in a timely manner, so that many pro-development Reagan appointees have remained on boards. For example, on the forestry board, a Reagan appointee remained on the board 1 1/2 years after his term expired.

Jimmy might also want to use some of this, if he decides to go after Brown.

  
Steve

Governor --

Jerry Brown is going all over OREGON proclaiming himself as a hero to environmental voters. But his record in California and his average rating by environmental groups, both give you points on which you can attack him on his record.

Positively, you can stress, again and again, what you did in Georgia. On a negative side, here are some of Brown's weak points, supplied by Barby Heller, an associate of Joe Browder.

1. THE NEW MELONES DAM. Despite support of Proposition 17, Brown failed to take action to stop the dam. THIS IS A CONTRADICTION.



of these reserves being retained under the control of farmers  
to prevent permitted "drugs" drug use of moderate  
pre increase. The reserve would help ~~to~~ ensure  
the world that an export would come and would do  
a receipt that food reserves as an extent of peace and  
an interest in the fight against world hunger.

As you know is often pointed out, the role of  
permitted in the area of agriculture is to set prices and  
to provide the ~~best~~ <sup>to provide the best</sup> prices to which the public  
is interested,

---

Jody:

One possible speech/statement/press release idea would be to make a direct pitch for the youth vote on substantive issue grounds.

The speech might be aimed for the Oct 6-10 (tentative) university tour through NY, PA, and Massachusetts.

The main components of the speech might include:

- a pledge by Jimmy that young voters will be represented proportionately on all Jimmy Carter delegate slates. We are constrained to do this in any case; we might as well make a virtue out of necessity and appeal to the self-interest motive.
- support youth fares for air travel, and possible other types of transportation; perhaps a national student identification card entitling the student to reduced admission fees in a number of areas
- federal aid to education; guaranteed federal loan for all qualified students seeking post-high school training
- a constitutional amendment to do away with age restrictions in running for federal office; let the voters judge whether or not a candidate has sufficient experience/maturity
- an expanded ACTION/Vista/Peace Corps civilian volunteer service for young people, with particular attention to increasing the summer job possibilities available to young people

There is no one youth candidate in 1976. Clearly, the more Jimmy can do to attract the votes and manhours of young supporters, the better off the campaign will be. No other candidate has made a direct appeal to young people, and it might pay off handily.

To: Carter Field Staff and Key People  
From: Jody Powell

Columnists Rowland Evans and Robert Novak have struck again. And again. Following their initial attack, directed at Jimmy Carter's integrity and credibility (copy of our reply attached), they followed up with two later columns, both written on our work in Iowa.

The first of the Iowa epistles attempts to explain away the impending Carter victory there by saying a Carter "whispered conversation" on the abortion question was indicative of how we were "pinning down this state's critically important anti-abortion vote."

It was a typical E&N distortion. Carter's comment that he could not rule out the possibility that someday, somewhere there might be a constitutional amendment he could support came only after he had made it clear that he did not support any constitutional amendment now submitted or any he could imagine. It came as the termination of a long conversation.

The implication is that Carter went around whispering one thing to one group while saying another to another group. But this "whispered conversation" came with Carter fully aware of the presence of Novak and one other national correspondent. If he were trying to mislead persons, would he make that comment in front of Novak, who along with Evans had just recently authored the integrity attack on him?

The second E&N Iowa column asserts that Carter won Iowa's caucus because of confusion generated by us on the abortion issue.

The fact is, though, that when members of the national press first suggested that there might be some confusion on the abortion issue, we promptly put out a press release carefully spelling out our position. The release made it clear that Carter did not favor a constitutional amendment but that he might be able to accept a general statute to minimize abortions if it were constitutional.

The political editor of The Des Moines Tribune refused to run the statement because he said there was not enough confusion to matter. The political editor of The Des Moines Register said the same thing.

The attempt by E&N to say the Iowa victory was a hollow one because it was won by confusion doesn't work. The fact is that the areas where pro-life groups could be expected to be more active were exactly the places where we ran poorest. That's where the uncommitted vote ran the highest, just as it did in 1972.

E&N wrote three strongly anti-Carter columns in less than two weeks. Their reports have been filled with distortions, half-truths and what appear to be total fabrications or, at the very least, failures to check out what are clearly unreliable sources. This treatment is likely to continue, and ample doses of salt ought to be applied to their future columns on us.

\* \* \*

Another duo, Alexander Cockburn and James Ridgeway, mustered all they had for their piece, "The Riddle of Jimmy Carter: Can a Dark Horse Change Its Spots?" in The Village Voice.

The two distort Carter's actions as governor of Georgia as they relate to Pueblo Captain Lloyd Bucher and Army Lt. William Calley. And, among other things, they portray him as big buddies with George Wallace, Lester Maddox, and Georgia segregationist Roy Harris.

NOTE: C&R say Carter declared that Bucher "should have fought the North Koreans to the death and gone down with all guns blazing."

FACT: He never said anything of the sort. He did, in a private conversation, suggest that there may have been neglect of duty by those in positions of responsibility, including the captain and those above him. He did also suggest that a court martial to determine the exact sequence of events and the persons responsible for them might be the best way to clear the air.

NOTE: They say Carter in April 1971 "called for an American Fighting Men day, saying that Lieutenant Calley had been made a scapegoat."

FACT: Carter did propose an American Fighting Man's Day, but not to honor Calley. He never made any statement indicating approval for Calley's actions or any support for a pardon or reduction. He did state, as did many others, that there were others of higher rank than Calley who should share the responsibility and that he thought Calley had been made a scapegoat for them. He also said the incident would be damaging to the morale of American troops. It was for this reason that he proclaimed the American Fighting Man's Day. He steadfastly refused to agree to requests from political figures in the state to take action which would indicate support for Calley and was publicly criticized by them for this refusal.

NOTE: C&R say that Carter announced in his 1971 gubernatorial campaign that if he were elected he would invite Wallace to address the state legislature, and then did so.

FACT: He said he would not refuse to let Wallace speak in the state. His gubernatorial opponent had taken the position that he would block Wallace from speaking. Carter stated that political differences should not prevent the governors of neighboring states from working together on problems of mutual concern. His statement to that effect came in response to a direct question, and was not a campaign announcement. Those who fault his position should read the First Amendment. He did not invite Wallace to speak--the legislature did. He certainly did not oppose the invitation, as similar invitations were extended to and accepted by Sens. Henry Jackson and Hubert Humphrey. This was in 1972. The statement that Wallace was the first person invited is also untrue.

NOTE: They say Carter promised Wallace he would nominate him for the Democratic presidential nomination in 1972.

FACT: This is a total fabrication. In a telegram, Wallace in mid-June of 1972 asked Carter to nominate him. Carter declined immediately in a handwritten note. Copies of this correspondence are available for anyone to check.

NOTE: C&R say that Carter "said in the 1970 gubernatorial race that his prospective lieutenant governor, Lester Maddox, was a credit to the Democratic party."

FACT: The statement is incorrect. Carter actually said that the way Maddox campaigned, going to the voter directly and not relying on the courthouse crowds or the powerful political kingmakers, was the essence of the Democratic party. He did say he was glad to have Maddox on the ticket with him. That statement was in the form of a pro forma endorsement of his running mate, whose nomination was gained in a completely separate race as was dictated by Georgia political tradition. It was totally unreasonable to expect Carter to pick a fight with his fellow Democratic nominee in the middle of the general election campaign.

Anyone who is the least informed about Georgia politics will tell you that there are no two more bitter political enemies in the state of Georgia than Maddox and Carter. And Maddox will tell you that the disagreement is nothing that started just recently. Referring to that general election campaigning, Maddox writes in his just-released book, "SPEAKING OUT, The Autobiography of Lester Maddox," on page 138, "Shortly after this, Jimmy Carter won the Democratic primary runoff. In the month and a half between this and the November general election, he worked almost as hard against Lester Maddox as he did against his Republican opponent."

WASH. POST 6/13/74 (RAND STUDY)

39M

1 DURING THE PAST 15-20 YRS. THERE HAS BEEN  
2 LITTLE INCREASE IN LIFE EXPECTANCY IN  
THE U.S.

3 SOCIAL FACTORS RESPONSIBLE FOR PREMATURE  
DEATH (ALCOHOLISM, TRAFFIC ACCIDENTS, ETC.)  
4 ARE LITTLE AFFECTED BY THE AVAILABILITY  
OF HEALTH CARE

4 PRIVATE INSURANCE NOW COVERS 90% OF THE  
HOSPITAL BILL

5 THE NATION HAS AN EXCESS OF HOSPITAL BEDS

6 (~~GENERALLY~~ DUE TO 4 & 5 IT CAN BE CONCLUDED)  
HOSPITAL CARE WOULD NOT BE AFFECTED  
BY NATIONAL HEALTH INSURANCE

7 PRIVATE INSURANCE NOW COVERS 40% OF  
THE BILL OF OUTPATIENT CARE. THEREFORE  
DEMAND FOR TREATMENT IN DOCTORS OFFICES  
WOULD INCREASE 75% IF NATIONAL HEALTH  
INSURANCE PAID THE FULL BILL OR  
80% IF THE IT REQUIRED A 25% CO-PAYMENT  
BY THE PATIENT.

8 THIS WOULD LEAD TO AN INCREASE IN  
DOCTORS CHARGES

9 COST FOR BOTH HOSPITAL AND AMBULANCE  
SERVICES WOULD BE \$88-\$168. FOR  
A FULL COVERAGE PLAN. \$38-\$78. FOR  
A 25% MAXIMUM CO-INSURANCE PLAN

WASH. POST 2/4/75 20% CUT PROPOSED IN HEALTH SPENDING

1 20% CUTBACKS IN FEDERAL SPENDING FOR THE DIRECT DELIVERY OF HEALTH CARE

2 THE CUT OF \$300 MIL. ASSUMES THAT STATE & LOCAL GOVTS PICK UP THE DIFFERENCE

3 MEDICAID AND MEDICARE ARE \$23 B OF \$33 B (TOTAL PROPOSED HEALTH BUDGET)

4 TOTAL FEDERAL HEALTH EXPENDITURES WILL INCREASE \$2.7 B. THIS IS AN INCREASE OF \$2.7 B (8%)

5 FORD SAID HE WILL SUBMIT LEGISLATION TO <sup>MAKE</sup> INCREASE THE AMOUNT OF MONEY THE ELDERLY WOULD HAVE TO PAY TO <sup>RE</sup> 10% OF HOSPITAL COST UNTIL THEIR PAYMENTS TOTAL \$750 FOR EACH HOSPITAL STAY. PRESENTLY MEDICARE RECIPIENTS PAY ONLY THE FIRST \$29 OF HOSPITALIZATION THAT RUNS LESS THAN 60 DAYS. HEW ESTIMATES THIS PROPOSAL WOULD SAVE \$255 M IN F.Y. 75 & \$1.3B. IN F.Y. 76. THE CHANGE WOULD AFFECT 5.6 M. PERSONS WHO RECEIVE MEDICARE BENEFITS.

6 TOTAL FEDERAL SPENDING ON HEALTH RESEARCH WILL INCREASE \$88 M.

ALAN  
202-  
224-  
2321

dental health <sup>dir.</sup> Dr. Bill Johnson  
health -- 656-4821

Dr. Chuck Jones  
Dr. Sanders

health

replaced killers & cripples of GA.  
communicable diseases could  
redirection to new killers, to hard alone &  
and

Dr. Scott Spink  
520 H of Health Bldg.  
47 Trinity Ave.

asked Pres GA Dental Assoc to name committee  
to write public health report  
- report written & accepted  
- accepted House Del of Dental Bldg

- Flor.  
- come  
- dentistry under  
- national health  
- Nat  
- preventive  
- program  
- dental research  
- to prevent  
- caries

1. statewide Florida <sup>legislation</sup> law -- accomplished & signed
2. raised medicare elig to 21 yr
3. Dental Health unit increased in authority in Honor House Dept
4. statewide school based prevention & educ program - 80 Mon. 3<sup>rd</sup> grade
5. ~~the~~ <sup>created</sup> positions for dental hygienist to work in 4
6. ~~with age migrants cover on relief of pain & oral infection~~

To: Steve  
From: Steve Engster

36M

THE URBAN CRISIS

It was but a decade ago that rioters were threatening to burn down the cities. Names like Watts and Newark ~~Harlem~~ became sketched in our consciousness as their problems were thrust before our attention. The Kerner report warned us that our nation was rapidly approaching two separate societies -- separate and unequal.

Today, we are ~~seemingly~~ beset by a new urban dilemma -- the economic collapse that is threatening New York and other urban areas. The riots have ended, but the cities have grown more ~~violent~~ <sup>desperate</sup>. They have become the enclave for the poor and they are becoming less and less able to support a growing demand for social services.

The social crises of the 60's are not ~~and will not fade away~~ <sup>fading and will not</sup>. The financial problems of our cities are directly tied to these unsolved social problems.

American cities are in trouble today, as they have been for a number of years. A growing number of our people are willing to work there, but not live there. A growing number are willing to enjoy what the city has to offer but will not help to keep it ~~viable~~ <sup>strong NO!</sup>. And the federal government has left our city governments to deal with the toughest problems in our society without the revenue to properly ~~do~~ <sup>do</sup> the job.

All around the country, cities are cutting back on vital services because of budget pressures, freezing the level of police protection, closing their parks, ~~turning children away from city libraries~~ <sup>???</sup>. Cities are approaching the limit of the taxes they can raise and the debt they can survive, with no indication of when the demand for municipal services will stop growing. ~~I want to speak~~ <sup>(see page 2)</sup> today about what we must do in this country to meet the needs of the cities and the principles on which these programs should be based.

Our cities do not exist in isolation. The rest of the nation needs to understand both their problems and their possibilities. <sup>(great job)</sup> If Americans forget the city once they leave it, or if they look upon the city as a threatening place to be avoided, then the hope for our urban areas is dim. But this need not be our future.

Every American, no matter where he or she lives, has a stake in the progress of our cities. We live in a predominantly urban society. If we attempt to cut the city off, we stand to pay a far higher price in terms of costs, in terms of crime and welfare and a weakened economy. We must treat our urban areas with compassion.

