did you ever receive this?

[Signature]

Yes, I did, tid

J
October 3, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: Al McDonald
       Gordon Stewart
       Jack Kaplan

SUBJECT: Presidential Speech:
         DNC Fundraiser

         Scheduled delivery:
         Mon, Oct 6, 7:45 p.m.
         Palmer House
         Chicago, Illinois

Your speech and your opening jokes and
salutations for this fundraiser are
attached -- as separate documents.

Copies have been sent to Pat Caddell
and Jerry Rafshoon. Jody will write
his comments on these originals before
giving them to you.

The Speech has been adapted directly
from the transcript of your remarks
to the DNC Dinner at the Washington
Hilton, Tues. night.
Salutations

It is wonderful to be here in Chicago, one of the great industrial centers of our country. I am particularly proud that one of the things you produce most - and best - is Democrats!

Now you know what I mean when I call for increased productivity.

One thing that always impresses me with a group like this is what creative and imaginative people Democrats are. How else could they find such an infinite variety of subjects on which to disagree.

But I know there is one thing every person in this room agrees with tonight:
We are going to whip the Republicans on November fourth.

[as badly as they've ever been whipped in this country!]

I don't really do quite that well.

I would like to take a moment to readdress myself to the continuing accusation that I am running a mean campaign.

This charge is totally without substance.

I will state unequivocally that in our great American political system, there is a definite place for every single Republican candidate.

Second place.

And this year, we're going to do everything in our power to help them achieve it.

I could understand how it might be construed as "mean" if I had said something like the following:
I must admit that my opponent and myself are both guilty of gross overstatements. I said his views on international relations were silly...and he says he's qualified to be President.

That kind of statement has no place in a modern campaign, and I, for one, would never say it.

Of course, one of the best ways to show the differences between our two views is through debate. I mean a one-on-one, no-holds-barred debate on national television that could be held in a small town hall.

Or, if Gov. Reagan wants to bring all of his advisors, we could hold it at Soldier Field.

(Pick up core speech)
Chicago DNC Fundraiser

(Pick up after jokes)

I'm glad to be here sharing these good times with you tonight, because we also have important work to share together.

The choice before this nation could not be more stark, or more serious. It is a choice between two men with very different visions of the future and how to get there safely. But it is also a choice between the progressive ideals of our Democratic Party and the narrow doctrines of recent Republican extremism.

There could not be more sharply contrasting visions than those between myself and my opponent, and those between our two parties.

Ours is the Democratic Party of history -- Jefferson and Jackson, Franklin D. Roosevelt and Harry Truman, Lyndon B. Johnson, and John F. Kennedy -- evolved to meet the changing
needs of the 1980's, to be sure, but still rooted in the grand traditions that have made it the party closest to the ideals of American life.

But the Republicans of 1980 can claim only a faulty lineage to the party of Abraham Lincoln. Reagan Republicanism is a mutant strain that would engage in an all-out arms race, create economic laws that benefit the rich and deny the struggle for equal rights and better lives for minorities, for the poor, for women.

We cannot let those views prevail!

We are talking here tonight about the very future of this nation. We are talking about the life -- and about the quality of that life and the prosperity of that life -- of every human being who lives now and who will live in this country in the years ahead.
see the world, and in what we think a great government should be. We are talking about how precious is a human ambition, and how damaging is a human frustration or alienation.

We of the Democratic party are speaking urgently about what it means to be deprived of equality of opportunity and what it means to have realistic hopes for sustained progress in the future.

And we are talking on behalf of all Americans -- because in the long run you and I know that only a just and caring society will be a lasting and triumphant society.

We are here tonight to protect the future of a strong America. I believe the Democratic can secure that future -- and I intend to fight like hell for it.

This month -- in these crucial moments of choice -- the actions you take can literally decide the lives and futures
of millions of human beings.

You will help to determine whether consumers will have a voice in Washington, on the Hill and in the Oval Office; whether the quality of our land and our air and our water will be maintained and improved; whether working people will be inside the meetings when their future is planned, or whether they will be outside, excluded, searching for some way to let their voice be heard; whether America will suffer through an alienation of black from white or Christian from Jew or North from South or rural from urban; whether the nation will be guided by a sense of long-range purpose, sound judgment, broad consultations, and by search for peace in a thoughtful, well-conceived foreign policy.

