

Collection: Office of the Chief of Staff Files

Series: Hamilton Jordan's Confidential Files

Folder: Urban Policy, 3/24/78

Container: 37

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Urban Policy, 3/24/78, Container 37

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Personal and Confidential

To: President Carter
From: Hamilton Jordan *H.J.*
Re: Decisions on Urban Policy

You promised last year that your Administration would have a "comprehensive urban policy and program to help solve the problems which afflict American cities".

While I share your doubt that more federal dollars can increase substantially the quality of life in the American cities, the political, press and public reaction to your policy will be determined to a large extent by the amount of new money budgeted for it.

According to Stu, you have agreed to spend \$600 million

"DETERMINED TO BE AN ADMINISTRATIVE MARKING
CANCELLED PER E.O. 12356, SEC. 1.3 AND
ARCHIVIST'S MEMO OF MARCH 16, 1983"

10-10-1983
PRESERVATION SERVICES

new Federal dollars for our urban policy. This amounts to approximately 1/10 of one per cent of the Federal budget.

Your rhetoric on urban policy has greatly increased the public and political expectations of the mayors and the various constituent groups that have an interest in our policy. The \$600 million figure will guarantee not only a hostile reaction from all the groups, but will not be treated as a serious proposal.

If you propose an urban policy that only contains \$600 million new Federal dollars, I will predict that it will be the single biggest political mistake we have made since being elected.

To boot, Stu and his staff have worked long and hard to develop this program. Their recommendation to you did not represent a bargaining position on their part but the bare minimum that is politically acceptable to the Congress and the constituent groups that elected

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us.

Mr. President, I do not see how we can continue to alienate key groups of people who were responsible for your election and still maintain our political base. The groups that make up the urban coalition - blacks, Hispanics, labor, Democratic mayors, etc. - have been waiting all year for the "comprehensive, major program" we promised them. A \$600 million program will simply not receive serious political consideration.

If you proceed with the modest program approved, it will be ignored by the Congress and substantially increased. The full program recommended by Stu will be a creditable position for us to maintain with the Congress. The \$600 million program will not even represent a creditable bargaining position for the Administration.

I think it is probably difficult for us here to realize how much our urban policy announcement has been hyped up. Time Magazine is doing a cover on it for Monday and all the mayors are going to be in town for your

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announcement. And while I suspect that I would agree with most of the cuts you made in the program, politcally it will be devastating to announce a \$600 million program. No announcement would almost be better.