The time for ~~cities~~ <sup>cities</sup> being neglect - if there ever was a time for it - is over.

a plan for the next decade and so distant goals can be known at all times. Only in this way can we rationalize our spending and avoid waste and duplication of services.

There are other major reforms that need to be enacted to aid our urban areas. Local governments were not always so poor. Even in the Depression year of 1932, they were relatively better off than they are today. At that time, they collected 50 cents of every tax dollar, the states 20 cents, and the federal government 30 cents. Now ~~localities collect less than 17 cents on every dollar taxed, the states 18 cents, and the federal government more than 65 cents.~~ <sup>the trend is</sup> This reversal in who gets what share of the tax dollar is of supreme significance when it comes to explaining the quality of public services in our urban areas. While localities remain just as responsible for <sup>a major share of</sup> public services as they were almost 50 years ago, their share of the public tax dollar is only one-third of what it was.

To remedy this, I have proposed a basic change in the method of dispersing revenue sharing funds. I favor an approach which would give funds directly to local cities and communities rather than the states. I favor this for two reasons. First, it would insure more local control over projects. Second, and more important, local communities do not have the capacity to generate extra income -- through taxes or other methods -- that the states have. Therefore local governments are often crippled in their efforts to undertake new and needed projects.

~~It also makes no sense for cities like New York to have to bear any welfare cost burden. I favor an approach in which the states and the federal government pay all the costs of welfare. As I have outlined before, we need a simplified and compassionate welfare system. The word 'welfare' no longer signifies how much we care. It often arouses feelings of contempt, disgust, and even hatred among taxpayers and recipients.~~ (over)

No!! They already do NYC only city do done. Key is federalize all costs

The present multiplicity of programs should be replaced by two basic programs. The <sup>10</sup> per cent of <sup>welfare</sup> recipients who are able to work should be placed in job-training programs and given a chance to work. The other <sup>90</sup> per cent who are not considered to be employable -- the blind, sick, aged -- should be given an adequate, fairly uniform, nationwide allocation of funds. We should always remember that our ultimate

Another major change in my urban strategy would be to remove from cities like New York City the burden of welfare payments they bear, and to rationalize a welfare system that perpetuates poverty, encourages family breakdown, possesses wild disparities from place to place, and burdens both the recipient and the taxpayer alike. We need a uniform, federally funded welfare system with strong job incentives, which will end area-to-area disparities, provide an income supplement to the working poor, and an income floor for the unemployed.

Went. Let's move

The Ford Administration has pursued a policy of confrontation with our cities and thus has concealed a basic reality about the root of our urban problems. It is true, as the Ford Administration has charged, that in some instances urban governments have been mismanaged and that in some cases, government has tried to operate beyond its means. We all know that such a trend cannot continue.

But the first requirement in addressing the problems that face our cities is a recognition that their problems stem as much from government policies as from inexorable population and economic shifts or mismanagement. Government, as much as housing contractors, created the suburbs by subsidizing mortgages and building highways that made commuting possible. It was federally-financed farm mechanization programs that cost thousands of jobs for southern black people and it ~~was federally-financed jobs~~ which lured them to our urban areas.

The failure of the federal government to provide a compassionate and fair welfare system <sup>through the action?</sup> made it more worthwhile for the poor to remain in the northern cities.

While the urban crisis festered over the past decade, we never heard federal officials tell us that the cities faced disaster unless some way could be found to expand tax bases. Instead, ~~we were told~~ <sup>our leaders told us</sup> that ~~annexation~~ <sup>expansion of our cities' tax base</sup> was a matter of state policy. ~~We were told, and indeed some are still telling us, that it was not a matter to be dealt with by the federal government.~~ <sup>purely</sup> ~~makes it seem we're for federally-imposed annexation~~

Our leaders abdicated their role of leadership. I think it is time for the federal government and the President to say that it is our responsibility to deal with the many problems that afflict our cities in such areas as welfare, health care, transportation, pollution control, and education.

We need comprehensive, long-range understandable policies to deal with every area of urban affairs. A well-defined strategy and policy for dealing with local governments is vital for efficient and effective government. The lack of any sort of organized planning or coordination among agencies at the federal level has helped lead to a major breakdown in communication between the cities and the federal government. It has also stifled the success of many well-intentioned programs set up to solve the great social and economic problems that beset this nation.

What is needed is continuing <sup>some thing?</sup> ongoing planning which can produce

goal is to create alternatives to welfare through a program of full employment.

None of these measures will solve the urban crisis by themselves.

Later, I ~~hope~~ <sup>intend</sup> to spell out specific policies in the area of housing, transportation, education and other areas that affect our cities.

We should remember that the problems the cities face are not simply a problem of urban America, but problems facing the whole of society.

~~Often~~ these problems surface first in our urban areas because they are more densely crowded and are magnified by the intensity of the city.

There are no simple answers to our problems. I don't think the American people are looking for a leader who will not exercise ~~the~~ <sup>cise</sup> real leadership, who will give oversimplified answers, who will justify existing ways, who will make us comfortable with our prejudices. I don't think they're looking for a man or woman who in Sidney Harris's words "who will reconcile the irreconcilable, moralize the immoral, rationalize the irrational," and promise us a society where we can

continue to be as narrow and envious and shortsighted as we like without suffering the consequences.

I believe the American people are looking for a leader who will tell them not what they want to hear but will lay before them the unfinished business of our society, <sup>that will again have a summit of compassion, trust, and love</sup> That will be my commitment as President and that will be my goal.

delete  
never  
criticize  
the people

Yet another strand to my urban strategy for the 1970's is a job program designed to implement the full employment mandate of the Employment Act of 1946. Our cities and states are losing precious tax resources and our unemployed are losing their self-respect through continuation of unemployment which is now over 8% — almost 14% for blacks and 14% for teenagers. We need more stimulative monetary policy with less fluctuations; a nationwide, computerized "job bank" to list employment opportunities around the country; establishment of local community-education-work centers (recently proposed by former Labor Secretary Wintz) to assist students with career planning and to help schools find trainees for available jobs; vigorous enforcement of anti-discrimination job laws; and a complete reworking of our job training programs to train people for jobs which actually exist.

Moreover, the federal government must always act in ways consistent with the help of our cities. Thus, new federal office buildings and facilities should be built wherever possible, downtown areas to revitalize them or help maintain them; increased use of open space grants should be used for inner city parks, rather than parks on the outskirts; transportation policy should be adjusted to ensure that neighborhood preservation is maintained in cities, rather than a perpetuation of the asphalt jungle the government has frequently produced; + mortgage money should be pinpointed for inner-city "red-lined" areas to encourage redevelopment of declining city areas.

in the  
in a  
book

IN HOUSE URBAN  
POLICY.

IN HOUSE  
WOMEN

C  
32M

To: Carter Field Staff and Key People  
From: Jody Powell

You will find enclosed Jimmy's statement on abortion. It is for your own use, as well as any public dissemination you desire. The first three paragraphs of the statement can stand alone, although the additional ones do offer further explanation. Clearly the Iowa references at the end are not needed later on--use them now if you feel it is necessary or helpful.

JLP

I do not support constitutional amendments to overturn the Supreme Court ruling on abortion.

However, I personally disapprove of abortion. I do not believe government should encourage abortion. The efforts of government should be directed toward minimizing abortions.

If, within the confines of the Supreme Court ruling, we can work out legislation to minimize abortion with better family planning, adoption procedures, and contraception for those who desire it, I would favor such a law.

Abortion is the result of the failure of measures to prevent unwanted pregnancies. Abortion should never be considered just one of a number of equally acceptable methods of contraception.

As governor of Georgia I obtained the first line item appropriation for family planning in the history of the state. I created by executive order the Special Council on Family Planning to spearhead the implementation of a comprehensive, voluntary, family planning program throughout the state.

The Georgia Medical Consent Act was amended to allow all females regardless of age or marital status to receive medical treatment for the prevention of pregnancy.

Although we have 159 counties in Georgia, it became one of the few states in the nation with family planning clinics operating in every county health department. Participation in family planning programs increased by 200 per cent just during the first two years of my administration.

I believe my record as governor and my personal inclinations equip me to insure a more productive role for the government in this area.

The role of the abortion issue in the Iowa caucuses has been widely and often intentionally misrepresented. I was asked specifically if I could support a law, within the confines of the court decisions, which would minimize abortions. I replied that under certain conditions I could. After this issue was raised, a clear statement of my position was issued on Friday, three days before the Monday evening caucuses.

There is no conflict between this response and the position I have always taken on this issue. Allegations that there was widespread misunderstanding which benefited me politically are incorrect. All available information indicates that most organized "pro-life" delegates went uncommitted, just as in 1972. I actually ran much better in the rest of the state than in precincts where their activity was most concentrated.

To: Carter Field Staff and Key People  
From: Jody Powell

Columnists Rowland Evans and Robert Novak have struck again. And again. Following their initial attack, directed at Jimmy Carter's integrity and credibility (copy of our reply attached), they followed up with two later columns, both written on our work in Iowa.

The first of the Iowa epistles attempts to explain away the impending Carter victory there by saying a Carter "whispered conversation" on the abortion question was indicative of how we were "pinning down this state's critically important anti-abortion vote."

It was a typical E&N distortion. Carter's comment that he could not rule out the possibility that someday, somewhere there might be a constitutional amendment he could support came only after he had made it clear that he did not support any constitutional amendment now submitted or any he could imagine. It came as the termination of a long conversation.

The implication is that Carter went around whispering one thing to one group while saying another to another group. But this "whispered conversation" came with Carter fully aware of the presence of Novak and one other national correspondent. If he were trying to mislead persons, would he make that comment in front of Novak, who along with Evans had just recently authored the integrity attack on him?

The second E&N Iowa column asserts that Carter won Iowa's caucus because of confusion generated by us on the abortion issue.

The fact is, though, that when members of the national press first suggested that there might be some confusion on the abortion issue, we promptly put out a press release carefully spelling out our position. The release made it clear that Carter did not favor a constitutional amendment but that he might be able to accept a general statute to minimize abortions if it were constitutional.

The political editor of The Des Moines Tribune refused to run the statement because he said there was not enough confusion to matter. The political editor of The Des Moines Register said the same thing.

The attempt by E&N to say the Iowa victory was a hollow one because it was won by confusion doesn't work. The fact is that the areas where pro-life groups could be expected to be more active were exactly the places where we ran poorest. That's where the uncommitted vote ran the highest, just as it did in 1972.

E&N wrote three strongly anti-Carter columns in less than two weeks. Their reports have been filled with distortions, half-truths and what appear to be total fabrications or, at the very least, failures to check out what are clearly unreliable sources. This treatment is likely to continue, and ample doses of salt ought to be applied to their future columns on us.

\* \* \*

Another duo, Alexander Cockburn and James Ridgeway, mustered all they had for their piece, "The Riddle of Jimmy Carter: Can a Dark Horse Change Its Spots?," in The Village Voice.

The two distort Carter's actions as governor of Georgia as they relate to Pueblo Captain Lloyd Bucher and Army Lt. William Calley. And, among other things, they portray him as big buddies with George Wallace, Lester Maddox, and Georgia segregationist Roy Harris.

NOTE: C&R say Carter declared that Bucher "should have fought the North Koreans to the death and gone down with all guns blazing."

FACT: He never said anything of the sort. He did, in a private conversation, suggest that there may have been neglect of duty by those in positions of responsibility, including the captain and those above him. He did also suggest that a court martial to determine the exact sequence of events and the persons responsible for them might be the best way to clear the air.

NOTE: They say Carter in April 1971 "called for an American Fighting Men day, saying that Lieutenant Calley had been made a scapegoat."

FACT: Carter did propose an American Fighting Man's Day, but not to honor Calley. He never made any statement indicating approval for Calley's actions or any support for a pardon or reduction. He did state, as did many others, that there were others of higher rank than Calley who should share the responsibility and that he thought Calley had been made a scapegoat for them. He also said the incident would be damaging to the morale of American troops. It was for this reason that he proclaimed the American Fighting Man's Day. He steadfastly refused to agree to requests from political figures in the state to take action which would indicate support for Calley and was publicly criticized by them for this refusal.

NOTE: C&R say that Carter announced in his 1971 gubernatorial campaign that if he were elected he would invite Wallace to address the state legislature, and then did so.

FACT: He said he would not refuse to let Wallace speak in the state. His gubernatorial opponent had taken the position that he would block Wallace from speaking. Carter stated that political differences should not prevent the governors of neighboring states from working together on problems of mutual concern. His statement to that effect came in response to a direct question, and was not a campaign announcement. Those who fault his position should read the First Amendment. He did not invite Wallace to speak--the legislature did. He certainly did not oppose the invitation, as similar invitations were extended to and accepted by Sens. Henry Jackson and Hubert Humphrey. This was in 1972. The statement that Wallace was the first person invited is also untrue.

NOTE: They say Carter promised Wallace he would nominate him for the Democratic presidential nomination in 1972.

FACT: This is a total fabrication. In a telegram, Wallace in mid-June of 1972 asked Carter to nominate him. Carter declined immediately in a handwritten note. Copies of this correspondence are available for anyone to check.

NOTE: C&R say that Carter "said in the 1970 gubernatorial race that his prospective lieutenant governor, Lester Maddox, was a credit to the Democratic party."

FACT: The statement is incorrect. Carter actually said that the way Maddox campaigned, going to the voter directly and not relying on the courthouse crowds or the powerful political kingmakers, was the essence of the Democratic party. He did say he was glad to have Maddox on the ticket with him. That statement was in the form of a pro forma endorsement of his running mate, whose nomination was gained in a completely separate race as was dictated by Georgia political tradition. It was totally unreasonable to expect Carter to pick a fight with his fellow Democratic nominee in the middle of the general election campaign.

Anyone who is the least informed about Georgia politics will tell you that there are no two more bitter political enemies in the state of Georgia than Maddox and Carter. And Maddox will tell you that the disagreement is nothing that started just recently. Referring to that general election campaigning, Maddox writes in his just-released book, "SPEAKING OUT, The Autobiography of Lester Maddox," on page 138, "Shortly after this, Jimmy Carter won the Democratic primary runoff. In the month and a half between this and the November general election, he worked almost as hard against Lester Maddox as he did against his Republican opponent."