Those kinds of questions lie at the very heart of this nation's future, and they must be answered in the heart of every person who lives here. It is my responsibility as the standard bearer of our party, as the incumbent President of
the greatest nation on earth, and as the nominee of our Party, to work with you in making the truth about America's choices fully known to the American people. That is our job as Democrats -- and our duty as Americans.

We want a nation that draws its judges from all walks of life. We want a nation that gives equal rights to women. We want a nation committed to human rights. We want a nation strong enough and confident enough so that we are not afraid of peace.

If we can make these issues clear, the American people will make no mistake in November -- because the choice between the traditions of our Democratic Party and the new Republican extremism is unmistakable.

??? [One or more Reagan quotes -- such as on SALT, Social Security, unemployment -- followed by "Do the American people want a President who believes this? No."] ???
Does this country need a President who believes that the way to control nuclear weapons is to "play the arms race card?"

Do you agree with Governor Reagan that the proliferation of nuclear weapons is "none of our business?"

Do most Americans think unemployment insurance is "a paid vacation" for "freeloaders?"

Do those of you who grew up in the Great Depression as I did think the New Deal was based on Fascism?

Do those here tonight who knew and loved and supported Hubert Humphrey believe -- as Governor Reagan does -- that the Humphrey-Hawkins bill is a "design for fascism?"
But it is not easy to get that message across clearly because of the muzzling, the withdrawing, and the masquerading of my opponent. It is a travesty that it has not been possible to arrange a debate between the leaders of the two major parties, and of two totally different views of the future of the world. The American people need this debate, they deserve this debate, and the Republicans ought not to deny it to them.

I'll do the best I can over the next few weeks. But 29 days is not a very long time in which to overcome the well-financed simplifications and distortions of right wing Republicanism.

You have helped time after time, some of you for decades, to keep this party together through thick and thin. Our party is strong now. Our party is united. We have an opportunity to spread our word, to raise our standard, and to rally millions of Americans in facing the future with confidence.

I appreciate what you have done over the years and tonight.
except every thing of course.

That the country can indeed carry to
people whose political philosophy and needs
Government of the United States to
not to end it if it end by turning the
policy now & not in the past.

The is my next compound - the rest.

[Signature]
But it is not easy to get that message across clearly because of the muzzling, the withdrawing, and the masquerading of my opponent. It is a travesty that it has not been possible to arrange a debate between the leaders of the two major parties, and of two totally different views of the future of the world. The American people need this debate, they deserve this debate, and the Republicans ought not to deny it to them.

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You have helped time after time, some of you for decades, to keep this party together through thick and thin. Our party is strong now. Our party is united. We have an opportunity to spread our word, to raise our standard, and to rally millions of Americans in facing the future with confidence.

I appreciate what you have done over the years and tonight.
I congratulate you and I thank you. But now you must join me and Fritz Mondale as partners, determined to get our views to the nation in a clear, unvarnished, absolutely truthful way about the choice that will be made on election day in November.

You have given this party your contributions and your hearts. But you cannot walk out of here tonight satisfied that you have fulfilled your obligation.

The job is not yet done.

We still must have your leadership, your voice, your dedication, your energy and your spirit.

Give us all that and, working together, we will win in November!

Every one of you here tonight is a leader. There is no one here who could not reach a thousand people, and there are many of you who could reach millions between now and November 4th.
I do not believe that you will ever have a more important responsibility. There is no doubt that your state of Illinois is a key to victory. If you will help me in a dedicated way, above and beyond what you had dreamed of doing when you came here tonight, there is no doubt that we will win.

In 1960, if just 28,000 people in Texas and a few thousand right here in Illinois had voted differently, John F. Kennedy would never have been President.

And think back to 1968.

If many of you...and I...had done all that I am asking you to do now, America would have put Hubert Humphrey into the White House instead of Richard Nixon...and you know it!

In 1976 we won against overwhelming odds because you were there...and you helped...and we developed a kind of fervor and spirit that ignited the American people.
I tell you, there is much more at stake in 1980 than in 1976.

It is up to us to lead this country through the threshold of a bright and secure future. And we must, because the alternative is too dismal, too bleak, too doubtful to contemplate.

I do not intend to lose.

Will you help me?
STU EIZENSTAT

The attached was returned in the President's outbox today and is forwarded to you for appropriate handling.