NOTE: They say Carter "won just 5 per cent of the black votes" in the gubernatorial race, and that in that campaign he "sought and won the support of Roy Harris, the noted racist and organizer of the Citizens' Council in Georgia."

FACT: The 5 per cent figure is much too low, although Carter's portion of the black vote was probably less than 15 per cent. However, there was a black candidate in the race who received almost 50 per cent of the black vote. Carter campaigned actively in black neighborhoods. He was laboring under the handicap of attacks by The Atlanta Constitution, which tried to depict him as a racist. This was, of course, untrue as clearly demonstrated by positions he had taken from his earliest days in public life. In 1954, Carter's Plains, Ga., farm and seed business was boycotted for a while after he refused to join the White Citizens' Council there.

Carter never sought the support of Roy Harris. He got the support because of Harris' opposition to Carl Sanders, Carter's principal opponent. Harris and Sanders are from the same city, and Harris would have supported anyone who was running against him.

NOTE: C&R write, "Of course Carter's answer to all of this is his particular elevation of opportunism to the level of principle: 'You can't do anything if you don't get elected.'"

FACT: Carter has never made such a statement, on or off the record. It is absolutely ridiculous, and a particularly good example of the sloppy journalism exhibited in this piece. Let C&R furnish the source for this quote if they have it.

NOTE: They attack Carter's reorganization of Georgia's government, contending that it forced computer work to be done out-of-state, that it forced increases of the number of state employes by 5 per cent a year, and that the state budget during his administration increased from \$1.06 billion to \$1.65 billion. They also say he proposes to reduce the number of federal agencies from 2,000 to "a sinewy 60 or so...."

FACT: Neither computer work nor printing, another C&R charge, were done out-of-state during the Carter Administration. He cannot be responsible for present practices. The number of state employes did increase at the 5 per cent rate they state, but they fail to mention that this was a reduction from an about 12 per cent to 15 per cent increase per year during the four years preceding his administration. As for the size of the state budget, it is widely known that in a state which is not allowed to run deficits, such as Georgia, the size of the budget is related only to the increase in revenues. These were high growth years for Georgia and the budget increased only to the extent that revenues, with no tax increases during the four years, grew.

NOTE: C&R state, "No certain date, by the way, can be established for the moment Carter came out against the war in Vietnam."

FACT: Carter came out against the Vietnam War in February of 1971, calling for an immediate withdrawal of American troops. This was still an unpopular position in the South at the time. If C&R had taken the trouble to ask, they could have easily established the date. The fact is that they never contacted Carter's press office before the article was published.

NOTE: "The much-touted support for Carter by State Senator Julian Bond boils down to Bond's preference for Carter over Wallace," write C&R.

FACT: Carter has never claimed or touted Sen. Bond's support.

NOTE: C&R conclude their article by quoting Lester Maddox attacking Carter's honesty.

FACT: They first condemn Carter for having what they portray as a chummy relationship with Maddox, then make an abrupt turnabout and condemn Carter via a quote by Maddox. In a sense, it is actually appropriate. Maddox was at least as good a governor as C&R are journalists.

\* \* \*

The Washington Post's David Broder, in his nationally syndicated column, wrote of Carter, "He is the same fellow who, in 1970, praised and petted Lester Maddox before the gubernatorial election and then tried--unsuccessfully--to cut the legs from under Maddox's power as lieutenant governor. It is the same Jimmy Carter who tried--again unsuccessfully--to derail Florida Gov. Reubin Askew's election as head of the Southern Governor's Conference, when he feared Askew might be a rival for the presidential nomination."

Carter never tried to derail Askew. He supported another governor because that governor had asked for his support first. When Askew's aide called to ask for Carter's support, the aide told Carter's administrative assistant that Askew was the only person running "so far as I know," and the administrative assistant said that Carter would surely back him under those circumstances.

The A.A. was unaware of the previous commitment. As soon as he found out about it, he called back and apologized for the mix-up. This was all well before the beginning of the conference, and no effort was made by Carter or his staff to work against Askew. In fact, the other governor withdrew before the vote was taken, and Carter voted for Askew.

Carter never praised or petted Maddox, as Maddox is the first to proclaim. The attempt to make it appear that Carter somehow did Maddox wrong is incorrect, and is a departure from the standards Mr. Broder normally maintains.

\* \* \*

The lag between the time these articles appeared and our response is far too long. It will be greatly shortened when future articles appear. The Carter campaign, with the success it is demonstrating, will be the subject of closer and closer scrutiny, just as it should be. When, however, there are distorted articles in whole or part, such as these, we must respond and quickly.

You can help by letting us know about such articles. A phone call, while useful as an alert, does not provide a sufficient basis on which we can prepare an adequate response. Clip the article and put it in the mail. We are also regularly calling our Boston, New York and Washington offices in search of derogatory pieces, and having them telecopied down to us.

Finally, these rebuttals are by no means confidential. Feel free to use them as you see best. Because of the time lag, it may not be appropriate to use them for letters to the editor in the publications in your area which carried them. If you think it's not too late in your area, then please go ahead and use them. Later rebuttals will get to you in adequate time for use as letters.

###

ACTION: PRINT

TO: GPI

TO: AL STERN

FROM: BOB GINSBURG

THE TAX MEMORANDUM FOLLOWS. PLEASE CAUTION GOVERNOR CARTER THAT, ALTHOUGH NO CUTOFF NUMBERS ARE INCLUDED HERE, WE ARE CONSIDERING THE DEVELOPMENT OF HARD NUMBERS FOR THE CUTOFF POINT FOR PURPOSES OF THE DEBATE. THAT WILL REQUIRE A POLITICAL AS WELL AS AN ECONOMIC JUDGMENT.

MEMORANDUM

TO: GOVERNOR CARTER  
STU EIZENSTAT  
JODY POWELL

FROM: JERRY JASINOWSKI  
BOB GINSBURG

RE: TAX REFORM AND TAX RELIEF

THERE IS A CONFLICT DEVELOPING BETWEEN WHAT YOU ARE SAYING ABOUT COMPREHENSIVE TAX REFORM AND TAX RELIEF FOR LOW AND MIDDLE INCOME TAXPAYERS THAT COULD CAUSE TROUBLE IN THE LAST FEW WEEKS OF THE CAMPAIGN. YOU MAY CONTINUE TO GET TOUGH QUESTIONS ABOUT HOW MUCH TAX RELIEF YOUR REFORM WILL PROVIDE AND WHO WILL BE HELPED AND WHO WILL BE HURT. PART I OF THIS MEMORANDUM PROVIDES A SUGGESTED RESPONSE. PART II SUMMARIZES THE ALTERNATIVE OPTIONS FOR TAX REFORM, THE IMPLICATIONS FOR TAX RELIEF ASSOCIATED WITH EACH REFORM PACKAGE, AND DISCUSSES SOME OF YOUR PUBLIC STATEMENTS ON TAX REFORM AND RELIEF. AS INDICATED BELOW, TAX REFORM IS NOT NECESSARILY SYNONYMOUS WITH TAX RELIEF FOR LOW AND MIDDLE INCOME TAXPAYERS.

I. SUGGESTED RESPONSE

WHEN ASKED ABOUT THE EXTENT OF TAX RELIEF YOUR REFORM WILL PROVIDE OR THE CUTOFF POINT FOR WHO WILL BENEFIT AND WHO WILL BE HURT (OR IF IT IS ARGUED THAT CLOSING THE LOOPHOLES YOU HAVE PUBLICLY MENTIONED, SUCH AS DISC, DEFERRAL, TAX SHELTERS, LAVISH CORPORATE ENTERTAINMENT, ETC. WILL RAISE ONLY \$2-3 BILLION AND THAT WILL NOT BE ENOUGH FOR SIGNIFICANT RELIEF), WE SUGGEST YOU SAY:

"(1) YOU ARE COMMITTED TO A TAX SYSTEM IN WHICH EVERYONE PAYS HIS FAIR SHARE. SUCH A TAX SYSTEM WILL INVOLVE SIGNIFICANT TAX RELIEF FOR LOW AND MIDDLE INCOME TAXPAYERS.

(2) THE LOOPHOLES YOU'VE MENTIONED (TAX SHELTERS, DISC, DEFERRAL, UNJUSTIFIED CORPORATE EXPENSE DEDUCTIONS) ARE ONLY THE TIP OF THE ICEBERG. THERE ARE \$90 TO \$100 BILLION WORTH OF SPECIAL PROVISIONS IN THE TAX CODE. UNDER YOUR COMPREHENSIVE REFORM, EACH OF THESE WILL BE CAREFULLY STUDIED TO SEE IF IT FAIR AND IN THE NATIONAL INTEREST. THOSE WHICH ARE, SUCH AS THE HOME MORTGAGE INTEREST AND CHARITABLE DEDUCTIONS, WILL BE RETAINED. THOSE WHICH ARE NOT WILL BE ELIMINATED WITH THE REVENUE USED TO REDUCE RATES.

(3) OBVIOUSLY, BECAUSE OF THE COMPLEX NATURE OF THE TAX CODE AND THE COMPREHENSIVE REVIEW YOU HAVE CALLED FOR FROM THE BEGINNING, NO ONE COULD GIVE A PRECISE DOLLAR FIGURE FOR TAX RELIEF NOW — BUT SINCE THERE ARE \$90-\$100 BILLION IN SPECIAL PROVISIONS, IT SHOULD BE SIGNIFICANT.

(4) IN ANY CASE, HOWEVER, INCOME FROM WAGES AND SALARIES WILL BE TAXED AT LOWER NOT HIGHER RATES.

(5) THE CONCEPT OF A CUTOFF POINT IS NOT AN APPROPRIATE WAY OF LOOKING AT THIS BECAUSE YOU DO NOT ADVOCATE TAKING FROM TAXPAYERS ABOVE A PARTICULAR POINT TO GIVE TO THOSE BELOW THAT POINT, BUT RATHER A CAREFUL SCRUTINY OF ALL THE SPECIAL PROVISIONS AND ELIMINATION OF THOSE WHICH DO NOT SERVE THE NATIONAL INTEREST. YOU DO NOT WISH TO RAISE TAXES FOR THOSE AT HIGH INCOMES JUST BECAUSE THEY HAVE HIGH INCOMES. THEY WOULD HAVE THEIR TAXES INCREASED ONLY TO THE EXTENT THAT THEY NOW TAKE ADVANTAGE OF UNJUSTIFIED TAX PROVISIONS."

THIS ANSWER MAY NOT FULLY SATISFY THE PRESS. SO BE IT. IT IS BETTER TO LEAVE THE PRESS UNSATISFIED ON THESE QUESTIONS THAN TO GO INTO THE DETAILS OF TAX REFORM AND HANG OURSELVES POLITICALLY.

~~Due to machine breakdown, Part II will follow~~

~~later.~~

FROM: NICK MACNEIL

Rebuttal to Ford's criticism of Carter's answer on Yugoslavia.

Mr. Ford says it is unwise to signal one's intentions in advance.

An experienced statesman would know that is not always true in foreign policy.

The Hungarian Uprising, which took place exactly 20 years ago and which took a tragic toll in human lives and suffering, might never have occurred if Hungarians had realized that the U.S. Republican Administration at the time would not raise a finger to prevent the ~~usual~~ suppression of the revolt by the Soviet army.

NGUOJ

Mr. Ford gave the Korean War as ~~the~~ example of a conflict that was caused by the North Koreans' ~~erroneous belief that the U.S.~~ reading of signals that the U.S. and the U.N. would not intervene. But it was not the absence of a signal that caused this misperception, it was that the signal was wrong.

In other words, what caused the Korean War was not making our intentions clear, which is exactly the point that Governor Carter made.

(And he showed that when he says he does not favor military intervention when the security of the United States is not directly affected, he means what he says.)

~~N. MacNeil~~

TO: MILT G-WIRTZMAN  
Thru: AL STERN

From: Jasinowski

BUDGET DEFICIT IN JOHNSON'S LAST YEAR

There was a statement in the briefing book that the budget was in surplus as the Democrats left office in 1968.\*

In the last year of Johnson's term in 1968 he had a fiscal 1969 budget--that covered the last 6 months of his administration and the first 6 months of the Nixon administration--that had a \$3.2 billion surplus. Thus for the last budget Johnson was responsible for there was a budget surplus.

The press questioning of this may come from the fact that for the fiscal 1968 budget, the last budget for which Johnson had complete control, there was a \$25.2 billion deficit. Thus for the last calendar year under Johnson there was a budget deficit.

But when the Democrats left office in 1968 there was a budget surplus.

\* The item was in the briefing book under section: Budget/  
Economic View.

TO: MILT GWIRTZMAN  
FROM: OLIVER MILLER

FORD COMMENT: (Comment on Carter answer to Jim Gannon question on Carter's reorganization plans) "We feel that in education, we can have a slight increase, not a major increase. It's my understanding that Governor Carter has indicated that he approves of a \$30 billion expenditure by the federal government as far as education is concerned. At the present time, we're spending roughly \$3.5 billion. I don't know where that money would come from."

PROBABLE REFERENCE: The NEA's platform calls for the federal government to assume 1/3 of all state and local education costs. The Senate Education Committee estimates that this would cost \$30 billion if put into effect this year.

CARTER RECORD: (NEA interview with John Ryor of the NEA, Atlanta, Ga. June 19, 1976.) (Carter is asked what level of federal expenditure he favors for the federal government to assume) "It would be hard for me to put a particular or special figure on it at this point, without studying the whole budgetary process and assessing priorities. I know what the NEA goal is, which I think would cost an additional \$18-\$20 billion dollars, above and beyond the present allocation of funds. I think that's a good goal, but I can't say just in what number of years it might be achieved. There are some interim things that can be done, however ...." (goes on to talk about releasing revenue sharing funds for education.)

NOTE: Carter's \$18-\$20 billion figure conflicts with the Sen Education Committee's figure (and Ford's figure) of \$30 billion. Looks as if he's wrong.

Date 2/20  
Time 11:30

Name Chip

Caller: Chip Carter  
~~Paul Peterson~~

Number: 603 622-6406  
Area Code Number

message: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ taken by J

THERE ARE AN ESTIMATED 20 MILLION HANDICAPPED PEOPLE IN THE UNITED STATES.

THEIR NEEDS ARE SIMPLE YET FREQUENTLY OVERLOOKED.

1) ACCESSABILITY TO FRONT ENTRANCES TO ALL BUILDINGS.

2) RAMPS FOR SIDEWALKS AT ALL INTERSECTIONS.

3) WATER FOUNTAINS AND OTHER PUBLIC FACILITIES THAT ARE ACCESSABLE

THESE NEEDS ARE OFTEN NOT CONSIDERED BY DEVELOPERS AND ARCHITECTS. THEY ARE ESSENTIAL FOR THE HANDICAPPED. A SMALL BARRIER SUCH AS A 6" SQUARE CURB CAN DENY A HANDICAPPED PERSON AN EDUCATION, A JOB, AND MANY SIMPLE PLEASURES LIKE ATHLETIC EVENTS, CONCERTS, SPEECHES OR PLAYS.

ACCESS FOR THE HANDICAPPED IN THE DESIGN STAGE COSTS ONLY 70.2 MORE.

### TRANSPORTATION

THE SAN FRANCISCO BAY AREA TRANSIT SYSTEM IS THE ONLY ONE IN THE COUNTRY THAT ADEQUATELY ACCOMMODATES THE HANDICAPPED. MANY CITIES ARE STILL PURCHASING BUSES WITH NO CONSIDERATION OF THE HANDICAPPED.

IN THE AREA OF AIR TRAVEL HANDICAPPED PEOPLE ARE OFTEN DENIED PASSAGE OR FORCED TO TRAVEL WITH A COMPANION AT FULL FARE.

Arkansas

State Civil Rights  
Legislation  
EmploymentCARTER'S RECORD

SPECIAL EDUCATION INCREASED FROM 49,121  
IN 1971 TO 113,906 IN 1974 (STUDENT RECEIVING)

WARM SPRINGS (STATE TOOK THIS FACILITY IN JULY 1974)

ONLY FACILITY IN THE COUNTRY TO COMBINE  
MEDICAL AND VOCATIONAL REHABILITATION CENTERS.

ITS MISSION IS TO TREAT EACH PATIENT IN  
THE QUICKEST POSSIBLE TIME SO THEY CAN RETURN  
TO LIFE OUTSIDE THE INSTITUTION.

IT IS HOPE THAT THE INSTITUTION CAN  
TAKE A MAJOR EDUCATIONAL ROLE. SHORT SEMINARS  
WITH PROFESSIONALS OF THE FIELD, DOCTORS,  
SOCIAL WORKERS, AND COUNSELORS ARE PLANNED TO  
TEACH THE HANDICAPPED AND THE STAFF HOW THEY  
CAN DO A BETTER JOB.

PROPOSALS

- 1) STRICT ENFORCEMENT OF ALL EXISTING  
LAWS REGARDING ARCHITECTURAL BARRIERS,  
JOB DISCRIMINATION, AND TRANSPORTATION  
NEEDS.
- 2) INCREASED LEGISLATION REGARDING EXISTING  
BUILDINGS AND PUBLIC TRANSPORTATION  
ALSO EXISTING STREETS ETC.
- 3) EMPHASIS ON GETTING THE HANDICAPPED  
FULL AND PRODUCTIVE ROLES IN THE  
MAINSTREAM OF SOCIETY.

41M

ON ISSUES AND BRILL:

--on foreign policy advisors: I have never contacted Dean Rusk; Brzezinski is only one of our advisors. The other principal advisors are Richard Gardner, Milton Katz, and Henry Owen, all with fine reputations.

--His position on the CIA is misrepresented. As stated recently in an answer to a questionnaire in the N.H. Times, "The CIA must operate within the law. The President must be willing to accept responsibility for the mistakes within the executive branch and to take specific steps to see they do not recur. Intelligence is a service to allow foreign policy to be based on more complete information. The function of the intelligence agency should be to provide this service, not to overthrow governments or make foreign policy unilaterally or in secret."

--His welfare plan is misrepresented. He wants to reorganize the whole system into two basic systems (see his speech on that). I've never heard him say he considers drug-addicts to be able-bodied and his whole record in Georgia contradicts that notion.

--I've never heard him say he's for preventive detention for "habitual criminals." On the contrary, on Walter Cronkite he said, "I don't think incarceration is the answer to it (the crime problem). I've never seen a rehabilitative result from long incarceration in prison."

--I've never heard Jimmy say he planned to eliminate the corporate income tax. As Brill said earlier (and this would seem to contradict this statement), we haven't been specific on any tax reform proposals.

  
Steve

Rick —

# HOUSING

6-3-75

(60M)

ATTACHED ARE SOME CONSOLIDATED NOTES I HAVE TRIED TO SUMMARIZE COVERING THE HOUSING ISSUE, PRIMARILY FROM A "PUBLIC" POINT OF VIEW. FOR THE PRIVATE SECTOR OPINION YOU MAY WANT TO TALK TO SOMEONE LIKE COUSINS, ET AL. ALSO ARE A COUPLE OF GOOD ARTICLES FROM A PROFESSIONAL JOURNAL I RECEIVE WHICH MAY BE OF SOME INTEREST —

I'll BE glad to discuss <sup>and expand</sup> this further with you. Housing is going to be A tough issue to deal with because noone is looking realistically at it now. Americans can't all have A home and A half acre and some or later someone will have to make them understand.

Ken Mace

Sory to have taken so long on this, but I had A had time consolidating the main (I hope) issues of housing for low & mod income folks.

will be by  
Fri to discuss

# MAJOR ISSUES INVOLVING HOUSING

1. HOW TO SUPPLY HOUSING TO LOW-INCOME FAMILIES AND INDIVIDUALS (ELDERLY) — FEDERAL INVOLVEMENT
  - A. FEDERAL SUBSIDIES TO LOCAL GOV. FOR CONSTRUCTION AND MANAGEMENT — Public Housing
  - B. FEDERAL SUBSIDIES TO PRIVATE ENTERPRISE FOR CONSTRUCTION (TAX INCENTIVES, INTEREST SUBSIDY, ETC.) AND OPERATION (RENT SUBSIDY, MGMT. DEFICIT FINANCING)
  - C. DIRECT RENT SUBSIDY TO FAMILIES AND INDIVIDUALS,
  - D. SUBSIDY TO STATE AND/OR LOCAL GOVERNMENT THROUGH WELFARE PROGRAM.
  
2. FEDERAL INVOLVEMENT IN PRODUCTION OF SALES AND RENTAL HOUSING FOR MODERATE-INCOME FAMILIES.
  - A. INTEREST SUBSIDY DIRECT TO PURCHASER — IE SECT 235 PROGRAM
  - B. CONSTRUCTION INTEREST SUBSIDY — IE 236 PROGRAM
  - C. INTEREST SUBSIDY OR GUARANTEES TO PRIVATE LENDING INSTITUTIONS
  - D. DIRECT FINANCIAL ASSISTANCE TO PUBLIC AGENCIES TO CONSTRUCT HOUSING FOR MOD-INCOME FAMILIES, SALES THROUGH LEASE-PURCHASE, OR INTEREST SUBSIDY
  
3. CONSERVATION OF EXISTING HOUSING STOCK
  - A. LOW INTEREST FEDERAL LOANS — GRANTS TO LOW INCOME FAMILIES — IE SECT 107 GRANT PROGRAM  
312 LOAN PROGRAM
  - B. NEIGHBORHOOD CONSERVATION PROGRAMS — IE URBAN RENEWAL, CONCENTRATED CODE ENFORCEMENT ETC.
  - C. TAX INCENTIVES TO PROPERTY OWNERS

#### 4. OTHER HOUSING ISSUES

- A. OPEN HOUSING - LACK OF ENFORCEMENT, ETC.
- B. CONCENTRATION OF LOW INCOME HOUSING IN CORE CITY AREAS
- C. BUILDING CODES RETARD DEVELOPMENT OF INNOVATIVE CONSTRUCTION TECHNIQUES.
- D. NOT ENOUGH EMPHASIS PLACED ON DEVELOPMENT OF HOUSING IN RURAL AREAS.
- E. PRODUCTION OF NEW HOUSING UNITS HAS NOT BEEN TIED TO REMOVAL OF HOUSING UNITS THROUGH DOT, FAA, AND OTHER CONSTRUCTION PROGRAMS.
- F. HOUSING PRODUCTION PROGRAMS FOR LOW INCOME FAMILIES HAVE BY-PASSED LOCAL HOUSING AUTHORITIES WHO HAVE MOST EXPERIENCE IN THIS AREA.

#### 5. PROBLEMS WITH FEDERAL INVOLVEMENT TO DATE

- A. LACK OF CONSISTENCY IN SETTING ATTAINABLE PRODUCTION GOALS AND COMMITTING FINANCIAL RESOURCES.
- B. NEW PROGRAMS EITHER POORLY CONCEIVED OR NOT GIVEN ENOUGH TRIAL TO PROVE WORTH.
- C. OVERREGULATION TENDING TO DISCOURAGE PRIVATE INTEREST PARTICIPATION.
- D. LOW-INCOME / MODERATE INCOME FAMILIES NOT PROPERLY COUNSELED PRIOR TO PARTICIPATING IN SALES OR RENT SUBSIDY PROGRAMS.
- E. POORLY ADMINISTERED PROGRAMS - FROM TOP (POLICY) TO BOTTOM (REG ENFORCEMENT)
- F. EFFORTS TO ACHIEVE ECONOMIC MIXES IN HOUSING HAVE DELAYED CONSTRUCTION OF LOW-INCOME HOUSING AND ELITE RESISTANCE TO FEDERAL PARTICIPATION.

## SUGGESTED PRIMARY SOURCES OF HOUSING DATA

1. HUD

2. NATIONAL ASSOC. OF HOUSING AND REDEVELOPMENT OFFICIALS  
THE WATERGATE BLOG 2600 VIRGINIA AVE  
WASHINGTON, D.C. 20037 Robert W. Maffei EXEC DIR.

3. NATIONAL ASSOCIATION OF HOME BUILDERS

4. URBAN LAND INSTITUTE  
1200 18<sup>TH</sup> ST. N.W.  
WASHINGTON, D.C. 20036

5. AMERICAN INSTITUTE OF PLANNERS  
1776 MASS. AVE. N.W.  
WASHINGTON, D.C. 20036

6. URBAN LEAGUE

7. NAACP

8. AMERICAN SOCIETY OF PLANNING OFFICIALS  
1313 E. 60<sup>TH</sup> ST. CHICAGO, ILL. 60637  
ISRAEL STOLLMAN EXEC. DIR.

Jody-- please excuse the typos - done in a hurry

I spoke with Bob Walters of Parade Magazine again today (1:30). He is writing a story about agricultural subsidies, and focussing on the peanut subsidy in general. The gist of the article is that the peanut subsidy is a federal boondoggle - and that members of the USDA think so too. In the article, he points out that although Jimmy does not receive a federal subsidy for the peanuts he grows (since he grows seed peanuts), he is never-the-less "up to his ears" in the whole affair since he supplies other farmers with their seeds and since he receives an allotment from the federal government to grow 243.9 acres of peanuts.

In the absence of anything else, he is going to use the following quote which he claims was given to him by JC at one of the ADA regional seminars in Atlanta: "I would be willing to reduce the level of federal subsidies for peanuts, but want to continue the federal program."

Given the context of the article, we might want to come out with something more forceful.

I spoke with Otis Castleberry of the USDA, and Gilliam Holland who is Mathis' legislative aide. I have more figures if you need them, but here is what I think is necessary in order to construct a reply:

Federal subsidies:

1971 \$66.3 million  
 1972 97.2  
 1973 58.5  
 1974 4.85  
 19 (estimated) \$200 million (as per Gilliam Holland)

At present, the USDA will "buy" peanuts from peanut farmers at ~~XX~~ \$394.50/ton. The present world market price is approx. \$250/ton. The peanut market has been depressed by world competition from other sources of oils and meals. (the main commercial value of peanuts lies in the oil and meal that can be made ~~from~~ from it.) Therefore, the USDA has had to buy peanuts from the farmers. It now has nearly 500,000 tons in its possession which it cannot legally sell ~~until~~ until the market price again reaches \$394.50/ton. The estimate for 1975 is so high because there was an unusually big crop for which there will be little market.

Holland says that Mathis' subcommittee is looking into ways to reduce the subsidy. They will be holding hearings, in fact, beginning this week, for nine days. One proposal is to reduce slightly the present subsidy. However, Holland emphasizes, the committee wants to make sure that the growers themselves have adequate input into the plan to reform the subsidies.

Secretary Butz is philosophically opposed to all price supports (according to ~~XX~~ Holland). Holland, however, feels that it would be wrong (as well as politically unfeasible) to abandon the peanut farmers to the world market forces.

Holland points out that there is a definite market for peanut oil since it is superior to many of its foreign competitors. The matter as he sees it is one of gradually reducing acreage, gradually reducing price supports, and allowing the federal government to sell its present costly excess of peanuts ~~at~~ below the 394.50 price.

Holland also points out that agricultural subsidies account for less ~~than~~ than 1% of all federal subsidies.

If you want to put out a position stronger than the one Jimmy has already given, I would suggest ~~some~~ some or all of the following points:

1. Willingness to reduce present subsidy levels.
2. Necessity to allow growers a voice in the method used to bring the present surplus under control.
3. Allowing the federal government to sell its already existing surplus at market value.
4. Awaiting ~~present~~ forthcoming Congressional action.

You may want to speak with Holland about these points.

202-223-8000

Walters said that the article is already in NY waiting to be printed, but he will do everything possible to have it changed if we want to.

Handwritten notes including a box with a symbol, the word "Klauts" in an oval, and the word "Klaus" underlined.

Handwritten text "Cl F" inside a small box.



To Jim Falgout,

Urgent you call

Vickie Mongiardo

of Catholic Affairs

Desk re: Italian

American Speech.