Rick Hutcheson

CC: ARNIE MILLER
MEMORANDUM FOR THE PRESIDENT

FROM: STU EIZENSTAT

SUBJECT: Advisory Committee on Housing Policy

Early next week you will be signing the HUD authorization bill. OMB, CEA, HUD and Arnie share our strong view that you should use this ceremony as an opportunity to announce that the Administration will be establishing an internal task force to review long-term housing issues and that you will be appointing a 40-member outside advisory committee representing the various housing constituencies to counsel the Administration task force. We had described this proposal in our memorandum requesting this event last week, but apparently it was not communicated to you at that time.

The Administration task force would present its recommendations to you in June, 1981. The advisory committee would not make formal recommendations of its own -- i.e., it would not be a runaway commission -- but would be limited to consulting with the Administration task force. The advisory committee would be a broad-gauged group including representatives of builders, developers, labor, the financial community, civil rights and minority groups, tenants, State and local government, and so forth.

The major reasons for creating the task force and advisory committee are:

- We are not contemplating any specific policy actions to address the growing weakness in the housing sector, nor are we proposing any concrete measures to deal with the problems of housing affordability and production which are likely to become more severe in the 1980's. The advisory committee is an important symbolic action to reflect your desire to address these problems. In particular, we have been criticized for the absence of any housing component in the economic revitalization program; the formation of the committee will signify that housing is sufficiently important to warrant separate treatment such as we have given to autos and steel.
Governor Reagan will give his major housing address next Wednesday and will support a national housing commission.

OMB and CEA agree that demographic forces will impose substantial pressures on housing costs in the 1980's and there are serious questions about the ability of the housing sector to produce the units which the market will demand. From a policy perspective, there is broad agreement on the appropriateness of a broad review of Federal housing policy.

The task force presents you with an opportunity to show a willingness to consider actions sought by the housing constituencies -- i.e., tax-deferred savings instruments, a middle-income rental production program -- without making any policy decisions before next year.

Arnie will be submitting to you a list of nominees to the advisory committee shortly. Next week, we recommend that you simply announce the formation of the Administration task force and outside advisory group, describe generally the issues they will address (we will distribute a detailed white paper on the task force agenda), and announce that the committee's chairman will be Robert Weaver. Weaver, who is Black, was the first Secretary of HUD and now teaches at City University in New York. The other members would be announced at a later time.

Arnie, HUD, OMB and CEA concur with this recommendation.

**DECISION**

Agree [ ]

Disagree [ ]

*Electrostatic Copy Made for Preservation Purposes*
CHICAGO RALLY SPEECH  

October 6, 1980

1. MAYOR JANE BYRNE -- WHAT A FINE INTRODUCTION, & WHAT AN EXCITING WELCOME!
2. GEORGE DUNNE, JOHN TOOHY: 
3. IT'S A GREAT DAY.
4. TONY BENNETT MAY HAVE LEFT HIS HEART IN SAN FRANCISCO,
5. BUT I LEFT MY HEART IN CHICAGO.
6. THIS IS THE GREATEST DEMOCRATIC CITY IN AMERICA.
7. CHICAGO DEMOCRATS
8. PUT ILLINOIS IN THE DEMOCRATIC COLUMN IN 1960
9. AND ELECTED PRES. JOHN KENNEDY;
10. AND I LOOK FOR CHICAGO DEMOCRATS TO DO THE SAME FOR ME IN 1980.

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(=OVER=) (I WANT YOU TO....)

(=OVER=) (I WANT YOU TO....)
1. I want you to remember what Adlai Stevenson said --
2. that you have to vote like a Democrat
3. if you want to live like a Republican.
4. By the way, my state -- Georgia --
5. went for Stevenson both times when he ran for President.
6. Tomorrow, I want you
7. to turn out the unregistered voters of Chicago & Cook County,
8. get them registered to vote,
9. then turn them out on November 4, so they can vote Democratic.
10. Tomorrow is the last day of registration,
11. and I want you to work as if every vote counts this year --
12. because it does.