She is at HQ

~~AE~~ (404) 897-5224

Her home telephone #  
(404) 892-8574

To: Jody Powell

Attn: Milt Gwirtzman  
Pat Anderson

Thru: Stu Eizenstat

From: Doug Robinson

Attached is a statement on the Ford Administration's mishandling of energy problems affecting California. Suggest that you use it there.

## ENERGY MISMANAGEMENT

Recently I announced my plans for reorganization of the federal government's energy agencies so that we can move ahead with a coherent, coordinated and competently-administered program to deal with the nation's increasingly alarming energy problems. The need for this action is dramatically demonstrated by recent revelations of the Ford Administration's complete mishandling of the Alaskan oil situation.

Before the end of next year, the \$8 billion Trans-Alaska pipeline will be completed and 600,000 barrels of oil a day from the North Slope of Alaska will begin flowing through it. By 1978 <sup>it is estimated</sup> the ~~flow~~ flow will increase to 1.2 million, and by 1980 -- only four years from now -- to 1.6 million. We were told that this significant increase in our domestic supply of oil would substantially ~~help to~~ reduce our dependence on foreign oil, which under the Ford Administration has grown to 44% of our total supply.

During the hearings on the Alaska pipeline, the oil companies ~~insisted~~ insisted that there was more than adequate demand on the West Coast alone for the Alaskan production. The Department of Interior blindly supported the oil companies' testimony.

But now it has become clear that after spending \$8 billion to transport all this oil to the West Coast, there will be an oil surplus in California of 300,000 to 600,000 barrels per day. ~~It~~ And, ~~xxxxx~~ even if the demand on the West ~~xxxx~~ Coast for Alaskan oil existed, that area does not have the refining capacity to handle it. We also have no plan whatsoever for moving that oil in an economical

and environmentally acceptable way to the East and Midwest, where the defining capacity and demand do exist.

This is a clear example of a total lack of energy policy-planning at the federal level.

The Ford Administration has blamed this blunder on what it claims was a significant change in the demand for oil since the decision was made in November ~~1974~~ 1973 to commence construction of the pipeline. While it is true that the rate of growth in the demand for oil has diminished somewhat, from 4% before the embargo to 2% today, this change did not happen recently -- it occurred in late 1973 and early 1974, when demand even declined for a time. Within only a few months after the decision was made to build the pipeline, therefore, the Administration should have known that demand on the West Coast would be significantly lower than what had been assumed at the time the decision was made. Yet it was not until January 1976 -- two years later -- that the Ford Administration even asked Congress ~~for~~ for any money to study the problem of what to do with the Alaskan oil, it was not until April 1976 that it undertook the study, and it ~~is yet to be~~ <sup>has still not been</sup> completed.

Moreover, it is apparent from the testimony the Administration gave recently to the Senate Interior Committee that the only solutions to the problem it is seriously considering in this study are the various alternatives that have been proposed by the oil companies. There is one thing these proposals have in common -- they will all assure the oil companies of the enormous profits they hoped to realize from the Alaskan oil discoveries.

The proposal the oil companies -- and the Administration -- are pushing hardest is the refurbishing of an existing pipeline between California and the Texas refineries. This proposal should be of great concern to Californians. It would require building a terminal at Long Beach where tankers from Alaska would be offloaded. The federal government's own studies have indicated that the increased tanker activity ~~w~~ could result in additional hydrocarbon ~~emissions~~

emissions into the air in the Los Angeles basin, which already has one of the most serious air pollution problems in the country, the equivalent <sup>of</sup> ~~to~~ the pollution of 3-6 million additional automobiles. An official of the Federal Energy Administration cavalierly told Congress that California would be ~~interfering~~ "interfering with interstate commerce" ~~if~~ it prevented the building of the Long Beach facility in the interests of protecting the health of its citizens.

It is time these problems were approached with the public interest, rather than business interests, foremost in ~~the~~ mind. It is time they were made in conjunction with the state and local governments ~~which~~ that can best reflect the concerns of the persons who will be most directly affected. Although they may not be popular with the oil companies, the Administration should ~~not~~ be considering alternatives that are oriented toward the wise use of Alaskan oil and protecting the environment and the health and well-being of the citizens of this country, rather than maintaining ~~the~~ oil company profits.

For ~~ex~~ample, the Administration should be seriously considering the possibility of using the surplus Alaska oil to speed up the ~~x~~ creation of an oil stockpile that could be used on an emergency basis in the event of another embargo. Under the Administration's present timetable, it will be at least seven years before a 90-day supply of oil will have been put aside for ~~such~~ an emergency. The Administration should also be considering the ~~the~~ possibility of

holding up some of the scheduled production from the Elk Hills Naval Petroleum Reserve in California, which is contributing to the surplus, or concentrating for the time being on its production of natural gas, which is considerably in greater need in California today but is being wasted by injecting it back into the ground to produce even more unneeded oil.

We will not know ~~h~~ whether any of these proposals is feasible until they have been ~~xxx~~ studied. But under the Ford Administration approach, which amounts to following that course favored by a majority of the oil companies, the alternatives not suggested by the oil companies will not be studied at all. The Administration has yet to demonstrate that when the interests of the oil companies and the public are different, it has the ability to recognize the difference or the strength and willingness to act on behalf of the public.

We have had enough of an Administration that views energy policy as responding only to the needs and desires of the energy industries, that fails to plan ahead, and that has accomplished nothing that will halt the steady deterioration in our energy situation. We need in Washington, for a change, the kind of ~~Adminixxxxxxixn~~ government that is beholdng only to the American people, not the special interests. We need in Washington, for a change, the kind of government that has people-oriented energy, and we need, for a change, a government that is competent enough to ~~h~~ achieve them.

To: Phil Zeidman/Milt Gwartzman  
From: Orin Kramer

and was below  
4% for 1971 and  
1972.

It can be argued that LBJ left Nixon an overheated economy - the inflation rate was 6.1% in 1969, although in Johnson's last year (1968) it was only 4.7%. But assuming that Johnson can be saddled with the 1969 figure, the war's inflationary impact was short-lived; inflation fell back to 5.5% in 1970. ~~The~~ President Johnson cannot be blamed for an inflation rate of 12.2 per cent in 1974, or for an unemployment rate of 8.9 per cent in May, 1975. Inflation ~~and unemployment~~ skyrocketed in 1973 and 1974, six years after LBJ left office, ~~Most economists agree that the cause was stop-go Republican economics, with four different wage/price control systems, and confusion on tax policy.~~

~~In 1968~~ Unemployment was ~~xxxx~~ below 4 per cent in 1968, <sup>and 1968,</sup> ~~and was still below 4 per cent at the end of 1969.~~ The federal ~~budget in 1969~~ ~~the budget inherited by Nixon~~ showed a surplus of over \$3 billion. In 1969 GNP grew 7.5 per cent.

and unemployment accelerated sharply in late 1974 through the present.

<sup>budget</sup>  
~~for~~ at the time Nixon took office (FY 1969)

Serious economists do not attribute these price increases or unemployment figures to LBJ policies.

TO: AL STERN

FROM: DICK HOLBROOKE

~~RE:~~ EXCHANGE ON GENERAL BROWN

1. In addition to the points that Governor Carter made during the debate, it could be pointed out that:  
  
--General Brown said in his interview that the Shah of Iran was trying to recreate the old Persian Empire.
2. Since we are selling Iran vast quantities of arms, why are we doing this if General Brown's statement is correct? If it is not correct why is he being permitted to say it?
3. The entire incident, including the reference to Great Britain, Iran and Israel, raises again in another form the fundamental question: Is President Ford running the government or not?
4. President Ford's reference to General Brown as a great military hero and our most distinguished military officer seem highly exaggerated just because he is Chairman of the Joint Chiefs of Staff, does not qualify him for these compliments (it is generally agreed and Jim Schlesinger feels strongly that General Brown is highly undistinguished).

To be sent to Plane  
ASAP - needs to get  
there while Stu  
still on plane  
Kelly

To: governor Carter

From: Kitty Schirmer

Thru: Stu Eizenstat

Re: Possible meeting with Russell Petersen, former head of the of the President's  
Council on Environmental Quality.

Russell Petersen, former Governor of Delaware and until this past October the Chairman of the President's Council on Environmental Quality has offered to meet with you and give you a short run-down on the weaknesses in Ford's environmental policy before the third debate. Petersen left CEQ ostensibly because he had other commitments, but ~~it is well known~~ his frustration with Ford's policies and his unwillingness to campaign for Ford on such a ~~weak~~ weak environmental record are well known.

~~briefly~~  
Stu and I have/discussed the ~~merits~~ merits of such a meeting and agree that in addition to any information Petersen gives you, it has considerable advantages in putting the ~~President~~ President off balance. Petersen is willing to come to ~~Plains~~ Plains at any time, and I would recommend scheduling a meeting ~~on~~ on Wednesday ~~before~~ before the debate.

~~If you want to go ahead, let me know, and I will~~

If we decide to go ahead with this, we should let Petersen know as soon as possible. Stu would be the appropriate person to make the call to him. ~~xxxxxxx~~

(202) 857-1687

TO LOUISE

WIENER - D.C. OFFICE

---

TO BE DELIVERED

TO PAUL MARCHAND

1522 K STREET

BY 10:00 AM

WEDNESDAY WITH A J.C. PHOTO

---

Thanks,

Bob Havely

ATLANTA - ISSUES

(404) 897-5104

5091

---

please call me when this material  
is received this evening

To: JC  
Thru: Stu  
From: Al

You may be asked a question about the Hyde-Helms Amendment. This amendment would prevent the use of federal funds for abortions. On the face of it, this seems to be in line with your position. There are, however, several difficulties in this apparent agreement.

1. The Hyde amendment, as it is drawn, denies federal funds for any abortion - period; even to save the life of the mother.
2. It is an anathema to "women's movement" groups, to "poverty" groups and to many liberals.
3. It is of dubious constitutionality in its present form.

Some of those who are voting to support it claim to be doing so in support of Gov. Carter's position. Obviously it is a no-win situation.

If you are asked a question about it, you might respond as follows.

1. It is too extreme a measure. It is so hard in its restrictions tht its consequences are not known -- as stated it would prevent abortions even when the mother would die.
2. Similar laws are in the courts. The likelihood is that when the Supreme Court rules on this, it would be held unconstitutional. To deliberately support an unconstitutional law for political advantage would demonstrate unfitness for an office whose oath obligates one to uphold and defend the constitution.

ATTENTION: Pat Anderson, Milt Gwartzman

MEMORANDUM TO: Governor Carter

THRU: Stu Eizenstat

FROM: Jay Carlson

SUBJECT: Home Mortgage Delinquency Rate

The statement which follows reflects the record-high delinquency rate on home mortgages recently released by the Mortgage Bankers Association of America for the second quarter of this year. The cause of the delinquency rise is the sour state of the economy. The statement attacks both the economic and housing crises we face today.

priced house with an 80%, 25-year mortgage. The increase over the last eight years was from \$124.40 per month to \$294.40).

-- These rising housing costs have meant that the proportion of American families able to afford a median-priced home has declined from 55% in 1970 to less than 40% in 1975. This figure is even lower--30%--for families headed by a person in the 25 to 34 age group.

-- The housing industry generally has also had its problems-- with housing starts in 1975 at their lowest level since the 1940s and unemployment in the construction industry ranging recently from ~~18~~<sup>17</sup> to 21%.

The Republican mismanagement of the economy must come to an end. Ford Administration pronouncements that the economy is solid and the American people should be content must be rejected as election-year rhetoric.

A 50% decline in real economic growth, a 7.8% unemployment rate, a 6% inflation rate, ~~AND~~ a 9% annual rate of decline in housing starts in July are just a few indicators which dramatically tell the truth about the sorry state of our economy today.

If I am elected President, I do not intend to just talk about "recovery," but never actually ~~bring~~<sup>bring</sup> about recovery. Instead, I will implement an economic policy designed to get this country moving again and to provide some real improvement for the average worker and consumer.

over the last eight years, in contrast to the Kennedy-Johnson years,

STATEMENT ON MORTGAGE DELINQUENCY RATE

The Republican Administration has set another record -- the 90-day delinquency rate on homeowner mortgage payments is at an all-time high. Unfortunately, like many of this Administration's records, it further reflects the <sup>SAD</sup> dire state of our economy today.

In a recently released survey, the Mortgage Bankers Association of America announced that approximately 1 in every 200 home mortgages -- for a record-high .57% -- was in arrears at least 3 months during the second quarter of this year.

The cause, according to the group's chief economist, has been the many serious economic ills which today affect adversely almost every aspect of our lives: The slowdown in real economic growth; continued inflation; increases in unemployment, taxes, and utility rates; the sharp increases in housing costs and the high loan-to-value ratio.

This record-high delinquency rate forms a logical part of the disastrous housing record of the Republican Administration. For example:

-- In 1968, the median price of a new single-family dwelling was \$22,000. Today, it is \$44,000--a 100% increase.

-- Over the last eight years, a combination of increased housing costs and mortgage rates has led to a 137% increase in monthly payments, while family income has only risen about 77%. (The monthly payment increase is computed for a median-

TO: JODY POWELL

Through Stu Eizenstat

*JHC*

From: Dick Holbrooke

You may be asked about the Croatian Liberation movement, much in the news today because of the hijacking and bombings. We would suggest a two-part reply: one, a strong condemnation of terrorism as a way of getting any objective, along the usual grounds; and two, a ~~general~~ generalized comment about the importance of human rights. However, it is important not to get pulled into any comments that would suggest that we might find any reason to favor the Croatian efforts. Behind such efforts lie centuries of friction in Yugoslavia, and the Russians are certain to try to exploit traditional Serbian-Croatian differences after Tito's death in order to either justify their own intervention or to encourage the breakup of Yugoslavia once again into petty Balkan states whose struggles they could exploit. This is one of the most dangerous problems facing Europe today, and our comments should reflect awareness of this fact.

TO: Pat Anderson

From: DickHolbrooke

NYTimes has sent us four questions. Eight hundred word replies will  
first two  
appear in the Times Op-Ed, untouched. Here are/questions and deadlines:

Question 1: Deadline September 27--to be published October 6:

What are the most important skills a President should have? How  
have you displayed these skills in your private and political life?