(new card) (This is a...)
1. THIS IS A CRUCIAL ELECTION.
2. THE CHOICE IS NOT JUST BETWEEN 2 CANDIDATES, OR 2 PARTIES.
3. THE REAL CHOICE IS BETWEEN 2 VERY DIFFERENT FUTURES.
4. YOUR CHOICE WILL HAVE AN IMPACT
5. ON WHETHER THIS COUNTRY CONTINUES TO STRIVE FOR JUSTICE & COMPASSION --
6. WHETHER OR NOT WE BUILD FOR PEACE --
7. AND WHETHER OR NOT WE HAVE THE SOLID ECONOMY
8. THAT PROVIDES A JOB FOR EVERY AMERICAN WILLING & ABLE TO WORK,
9. I KNOW THAT THE PEOPLE OF AMERICA WILL MAKE THE RIGHT CHOICE.
10. I KNOW THAT THE PEOPLE OF THIS COUNTRY --
11. LIKE THE PEOPLE OF CHICAGO -- ARE BUILDERS.

(=over=) (THE SAME SPIRIT,.....)

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I (THE SAME SPIRIT THAT BUILT THE MAGNIFICENT SKYLINE OF THIS CITY) IS BUILDING A NEW FUTURE FOR OUR NATION.

WE ARE ALREADY BUILDING A NEW ENERGY BASE FOR AMERICA.

FROM COAST-TO-COAST,

WE ARE DEVELOPING OUR ENERGY RESOURCES LIKE NEVER BEFORE IN OUR HISTORY,

AND NOW WE ARE BEGINNING TO BUILD A NEW INDUSTRIAL BASE FOR AMERICA.

IN THE LAST MONTH,

I HAVE VISITED PEOPLE IN MODERN, UP-TO-DATE FACTORIES,

FROM COAST-TO-COAST.

I VISITED A TEXTILE MILL & A STEEL MILL

WITH THE MOST MODERN EQUIPMENT IN THE WORLD

I HAVE SEEN NEW ENERGY FACILITIES, AND HI-TECH IN "SILICON VALLEY"  

JUST LAST WEEK, I SAW THE NEW 1981 CARS ROLLING OFF AMERICAN ASSEMBLY LINES,

(=NEW CARD=) (IN EVERY ONE.....)
1. IN EVERY ONE OF THOSE PLACES,
2. • I SAW THE SPIRIT OF BUILDING SOMETHING NEW & GOOD FOR THIS COUNTRY --
3. • I SAW THE HOPE FOR OUR CITIES & THE WORKING FAMILIES OF AMERICA --
4. • I COULD SEE THE FUTURE OF THIS COUNTRY --
5. AND IT IS A GOOD, STRONG FUTURE.
6. THIS COUNTRY BELIVES IN HARD WORK.
7. WE BELIEVE IN OPPORTUNITY.
8. WE BELIEVE IN STRONG FAMILIES & STRONG NEIGHBORHOODS,
    AS A FOUNDATION FOR A STRONG AMERICA.

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for Preservation Purposes

(=over=) (Don't Let Anyone...)
1. DON'T LET ANYONE TELL YOU DIFFERENT.
2. DON'T LET ANYONE TELL YOU THAT THIS NATION IS WEAK —
3. THAT THIS COUNTRY CAN'T MEET EVERY CHALLENGE,
4. THAT WE DON'T HAVE IT IN US
   TO MAKE THIS GREAT COUNTRY OF OURS EVEN GREATER,
5. THERE ARE PEOPLE WHO HAVE GIVEN UP ON THIS COUNTRY.
6. ASK THEM WHAT THEY'RE FOR,
7. AND THEY'LL TELL YOU WHAT THEY'RE AGAINST.
8. THEY WILL TELL YOU
9. OUR ONLY HOPE IS A TRILLION-DOLLAR TAX CUT FOR THE RICH;
10. THAT WE HAVE TO FORGET JOB SAFETY, HEALTH CARE,
    CARE FOR THE ELDERLY, A CLEAN ENVIRONMENT;
11. THAT THE LAST 50 DEMOCRATIC YEARS IN THIS COUNTRY HAVE BEEN A FAILURE.
    (NEW CARD) (THE REPUBLICANS...)
Chicago Rally Speech

Mayor Jane Byrne, what a great introduction, and what an exciting welcome! [3 minutes of fireworks will precede this.]

George Dunne, John Toohy, what a terrific day this is!

Tony Bennett may have left his heart in San Francisco, but I left my heart in Chicago.

This is the greatest Democratic city in America, and I love Chicago and the Democrats of Chicago.

Chicago Democrats put Illinois in the Democratic column in 1960 and elected President John Kennedy -- and I look for Chicago Democrats to re-elect me in 1980.

I want you to remember what Adlai Stevenson said, that you have to vote like a Democrat if you want to live like a Republican.

By the way, my state, Georgia, voted for Stevenson both times when he ran for President.
Tomorrow, I want you to turn out the unregistered voters of Chicago and Cook County, get them registered to vote, turn them out on November 4, and make sure they vote Democratic. Tomorrow is the last day of registration, and I want you to work as if every vote counts this year -- because it does.

This is a crucial election. The choice is not just between two candidates, or two parties. The real choice is between two very different futures. Your choice will have an impact. We will choose whether or not this country continues to strive for justice and compassion -- whether or not we build for peace -- and whether or not we have the solid economy that provides a job for every American willing and able to work.

I know that the people of America will make the right choice. I know that the people of this country -- like the people of Chicago -- are builders. The same spirit that built the magnificent skyline of this city is building a new future
for our nation.

We already are building a new energy base for America.

From coast to coast, we are developing our energy resources like never before in our history.

And now we are beginning to build a new industrial base for America.

In the last month, I have visited people in modern, up-to-date factories from coast to coast. I visited a textile mill and a steel mill with the most modern equipment in the world. I have seen new energy facilities. Just last week, I saw the new 1981 cars rolling off the lines.

In every one of those places, I saw the spirit of building something new and good for this country -- I saw the hope for our cities and the working families of America -- I saw the future of this country -- and it is a good, strong future.
This country believes in hard work. We believe in opportunity. We believe in communities and neighborhoods and raising children to be hard-working and loving.

Don't let anyone tell you different. Don't let anyone tell you that this country is washed up -- that we don't have it in us to make this great country of ours even greater.

There are people who have given up on this country. Ask them what they're for, and they'll tell you what they're against. They will tell you our only hope is a trillion-dollar tax cut for the rich -- that we have to forget job safety, health care, care for the elderly, a clean environment -- that the last 50 Democratic years in this country have been a failure. [and that we better turn back to the same party that gave us Herbert Hoover and Richard Nixon.]

The Republicans have a candidate for President who wants you to forget [that he opposed Civil Rights laws, that]
he opposed Medicare, that he opposes the rights of labor, and that he wanted to weaken Social Security.

He wants you to forget that he called unemployment insurance "a prepaid vacation," and said that the minimum wage "is the cause of more misery and unemployment than anything since the Great Depression."

And when we finish forgetting all that, he wants us to believe that the solutions to our problems are all simple, that major federal programs should be saddled on the backs of the working families can trust Republican bankers and the local taxpayers, that the Department of Energy should be abolished, the Windfall Profits Tax on the oil companies lifted, I don't believe that American people are simple-minded, and know they haven't given up on this country and our values. I meet almost every day -- they're not in the country, American unions and big banks and in the factories. And I can tell you -- and I can tell the Republican Party --
that Americans are ready to build again, not tear down. We are ready to rebuild our economy from the ground up. We are ready to rebuild our cities. We are ready to protect Social Security and provide jobs for all able-bodied Americans. We are ready to enact National Health Insurance.

That's where the future of this country is — in the building spirit of the American people — and that is the spirit the Democratic Party is built on.

I want you to leave today with that same spirit. I want us all to remember 1980 as a great Democratic victory. I want you to remember how we won this election from the precinct up — how despite all their money we defeated the big-money Republican candidates up and down the ticket.

But most of all, I want you to be able to tell your children and grandchildren how in 1980 we began to rebuild America. I'll do my part, and I want you to do yours.

#  #  #
MEMORANDUM FOR THE PRESIDENT

FROM: Al McDonald
      Rick Hertzberg
      Anna Simons

SUBJECT: Presidential Talking
Points: Dupage County
Backyard Town Meeting

Scheduled delivery:
Mon, Oct 6, 4 p.m.
Dupage County, Ill.

Your talking points for opening this event are attached.

Copies have been sent to Pat Caddell and Jerry Rafshoon. Jody will write his comments on this original before giving it to you.

Mr. President,

We will fill in the figures for your tomorrow in the insert.

Since we now have the Reagan statement proposal on education confirmed, we can also add that to your Milwaukee speech.