Question 2: Deadline Oct 4--pub date Oct 13: How would you make the  
Federal Government more responsive to people's needs?

~~Question 3: due Oct 11--pub date Oct 20: What kind of world---~~

Third and fourth questions are far enough away to leave until later.

~~Please let me know how~~

I assume you will take charge of this effort. If you want us to do  
anything here, let us know. Regards. End message.

To: STY EISENSTAT  
From: JERRY JASINOWSKI

SUBSTITUTE THIS FOR THE EARLIER SHEET

REPUBLICAN INFLATION WEAKENS DEFENSE

The 6% rate of inflation today, and the 6-12% rate of inflation we have had under Mr. Ford and Mr. Nixon, has enormously increased the cost of defense and eroded the national security we buy for our defense dollar. Over the last 8 years, this inflation has increased the cost of defense by about \$36 billion. The net result is that we are paying more and getting less national defense.

The best way to save defense dollars and strengthen our national security is to bring inflation under control. This will not occur as long as we have an administration that is willing to accept 6% inflation.

NOTE: The downside of this is that Ford will argue that this is justification for increasing defense expenditures further. The answer is that we have a two point program: (a) eliminate waste of \$5-7 billion and (b) get inflation under control.

CARTER CAN USE THIS TO EXPRESS REAL OUTRAGE  
ABOUT REPUBLICAN MISMANAGEMENT

TO: Phil Zeidman

FOR: Governor Carter

RE: Meeting with the Executive Committee of the  
Lithuanian-American Community of the U.S.A., Inc.

You will probably be asked questions related to the following  
sets of facts:

3. The State Department recognizes the diplomatic legation  
of the Baltic countries--Estonia, Latvia, and Lithuania--  
but only those diplomats appointed by the last independent  
president. It will not recognize the new diplomats and  
the present legation is very old. Moreover, the financial  
support of the Lithuanian services--forzen assets held in  
the U.S.--are rapidly being depleted.

*Dept. of State*  
*and provide financial support for*  
You will be asked whether or not you would recognize  
new Baltic diplomats. You have no prior position on this  
issue and it is suggested that you ask this group more time  
to study the matter--and perhaps ask them to submit to you  
the arguments in favor of recognition and ask them to  
delineate what specific good would result for the Baltic  
nations by virtue of such recognition.

1. The United States has never formally recognized the  
annexation of the Baltic States by the Soviet Union, because  
~~unlike most of the "captive nations"~~ the Baltic States were  
forceably annexed in 1940 *only* there is a House resolution that  
states that the Heliniski Accords in no way alters *that you recognize* policy.

To: Stu Eizenstat

From: Orin Kramer

Re: Statement on Liberty State Park

Liberty State Park is a combined industrial-recreational complex along Jersey City's waterfront. It is partially complete. The attached statement was prepared and has been cleared by Mayor Jordan's and Brendan Byrne's staff, although both understand that it may not be released.

Jordan controls the Hudson County Democratic Party, and Liberty Park is his pet project. The Ford Administration supports the project, but the federal bureaucracy has moved slowly. There is no real opposition to the project in New Jersey.

Liberty State Park has three components: (1) a 650-acre industrial tract which is operational and will eventually produce 7000 jobs; (2) 800 acres of parkland, of which 35 acres have been developed; and (3) a housing component, which is totally undeveloped due to the absence of federal housing subsidies.

The release does not commit us to any particular form of future development, but simply to the general principle that we should work together on further development. Nonetheless, because of local interest in the project, Byrne's representatives and Jordan feel it would be a good story.

~~Statement on Liberty State Park~~  
~~Statement New Jersey~~

Democratic Presidential nominee Jimmy Carter stated today that as President he would "work with Mayor Paul Jordan and <sup>Governor Byrne</sup> ~~New Jersey~~ ~~state officials~~ in the development of "Liberty State Park ~~Complex~~ <sup>Complex</sup>."

Carter made his remarks after a morning meeting with Jersey City Mayor Paul T. Jordan, M.D., who briefed him on that city's Liberty Park waterfront development.

Governor Carter noted that the development of the park directly across from Ellis Island and the Statue of Liberty "would not only provide much-needed recreational space <sup>and jobs</sup> ~~and jobs~~ for the people of Northern New Jersey, but would reflect our recognition of the role of immigrants in making this nation great."

"Acres of debris only a half-mile from the Statue of Liberty have been converted into a showplace honoring this nation's immigrants," Carter said.

Carter praised the leadership of Jordan and <sup>Governor Byrne</sup> ~~state officials~~ in "cutting through the bureaucratic red tape and obstacles put up by the federal government" to the development of the Park and the reopening of Ellis Island as a historical site.

Carter indicated that members of his staff would meet with Mayor Jordan and state officials in November to discuss further development of the waterfront plan.

Carter praised the 35-year old mayor, noting that "with the determined efforts and skill of outstanding mayors like Paul Jordan, and a concerned federal partner for a change, we can and will revitalize our cities. We make our greatest strides when we link our efforts to move forward with an awareness of the richness and diversity of our past."

Carter noted that the waterfront area had been one of Jordan's main priorities since he took office in 1971. The 650-acre<sup>industrial</sup> tract will ultimately mean an estimated \$6.25 million per annum in rateables and a minimum of 7000 jobs in a city where unemployment is at 12.6%.

A second component of the waterfront plan involves ~~Liberty~~ <sup>the park itself,</sup> ~~Park~~ 2500 feet west of the Statue of Liberty. Carter added that the four-month old 35-acre park was "reviving dormant civic pride and has already attracted tens of thousands of visitors. Unfortunately, the absence of federal housing subsidies has stymied attempts to build middle-income housing on another parcel of waterfront land."

To: *Milt Quitzman, Phil Zeidman*

For: *Governor Carter  
Lady Powell  
Pat Anderson*

From: *Bill Johnson  
Olin Kramer*

Reform of Airline Regulation

The economic regulation of the airline industry urgently needs reform. Over the past several years the evidence has mounted indicating that the public has been consistently overcharged for air travel due to rules set by the Civil Aeronautics Board. For example:

-- The minimum air fare required by the CAB between Washington and Boston is \$54. Between San Francisco and San Diego, however, on a longer route that is not regulated by the CAB, the fare is \$31.75.

*Boeing ramp  
delete.*

~~-- Recently the CAB turned down a request by Laker Airways to fly passengers between New York and London for \$125, about one-third of the regulated fare.~~

-- A recent study showed that the CAB spent two thirds of its investigative resources on enforcing rules to keep airlines from charging too little. *Overall, according to Senate estimates, the ~~the~~ consumer is losing from \$1-3.5 billion annually in higher fares.* It has become apparent that it is the airline industry, not the consumer who is being protected by regulation.

-- Since 1950 the CAB has received 79 applications to enter scheduled air service from firms outside the industry. It has granted none.

-- Ninety percent of all air service is still provided by the same firms that were in <sup>the</sup> business in 1938 when <sup>the CAB</sup> ~~Senator~~ ~~was formed.~~ ~~Harry Truman assured Congress that the CAB he was proposing would not prevent new companies from entering air service.~~

The result of the stifling of price competition has been higher fares, while the skies are filled with fancy

*Not only does this hurt consumers*  
 meals and empty seats. ~~This situation is obviously not in~~  
 the interests of consumers. Moreover, it has harmed the  
 airlines, whose half-filled planes and expensive services  
 are driving down profits, *Memorable* while higher fares are driving  
 away new business, *and slowing the industry's expansion.*

(2)

Though these facts have been known for years the  
 administration has only belatedly recognized them. ~~Time after~~  
~~time over the last 8 years appointments to the regulatory~~  
~~agencies have been individuals whose commitment to the~~  
 public interest *has been* ~~seemed to be secondary to their~~ *attorneys* ~~commitment~~  
~~to the airline industry.~~ Not until Senator Kennedy held  
 hearings in Congress and *requested the* ~~demanded to hear~~ the White House  
 stand on airline regulation did the administration's ~~spokesmen~~  
 propose legislation. And even when legislation was proposed  
 the half-hearted support from the White House was clear:

*McGovern  
 Co sponsor  
 by request  
 no sponsor*

*Only*  
~~not~~ a single Republican Senator could be found to co-sponsor  
 the bill *and he did so only at White House request.*

With this luke-warm support it is not surprising  
 that the ~~Republican~~ *administration* bill has languished while Congressionally  
 developed legislation is moving toward passage. Without the  
 leadership and support of a committed administration,  
 these Congressional initiatives toward *regulatory reform* ~~regulation~~ may  
 still be stifled.

We need to move decisively to reform regulation of the  
 airline industry. We must grant greater freedom to airline  
 companies to make decisions concerning fares, service levels,  
 and routes. We must promote price as well as service com-

MEMORANDUM

September 16, 1976

TO: Governor Carter  
Jody Powell  
Milt Gwartzman  
Phil Zeidman

FROM: Stu Eizenstat

SUBJECT: Your meeting with Greek-Americans today

We promised some Q. & A.'s on the Turkish Base Agreement. You probably won't need to answer questions, but this is just in case. David Aaron has cleared with Vance, Brzezinski and Brademas.

Q. Yesterday the Senate Foreign Relations Committee began hearings on the Turkish Base Agreement. What is your position on that agreement?

A. Last may I expressed my concern that the Agreement had not been coupled with progress toward a just solution of the Cyprus tragedy. Pressing forward with the Agreement, given this lack of progress on Cyprus, increases tension in the Aegean, particularly since no base agreement is yet completed with Greece. Such action appears one-sided and insensitive to the need for a balanced approach to progress.

As for the agreement itself, I am troubled by the fact that it is a multi-year commitment that would at least in part burden the next administration with the unwise policies of the past.

Q. Will you urge Democrats in Congress to oppose it?

A. I recognize the importance of Turkish bases and Greek bases for the security of NATO and effective protection of U.S. interests in the Eastern Mediterranean. But these interests cannot be effectively protected if Greek-Turkish relations deteriorate. According, I would favor postponement of approval of the Turkish Base Agreement until a new Administration is in a position to couple it with consideration of the Greek Base Agreement and a new mediation effort over Cyprus.

ALS

TO: Jody Powell  
Through: Stu Eizenstat  
Info: Milt Gwertzman, Pat Anderson  
Subject: Proliferation

column

Today's New York Times carries full page article predicting that Ford will issue "a comprehensive statement soon setting national guidelines for U.S. nuclear policy."

Times goes on to state that this would be done to "take the issue away from Jimmy Carter," and quotes [redacted] official as saying that "White House is clearly apprehensive that Carter might pre-empt the nuclear issue--he made big speech on subject May 13."

It is important we do just that--maintain the initiative and be certain that a Carter statement is made in very near future so that when Ford moves it continues to appear to be in response to Carter pressure. In fact, this is the case.

To this end we will be sending you a statement of several hundred words within a day, which we urge that Governor Carter issue in a way which attracts substantial attention. This is his issue and it should not be taken away from him by late-starting President. Statement is being worked out now with Gardner, Hargrove, and others.

Jimmy Carter for AARP-NRTA "opinion"

1 1 1 1 1 1 1 1 1 1 1

Joe DeLoach's  
response to AARP/NRTA  
request -  
p 1 of 4 JOHNSON

TO WIENER

I am pleased to send this message to the memberships of AARP and NRTA. You are part of an important, growing segment of our population. There are now 23 million Americans over the age of 65 -- and senior citizens constitute an increasing percentage of the nation's population. Living on fixed incomes in a time of rising costs -- for food, for health care, for housing -- you are increasingly forced to struggle for even the necessities of life.

Gerald Ford's record on the elderly leaves little doubt that he has made your struggle even more difficult. As a Congressman, Ford voted against every increase in social security benefits, including the 1972 legislation that now provides automatic cost-of-living increases in Social Security benefits. He led the last ditch battle in the House against the passage of Medicare, voted against every bill containing language to provide government subsidized housing construction for the poor and elderly, and voted against the establishment of the Older Americans Act and the public service employment programs for the elderly under the Act.

Among his proposed cutbacks while President were:

- an arbitrary 5% cap on the July '75 social security cost of living increase
- "cost sharing" in Medicare, which would increase medical and hospital charges for aged and disabled Americans by about \$1.3 billion
- an increase in food stamp charges in 1975--to the point where most elderly recipients would find it uneconomical to participate in the program

Jimmy Carter for "Opinion"  
2 2 2 2 2 2 2 2 2

TO: WIENER  
FROM JOHNSTON  
2 OF 4

---a \$25 million cutback in funding for a hot meals program at senior citizens centers

---a \$6 million cutback for the State and Community Services programs under the Older Americans Act

---an attempt to phase out community service jobs programs for older workers

---the impoundment of funds for the section 202 housing for the elderly program, and

finally, Ford's administration resisted Congressional efforts to halt a 13% hike in hospital and nursing home charges for Medicare patients. Now, Medicare beneficiaries must pay the first \$104 of their hospital bills.

Senior citizens like yourselves have contributed much during their career years to the strength and vitality of America. You have the right to expect in your later years that you will have an adequate income, comfortable housing, access to expert and affordable health care, and adequate transportation.

The most important guarantee of a secure income to our elderly comes through the Social Security program. Recently, however, the system has been damaged by inflation, resulting in severe deficits.

I pledge to you, and to all Americans, that I will preserve the financial integrity of the Social Security system. To solve the system's current problems, we must energetically insure that we preserve the present cost-of-living adjustments for those receiving benefits and stabilize the "replacement rate" of benefits to wages, by guaranteeing to present contributors that their benefits at retirement will fully reflect increases in their wages.

Jimmy Carter for "Opinion"  
3 3 3 3 3 3 3 3 3

TO WIENER  
FROM JOHNSON  
3 OF 4

But our program for senior citizens cannot stop there.

We must move toward a national health insurance for all Americans, which will insure that the elderly, whose medical expenses are particularly burdensome, need never fear that they cannot afford necessary medical care.

I am committed to a <sup>2</sup>rapid increase in the Section 202 housing program for the elderly, funds for renovation of existing structures, and strong federal protection against the displacement of senior citizens by landlords seeking to convert rental housing into condominiums. 30% of America's elderly live in sub-standard housing and we cannot tolerate the present Administration's failure to deal with this problem.