Jef
Dupage County "Backyard" Town Meeting

1. I WANT TO THANK BUD AND MARGARET LOFTUS FOR HOSTING THIS "BACKYARD" VERSION OF A TOWN MEETING.

2. IN 1976 THE LOFTUSES HAD THE OPPORTUNITY TO HOST EITHER SENATOR BENTSEN OR MYSELF. THEY CHOSE TO HAVE THE SENATOR COME VISIT WITH THEM. I UNDERSTAND THEY WANT TO USE THIS OCCASION TO SET THE RECORD STRAIGHT.

3. THE LOFTUSES HAVE A BIG INVESTMENT IN THE FUTURE. THEY HAVE NINE CHILDREN.

4. I, TOO, AM COMMITTED TO THE FUTURE. THE CHOICE THIS NATION FACES IN NOVEMBER IS A CHOICE BETWEEN TWO FUTURES -- A CHOICE THAT COULD NOT BE CLEARER.

5. THIS IS 1980, NOT 1950. THE TASK BEFORE US IS TO BUILD FOR THE FUTURE.
   - WE HAVE AN ENERGY PROGRAM FOR THE FUTURE.
   - WE ARE WORKING TO REVITALIZE AMERICAN INDUSTRY FOR THE FUTURE.
   - WE ARE PRESERVING ALASKAN WILDERNESS FOR THE FUTURE.
   - WE ARE APPOINTING JUDGES FOR THE FUTURE.
   - WE ARE BUILDING A STRONG DEFENSE FOR THE FUTURE.
   - MOST IMPORTANT, WE ARE BUILDING PEACE FOR THE FUTURE.
6. THE CHALLENGES AHEAD OF US ARE EXCITING ONES. WE MUST NEVER FORGET WE ARE AMERICANS. WE CAN DO ANYTHING. AND WHILE WE HAVE MUCH TO DO, WE HAVE MUCH TO DO IT WITH.

7. WE HAVE AMERICAN KNOW-HOW AND INGENUITY, IMAGINATION AND DARING. OUR FOREFATHERS PIONEERED THIS COUNTRY, AND MADE IT GREAT. THEY DID SO BY LOOKING AHEAD AND BEYOND AND BY VENTURING AND EXPLORING. THEY DID NOT GET AHEAD BY LOOKING BACKWARD, OR SUCCEED BY SITTING STILL.

8. WE HAVE THEIR LEGACY TO LIVE UP TO, THEIR SPIRIT WITHIN US STILL. THE DAYS AHEAD WILL BE AS BRIGHT AS WE MAKE THEM — WITH AMERICAN SOURCES OF LIGHT AND ENERGY, AMERICAN LABOR AND AMERICAN INDUSTRY. I THINK THAT IS THE MOST EXCITING CHALLENGE OF ALL — THAT IS WHAT OUR FUTURE IS ALL ABOUT.

# # #
Governor Reagan has proposed again this year as he did in 1976 that the entire burden for financing education and the welfare programs should be placed on the backs of the state and local governments here in Illinois and across this nation. In Illinois that would mean that the $2.1 billion the state now receives from the Federal government in welfare and education payments would be cut off and would have to be replaced by $2.1 billion in additional state income and/or property taxes. If the state should choose to make up that amount through increasing local property taxes, the additional tax burden for the average family of four would be $740 an increase of 53 percent. That's not my idea of how to help the citizens of Illinois.
Let me mention to you one very important and very clear difference between my proposals and Governor Reagan's proposals in an area that I know is of great importance to you.

Governor Reagan has proposed again this year as he did in 1976 that the entire burden for financing education and the welfare program be placed on the backs of the state and local governments here in Illinois and across this nation. That is an additional burden on property taxes -- I know no one here is concerned about property taxes -- and sales taxes and other state and local taxes. That is a lot of money. It is the size of the entire 1980 national defense budget. Here in Illinois alone, the increased burden would amount to

That proposal by Governor Reagan is exactly the opposite of what I think needs to be done. We have right now a bill before the Congress that would reduce the cost of the welfare program that now falls on state and local governments. It has already passed the House and is pending in the Senate.
The choice in this area as in many others is very clear. A Republican Administration will mean that state and local taxes for financing education and the welfare program are likely to increase tremendously. A Democratic Administration will mean that burden is likely to decline. You will have to decide which you prefer.
October 3, 1980

MEMORANDUM FOR THE PRESIDENT

FROM: Al McDonald
      Rick Hertzberg
      Chris Matthews

SUBJECT: Presidential Remarks:
         Technical College Tour

         Scheduled delivery:
         Mon, Oct 6, 1:30 p.m.
         Milwaukee, Wisconsin

Your remarks for this event are attached.