Since senior citizens so often lack the mobility essential to enjoy the benefits of our country, they must be involved in transportation planning. I believe that it is appropriate for the federal government to subsidize low-cost fares for the elderly on federally financed public transit systems.

But perhaps this country's most serious neglect of her senior citizens, is the failure to tap their priceless, often unappreciated natural assets: experience and wisdom as teachers, administrators, craftsmen -- in all areas of endeavor.

My mother, Lillian, served in the Peace Corps in a medical dispensary in India, when she was 68. Government and industry both could offer our senior citizens, through volunteerism, a great opportunity to continue to lead productive and meaningful lives while sharing the wisdom of their years with others.

If elected President, I will establish in the White House

Jimmy Carter for "Opinion"  
4 4 4 4 4 4 4 4 4 4

TO WIENER  
FROM JOHNSON  
4 OF 4

a Counselor on the Aging. This Counselor would develop innovative and necessary programs for the elderly and insure that government action takes their concerns fully into account.

Most important, we need a President who is truly concerned with and sympathetic to the problems of older Americans. Senior citizens must never again feel ignored. Under my Administration, they never will.

-30-

talk to Weiss + Wood  
who have additional material.

EIZENSTAT

1 of 3

sent

TO BE TELECOPIED TO PLANE

TO: EIZENSTAT, ZEIDMAN, ANDERSON, ET AL

FROM: JIM FALLOWS, Austin 512-476-8457

DRAFT INFLATION STATEMENT

The most recent economic news documents the continuing failure of the Ford administration to bring our economy back to health,

especially the failure to control inflation

Last month, the wholesale price index shot up by nine tenths of one per cent, pointing the way to more of the double-digit inflation which has plagued our ~~economy~~ <sup>country</sup> for much of the last eight years.

The average gross weekly earnings for an American family have fallen from \$104.37 when Mr. Ford took office to \$102.83 now. After years of steady increase under Presidents Kennedy and Johnson, the real earnings of our people are lower now than they were in 1968, with the sharpest decline taking place under Mr. Ford.

Prices are rising twice as fast now as they were earlier this year.

The Republicans have tried to convince us that we can solve inflation by causing unemployment. But while there has been no significant improvement in the unemployment rate this year, and while 2.5 million more people are out of work than when Mr. Ford took office, we see the inflation rate taking off once more.

I have said many times that a policy which relies on keeping people out of work is morally and politically bankrupt. Now we see more evidence that it is bad economics too.

There are two basic principles that distinguish the Democratic approach to inflation from the policies which have been tried, and which have failed, under Presidents Nixon and Ford.

First, if I am elected, I will get the country back to work again, concentrating on those groups of people, those geographical areas, and those industries where unemployment ~~is~~ and under-utilization are now most severe. The best way to prevent inflation is to mobilize the productive power of our people. Our people are not producing when they are drawing welfare or collecting unemployment compensation. Our industries are not producing as efficiently as they should when they work at 75 per cent of capacity. By targetting our programs carefully, instead of spreading them in a blanket fashion across the country, we can create jobs where they will do most to head off inflationary bottlenecks.

Second, we Democrats recall that a President who cares about inflation must stand up to concentrated centers of market power. That is what President Kennedy did in 1962 when he spoke out against unwarranted price increases by US Steel.

The pressures behind our current inflation are the same as they were in 1962--powerful, non-competitive industries are exploiting their market power. Over the last few months, prices for industrial commodities have risen at an annual rate of 10 per cent, even though unit labor costs have risen only one third as fast. At the very time when our workers are showing restraint in their wage claims, large companies have taken advantage of their ~~position~~ oligopolistic position, confident that a President who listens to their lobbyists will let them get away with it.

One of the most graphic illustrations of this failure of leadership has come in the aluminum industry. For the last 20 months, the Council on Wage and Price Stability has been studying price increases in that industry during the 1974-75 recession, when aluminium shipments fell by 30 per cent but prices rose by 5 per cent.

Before the findings were released, the Council deleted 350 pages of the study, including a recommendation that the three giants of the industry--Alcoa, Reynolds, and Kaiser--be broken up to increase competition. Our people deserve to know why the study was censored, and why Mr. Ford's administration has done so little to prevent abuses of power in non-competitive industries.

Throughout this campaign, I have stressed the other steps I would take to reduce inflation:

- \* Vigorous enforcement of anti-trust laws, to ensure that competition keeps American industry efficient.

- \* anticipating supply bottlenecks and coordinating our policies to prevent them.

- \* training workers for the skills our economy needs most.

- \* establishing carryover stocks of farm products to protect both farmers and consumers from the wild price gyrations of the last eight years.

- \* reviewing the entire system of government regulation, to be sure that government interferes only when necessary to protect the public, and never <sup>simply</sup> to shelter inefficient business practices.

- \* seeking the voluntary cooperation of business and labor to restrain inflationary price surges.

- \* working toward a balanced federal budget, ~~through sufficient~~ <sup>by getting our people</sup> back to work again and by managing federal ~~management and federal programs and through~~ programs more efficiently.

The basic question is a question of leadership--whether we can afford four more years of a passive, caretaker government unable to cope with our problems, or whether we need leaders willing to make the decisions and take the steps necessary to restore our economic health.

To: Al Stern

From: Kitty Schirmer, Stu Eizenstat

Re: Carter & telephone call to Russell Petersen

Russell Petersen, former Governor of Delaware and up until October 1, 1976 Chairman of the President's Council on Environmental Quality (CEQ), will be expecting a call from Gov. Carter tomorrow. <sup>Petersen</sup> ~~He~~ will be in his hotel room ((212) 755 - 5900) \* between 10 and 11 am and # 3:30 and 4:30 pm on Tuesday and before 10 am on Wednesday.

I would suggest that Governor Carter ask the following two ~~xxxx~~ question of Petersen.

(1) <sup>Did</sup> ~~were~~ the procedures instituted by the Nixon and Ford administrations, particularly the OMB review procedures, give adequate voice ~~at~~ environmental interests, or was the structure so heavily loaded in favor of the business-as-usual industrial interests that the ~~xxxx~~ the strength and independence of the environmental voice within the administration was compromised?

(2) What role, if any, would he envision for ~~xxxx~~ CEQ in a ~~Carter~~ <sup>New</sup> ~~xxxx~~ administration?

~~We will be ~~xxxx~~ working on a press statement to publicize the Carter call to be used on Wednesday morning.~~

As I mentioned on the phone, we will prepare a press statement to publicize the Carter call to Petersen ~~to be~~ for used on Wednesday.



sent #1279

TO: STU EIZENSTAT  
FOR: JODY POWELL, GOV. CARTER, ~~PRESS AND FIELD STAFF~~ KEN REIGNER  
FROM: OLIVER MILLER  
RE: FARM STRATEGY

Every source indicates that the votes of farmers and more importantly the votes of the farm communities that depend on farmers are up for grabs.

We came out ahead on the matters of price supports, but Ford's move has made price supports a moot issue. We now need to concentrate on Ford's record. The theme should be "President Ford only cares about farmers in election years... Farmers need a president who cares all the time."

*Following*  
~~Two items follow. The first is a press release to be issued today in order to blunt whatever publicity that Ford gets on his swing through the farm belt in Illinois and Iowa today and tomorrow.~~

*When you return,*  
~~The second is a chronology which clearly outlines Ford's opportunism in courting the farm vote. Released section by section, the cumulative effect should be devastating. (We will make sure that all state coordinators get a copy.)~~

~~I suggest that every day or every other day, Carter release a voice actuality on a different aspect of his farm policy to be used on farm belt radio stations. After we get through with Ford's record, we can tackle:~~

1. What Carter would like to see in the upcoming 1977 farm bill.
2. What a Carter Secretary of Agriculture would be like claim
3. Why Carter is not beholden to George Meany as the Republicans /
4. How Jimmy Carter will be an advocate of farmer's needs for adequate price protection and access to export markets and explain these needs to consumers.

*I suggest that part of one or two ~~sentences~~ be ~~and~~ released*

I suggest that Carter release part of it in the form of a voice actuality to be used on farm belt radio stations.

Farm communities depend on farmers for their livelihoods. They tend to vote as farmers vote. For a minimal investment of Jimmy's time in voice actualities, I believe we can capitalize tremendously on the momentum we now have in the farm belt.



American grain farmers want a president and a Secretary of Agriculture who will work for them for four years, not just for four weeks out of every four years. They want a president who is genuinely concerned about meaningful price supports, access to foreign markets, and farm <sup>at all times,</sup> credit-- not a president who just wants to get their vote at election time.

They want a president who understands farmers and is willing to tell consumers the truth about farmers problems.

To: Sam Eizenstat  
From: Dony Robinson, Jay Carlson  
Re: ~~D~~ Arab Boycott

The ~~at~~ following  
statement is ~~being~~ or ~~is~~  
Ford's "Initiative" anti-boycott  
"Initiative" takes into account  
today's activities, including  
a Commerce Department press  
conference. We shortly will  
be sending a background  
memorandum.

TO: STU EIZENSTAT  
FROM: JERRY JASINOWSKI  
RE: WHOLESALE PRICE STATEMENT

The wholesale price statistics released today are still another tragic example of the complete failure of Mr. Ford's economic policies.

The overall wholesale price increase of .9%, which is over 10% on an annual basis, is the sharpest acceleration in such prices in 14 months. This price acceleration brings the spectre of double digit inflation back to the American economy.

I am particularly disturbed by the consistent acceleration of industrial commodities prices from .1% in May of this year to .9% last month. Industrial commodity prices, which account for over 70% of wholesale prices, have been rising at an annual rate of 9% in recent months. These price increases are likely to cause a sharp acceleration of consumer prices in the coming months.

Mr. Ford has done nothing -- absolutely nothing -- to deal with the acceleration of inflation in this country. He accepts high inflation and asks the American people to do the same. His lack of leadership and misguided policies are to blame for the worst inflation this country has experienced in 25 years.

The worsening economic situation caused by this inflation is undermining the confidence of our people. The day to day declines in the stock market, the slow pace of business investment, the decline in the leading indicators, all reflect uncertainty about the effectiveness of our national economic policies. We must restore confidence before we can have a healthy economic recovery.

There are three major mistakes Mr. Ford has made in trying to fight inflation:

- He has misunderstood it;
- He has accepted it;
- He has protected the special interests.

The standard Republican remedy for inflation -- much like the bloodletting of the 18th Century doctors -- is to slow down the economy by forcing workers out of jobs and onto the welfare rolls. That policy has been a dismal failure because productivity has been reduced, costs increased, and the largest deficits in our history created. Mr. Ford's policies have succeeded only in giving us the highest combination of unemployment and inflation of any administration in 50 years.

Having created a permanent six percent rate of inflation, the Republicans now accept that rate of inflation. Each month that the price statistics rise, the White House says that they are encouraged. They ask us to accept that rate, to think of six percent as normal, to be glad it is not higher. But the statistics today show that inflation will accelerate as long as our national leaders accept it.

And inflation will continue as long as the White House caters to the big corporations and the special interests. The Council on Wage and Price Stability, which is supposed to be an independent public watchdog on inflationary price increases, has just completed a study of the aluminum industry that was watered down by the industry itself. In making public their analysis of aluminum pricing policies, after consultation with the White House, the Council on Wage and Price Stability deleted 350 pages from the study of the industry, including proposals that the three aluminum giants should be broken up to increase competition in the industry. I think the public should have the full facts in this case.

Mr. Ford has done a lousy job managing the economy because he can't tell up from down. Prices go up and he says he is encouraged. Economic growth goes down and the administration says we are on the right track. Since Mr. Ford can't tell up from down, I say it's time we put him out.

Bob Havelly  
Issues

*Memo file*

Governor:

LAKE WINNIPESAUKEE

LAKE WINNISQUAM

MERRIMACK RIVER

and all bodies of water in between

Steve asked me to find out about the local uproar and fill you in: State of New Hampshire Division of Safety Services has always patrolled all of the state's inland bodies of water and licensed boats thereon, including the above-referenced waters.

Federal regulations apparently give the Coast Guard the right to patrol and control inland waters used for commercial navigation.

The above have not been used for commercial navigation for many years, but apparently they once were in the long-forgotten past. So the CG has suddenly decided to take over the patrolling and licensing functions on these bodies.

Trouble started when the NH Public Works and Highway Department consulted the CG on the construction of a new bridge over Lake Winnisquam for U. S. Route 3 in NH. The CG did some research and discovered that the above bodies of water could be classified as commercially navigable and the CG could assume control. The CG currently patrols NH coastal waters but no inland bodies of water.

Local outrage. Two issues: 1. Loss of \$100,000-200,000/year in boating and license fees. 2. Unwarranted federal intrusion in local affairs.

NH is apparently one of two states that do not use the CG numbering and registration system, an important feature of which is a reciprocity arrangement providing that a boat licensed in one state is thereby acceptably licensed in another. All vessels using NH inland waters must be registered in NH and pay NH fees, regardless of outside registration. CG

Governor

New Hampshire

Page 2

patrolling would probably involve changes in registration system. Also, changes in regulations: NH standards for inspection, equipment for on-board disposal of refuse, etc. are much tougher than CG standards. Local folks say 6-7 years ago waters were so polluted swimming was prohibited in certain areas. Water now claimed drinkable.

Locals say \$430 million/year tourist business threatened by pollution if takeover allowed.

State legislature has asked for a federal court ban on takeover. Legal status up in the air. Local Congressmen (Cleveland and D'Amours) have sponsored bill to stop takeover. Ford said he'd sign it; local contacts say that isn't strong enough.

Conservative area. Reagan got "thundering ovation" for denouncing loss of local control. Bayh statement endorsed bill by local Congressmen. Also said he's chairman of Senate Appropriations Subcommittee on Transportation which controls all CG operating funds, and he will see that not "one dime" goes to the CG to fund the takeover effort.

Important meeting Tuesday the 17th in Sen. MacIntire's office with Durkin, Cleveland, D'Amours, Sec. Transportation Coleman, and 4 CG representatives.

See enclosed clips and letter. NH office wants a statement, to be released from there.

Sources: Brad Woodward, NH office; Dick Kelly, Exec. VP Lakes Region Chamber of Commerce, NH.

Bob



call Coast Guard

# Jimmy Carter Presidential Campaign

For America's third century, why not our best?

Steve,

I have enclosed below exact quotes from my phone conversation with Kenneth Boehner, the Laconia City Manager and he is also a retired Lt. Commander in the Coast Guard.

"the situation is quite volatile"

"ashamed of what the Coast Guard is doing up here"

" intrusion of federal authority where it has no place to be"

I have a reliable media contact (person I room with) who provided the following information. The local congressmen (James Cleveland and Norman D'amours, the latter being from Laconia) have drafted legislation in Washington D C on this Matter. The state Legislature has requested New Hampshire's governor to go to court to fight the Coast Guard take-over.

This has just broke in the last few days as a very hot item. All the major candidates have either announced thier opposition or will be doing so on Monday 2/2 according to my contact. Appreciate a statment as soon as possible of course. Thankyou for your attention

Lawrence St. Pierre  
Coordinator Lakes Region

Carter Campaign  
General Delivery  
Laconia N H 03246

P.O. Box 1976 Atlanta, Georgia 30301 404/897-7100

# Reagan Hits Coast Guard Decision on Lake Control

Control of Lake Win-  
nipesaukee should remain "in  
the hands of New Hampshire  
citizens" Ronald Reagan told  
some 500 persons who turned  
out at Gilford Middle High

School auditorium for a  
citizens press conference last  
night. The former California gov-  
ernor was accompanied by his  
wife Nancy and earlier in the

day attended a reception with  
campaign workers at the  
Ramada Inn.

He was warmly greeted in  
both Franklin and Tilton before  
arriving in the city.

Some 200 were at the  
Franklin City Hall for a recep-  
tion at which Reagan was given  
a Bicentennial seal pattern for  
a knitted sweater and a  
photograph of the birthplace of  
Daniel Webster.

In Tilton some 50 turned out  
to hear Reagan as he stopped  
at the town hall. He told them  
the major difference between  
himself and President Ford is  
"I'm not part of the  
Washington establishment."  
City Reagan chairman John

**REAGAN**

(Continued on Page Three)

## Coast Guard and State Square Off Over Lakes

(By Mark Taylor in Rochester Courier)

Yessir folks, it's the battle of the century, and both sides are still in their corners, trying to figure out who's going to throw the first punch.

In one corner is the State of NH, slow to anger and easy going, but bearing scars from bouts from the taking of Fort William and Mary to our recent lobster war. Experienced and capable, it's not an opponent to underestimate.

In one other corner is the US Coast Guard, a little younger, but small, gutsy, and quick on its feet. Also a proven fighter, both in close work and in an all-out slugout, as WWII will testify.

And the prize is big. Two of New Hampshire's largest lakes and the Merrimack River.

The local bookies are giving it even odds. On the New Hampshire side are the people, the state legislature, the governor, and marina and boat owners throughout the state.

For the Coast Guard, the trainers are the US Congress and the Supreme Court. All in all, a pretty even

(Continued on Page Three)

(Continued from Page One)

match.

The bout started after a small incident concerning a "rude bridge that arched the flood" on Lake Winnisquam. The bridge had to be replaced, and the State applied to the Coast Guard to see if they needed a permit, because they were unsure of whether the lakes were considered navigable. The Coast Guard, itching for a fight according to many New Hampshireites, knocked the chip off our shoulder and said it was, according to the official definition of "navigable."

Among the trainers of the Coast Guard, are the Supreme Court, who laid down the definition of "navigable." One of the stipulations says any body of water with a past history of floating commerce is navigable. Under this definition, the Coast Guard took their first preliminary jab, and announced they were going to assume responsibility for the Merrimack River, Lake Winnepesaukee, and Lake Winnisquam. Although there is no floating commerce on these lakes now, during the mid and late 1800s the river and lakes were used extensively for commercial shipping. Under the floating commerce law, any river or stream can be navigable, even though it is no longer so. Rivers that had logs driven down them at one time are navigable because log drives were floating commerce, even though these drives often required dams to build up a head of water and could only be done during a few days of high water in the spring.

Lake Wentworth, which is connected to Lake Winnepesaukee by the Smith River, was not declared navigable because there is no history of there ever having been any commercial traffic between the two.

At this time, there are still several ways the bout can be called off:

The first is for New Hampshire to adopt a federally approved boat numbering system. New Hampshire and Washington are the only states that don't have federally approved systems required by the Coast Guard on navigable waters. One of the requirements in this system is that we grant reciprocity with other states. On Winnepesaukee, citizens feel that the lakes would be over run by daytrippers who would not have to pay a New Hampshire registration fee, and would add to the pollution and overcrowding problem. Local residents also fear that the enforcement agencies could not handle the additional influx of boaters they expect.

The Coast Guard thinks these problems can be worked out.

"If the state needs extra help in enforcement, we can send up as many men as are necessary," said Commander Raymond Womack, Chief of the Recreational Boating and Safety Division for the First Coast Guard District, which covers all of New England. "We'll help the state as much as they need or want it. The federal

and state laws in anti-pollution devices and safety equipment are about the same, so enforcement shouldn't be a problem. The standards New Hampshire has set are very good, and there will be no change made in them."

The Coast Guard will share responsibility for the lake with the state, and will only intervene when asked. One thing the Coast Guard will have to do is regulate commercial traffic on the lake, as all commercial traffic on navigable waters is subject to licensing, inspection, and approval by the Coast Guard.

The second way for the bout to be postponed is for the State to file an injunction in Federal Court against the Coast Guard.

"We'd be delighted to see the state file an injunction against us," said Commander Womack. "That would give us all some breathing time to come to a working agreement. We'd do it ourselves, except it's illegal for us to file an injunction against ourselves, so the state will have to do it."

And the state is considering it. Congressman Norm D'Amours is waiting to see what the state wants to do, before taking the matter before the US Congress.

The State's Attorney General's Office has the matter under consideration, but has made no move as of press time.

Commissioner Robert Whalen, of the Department of Safety, said "The determination of the lakes and rivers in question was made as a wedge to force us to adopt the state registration system."

If the waters are declared navigable, boat owners on Winnepesaukee and Winnisquam will be registered with the Coast Guard, and not with the state causing a loss of revenue.

On the other hand, if the state adopts an approved system, New Hampshire will get larger federal grants under the Boating Safety Act, according to Commissioner Whalen. And the state could still charge a boat inspection fee, or a landing fee, which will offset the loss of revenue from reciprocity.

The feelings of New Hampshire citizens were summed up quite well by Rus Chase, a legislator from Wolfeboro, who said, "If we could see any advantages to having the Coast Guard here, we'd accept them. We feel this is an intrusion on our state and local rights, and there's no valid reason for the Coast Guard to move in here."

Dick Rochelle, one of the largest boat dealers and marina operators on the Lake, summed up the fears of many Lakes Region citizens.

"I think the biggest problem is that we're going to get overrun by weekend transitory boaters from out-of-state. We can barely enforce our safety regulations now, and our pollution problem is already bad. With this new influx of people, I think we'll be spread way too thin."

As of press time, no move has been made by the state to seek an injunction to stop the Coast Guard. Both sides are still circling warily, watching for the other guy's first punch.

TO: CPL

TO: STU EIZENSTAT

FROM: DOUG ROBINSON, JAY CARLSON

RE: ARAB BOYCOTT

FOLLOWS, THIS NEW STATEMENT

THE FOLLOWING STATEMENT ON FORD'S ANTI-BOYCOTT "INITIATIVE" TAKES INTO ACCOUNT TODAY'S ACTIVITIES, INCLUDING A COMMERCE DEPARTMENT PRESS STATEMENT. ~~WE WILL BE SENDING SHORTLY~~ A BACKGROUND MEMORANDUM ~~IT~~ ONLY UPDATES, BUT DOES NOT PREEMPT, THE MORE COMPREHENSIVE STATEMENT WE GAVE YOU LAST NIGHT.

.....

STATEMENT:

THERE ARE MANY EMPTY PROMISES AND DISTORTIONS OF HIS RECORD THAT MR. FORD HAS TOSSED AT THE AMERICAN ELECTORATE DURING THIS CAMPAIGN. HIS SUDDEN DECISION AT THE END OF LAST NIGHT'S DEBATE TO DISCLOSE THE NAMES OF COMPANIES COMPLYING WITH THE ARAB BOYCOTT IS AN ADDITIONAL EXAMPLE. THE DISINGENIOUS AND DECEITFUL NATURE OF THIS MOST RECENT STATEMENT IS ABSOLUTELY CLEAR.

--FIRST, ALTHOUGH MR. FORD SAID HE WOULD RELEASE THE NAMES OF ALL COMPANIES "WHICH HAVE PARTICIPATED" IN THE BOYCOTT, THE COMMERCE DEPARTMENT WAS TAKEN COMPLETELY BY SURPRISE AND NOW STATES THAT MR. FORD'S PROMISE ONLY APPLIES "PERHAPS" TO FUTURE, NOT PAST OR CURRENT, COMPLIANCE WITH THE BOYCOTT. AS TO PAST AND CURRENT COMPLIANCE, MR. FORD'S AGREEMENT WITH BIG BUSINESS NOT TO DISCLOSE NAMES WILL PREVENT THEIR DISCLOSURE, AND THE 51,000 BOYCOTT COMPLIANCE REPORTS ON FILE WITH THE COMMERCE DEPARTMENT WILL REMAIN SECRET.

--SECOND, EVEN IF SOME NAMES ARE DISCLOSED, SOMETHING MR. FORD HAS REFUSED TO DO OVER THE LAST TWO YEARS, LITTLE WILL BE ACHIEVED. WHAT WE NEED IS A STRONG FEDERAL LAW PROHIBITING COMPLIANCE WITH THE BOYCOTT. FORD ADMINISTRATION BEHIND-THE-SCENES EFFORTS TO OBSTRUCT CONGRESSIONAL ACTION ON THE EXTENSION OF THE EXPORT ADMINISTRATION ACT IS THE SOLE REASON WE DO NOT HAVE AN ANTI-BOYCOTT STATUTE TODAY.

--THIRD, MR. FORD'S SO-CALLED "PROMISE" TO DISCLOSE THE NAMES OF COMPLYING COMPANIES IS OF DUBIOUS LEGAL AUTHORITY. BECAUSE THE ADMINISTRATION ALLOWED THE EXPORT ACT TO EXPIRE, ~~THE ADMINISTRATION~~ CAN RELY ONLY ON THE VAGUE AUTHORITY OF THE TRADING WITH THE ENEMY ACT. UNDOUBTEDLY ANY EFFORTS NOW BY THE ADMINISTRATION TO RELEASE NAMES OR EVEN TO REQUIRE COMPANIES TO REPORT WILL BE CHALLENGED IN THE COURTS.

--FINALLY, LIKE MOST OF THE FORD RHETORIC, WE WON'T REALLY KNOW UNTIL AFTER THE ELECTION WHETHER IT MEANS ANYTHING AT ALL. ACCORDING TO COMMERCE, NO NAMES WILL BE DISCLOSED UNTIL NOVEMBER AT THE EARLIEST.

..... BUT NOT THOSE THAT COMPLIED IN THE PAST OR "CURRENTLY."

UPDATE ON ARAB BOYCOTT SITUATION:

UNTIL

AT LEAST

IT

1. THIS MORNING THE COMMERCE DEPARTMENT HELD A PRESS CONFERENCE IN WHICH IT ANNOUNCED THAT (A) IT WAS TAKEN BY SURPRISE BY FORD'S ANNOUNCEMENT LAST NIGHT THAT THE NAMES OF FIRMS THAT COMPLIED WITH THE BOYCOTT WOULD BE RELEASED, AND (B) ~~THE COMMERCE DEPARTMENT~~ "ASSUMES" ~~THAT~~ FORD WAS REFERRING ONLY TO DISCLOSURE OF NAMES OF FIRMS THAT COMPLY WITH THE BOYCOTT PROSPECTIVELY, ~~AND~~ THAT IS HOW COMMERCE INTENDS TO CONSTRUCT IT ~~UNLESS~~ IT HEARS OTHERWISE FROM THE WHITE HOUSE. THAT MEANS THE 51,000 BOYCOTT COMPLIANCE REPORTS ALREADY ON FILE WITH THE DEPARTMENT WILL REMAIN SECRET. THE WHITE HOUSE HAS SO FAR BEEN SILENT THIS MORNING, AND FORD HAS BEEN INACCESSIBLE, BUT ASSISTANT PRESS SECRETARY JOHN CARLSON SAID IN CALIFORNIA THAT THE COMMERCE DEPARTMENT CONSTRUCTION IS CORRECT. WHAT FORD SAID LAST NIGHT WAS: "BECAUSE THE CONGRESS FAILED TO ACT, I AM GOING TO ANNOUNCE TOMORROW THAT THE DEPARTMENT OF COMMERCE WILL DISCLOSE THOSE COMPANIES THAT HAVE PARTICIPATED IN THE ARAB BOYCOTT."

EXACTLY

2. COMMERCE DEPARTMENT OFFICIALS HAVE ALSO TOLD US UNOFFICIALLY THAT NOTHING IS LIKELY TO BE RELEASED IN THE NEAR FUTURE -- AT LEAST NOT BEFORE THE ELECTION.

3. AT 1:30 THIS AFTERNOON, SENATORS PROXMIRE AND STEVENSON AND REPRESENTATIVES BINGHAM AND ROSENTHAL ~~WILL~~ ~~HOLD~~ A PRESS CONFERENCE TO EMPHASIZE THE COMPLETE FRAUD AND DISTORTION OF FORD'S BOYCOTT ANSWER LAST NIGHT AND TO SET FORTH THE COMPLETE RECORD OF ~~ITS~~ EFFORTS TO SABOTAGE ANY ATTEMPTS TO PREVENT COMPLIANCE WITH THE BOYCOTT. SIMILAR STATEMENTS BY BINGHAM AND ROSENTHAL HAVE ALREADY MADE THE WIRES. THEY ARE HOPPING MAD.

FORD'S