Copies have been sent to Pat Caddell
and Jerry Rafshoon. Jody will write
his comments on this original before
giving it to you.
1. THIS SCHOOL REPRESENTS WHAT OUR COUNTRY IS ALL ABOUT. WE AMERICANS BELIEVE IN "CARRYING OUR OWN WEIGHT." WE BELIEVE IN INDEPENDENCE -- FOR OURSELVES, FOR OUR BELOVED COUNTRY.

2. THIS SCHOOL GIVES PEOPLE THE SKILLS AND THE KNOW-HOW THEY NEED TO BE PRODUCTIVE CITIZENS. IT HELPS YOU HELP YOURSELVES -- AND HELP OUR NATION IN THE PROCESS.

3. YOU ALL HAVE YOUR OWN PERSONAL GOALS. YOU WANT TO BECOME STRONG BREADWINNERS FOR YOUR FAMILIES. YOU WANT TO BECOME INDEPENDENT AND RESPECTED MEMBERS OF YOUR COMMUNITY. YOU WANT TO PLAN FOR THE FUTURE, PROVIDE FOR YOUR CHILDREN, PROVIDE FOR YOUR OWN LATER YEARS.

4. TODAY WE FACE TOUGH ECONOMIC CHALLENGES IN OUR COUNTRY. THESE CHALLENGES STAND IN YOUR ROAD TO PERSONAL FULFILLMENT. THEY STAND AS OBSTRUCTIONS TO YOUR ECONOMIC GOALS, YOUR LONG-TERM GOALS FOR YOUR FAMILIES.

5. AS PRESIDENT I AM DETERMINED TO CONFRONT OUR ECONOMIC GOALS AT THEIR ROOTS.

WE FACE THE CHALLENGE OF FOREIGN OIL DEPENDENCE, WHICH ROBS OUR NATION OF ITS WEALTH, WHICH INFLATES OUR CURRENCY, REDUCES THE SIZE OF OUR PAYCHECKS, AND SOAKS UP RESOURCES THAT SHOULD BE INVESTED IN THE FUTURE. I
AM DETERMINED TO END THAT DEPENDENCE.

WE FACE THE CHALLENGE OF DECLINING PRODUCTIVITY GROWTH. BECAUSE OUR PRODUCTIVITY HAS FAILED TO GROW AS FAST AS IN THE PAST, WAGE INCREASES ARE ERODED BY INFLATION. I AM DETERMINED TO MAKE AMERICA'S WORKERS MORE PRODUCTIVE, BY REVITALIZING AMERICAN INDUSTRY.

6. LET ME EXPLAIN WHAT OUR PROGRAM IS ALL ABOUT -- IN NUTS-AND-BOLTS FASHION:

AMERICA'S STRENGTH DOES NOT COME FROM THE GIANT CORPORATIONS. IT DOES NOT COME FROM THE GOVERNMENT IN WASHINGTON. IT COMES FROM THE WORK, THE INGENUITY, THE ZEAL OF AMERICA'S WORKERS. I AM DETERMINED THAT OUR COUNTRY MAKE THE MOST OF THIS GREAT STRENGTH. I WANT TO MAKE SURE THAT ALL THOSE WHO GRADUATE FROM THIS SCHOOL HAVE THE GREATEST POSSIBLE OPPORTUNITY TO PROVIDE FOR THEMSELVES AND THEIR FAMILIES, THE OPPORTUNITY TO MAKE THE FULLEST POSSIBLE CONTRIBUTION TO OUR COUNTRY'S FUTURE.

7. TO IMPROVE WORKER PRODUCTIVITY, WE NEED TO BUILD NEW PLANTS AND EQUIPMENT, TO MODERNIZE OUR FactORIES, TO GIVE OUR WORKING PEOPLE THE TOOLS THEY NEED TO BE MORE PRODUCTIVE, TO COMPETE IN THE WORLD MORE EFFECTIVELY.

8. WORLD ECONOMIC COMPETITION IS BECOMING HARDER EVERY YEAR. WE NEED TO WIN THAT COMPETITION. WE NEED TO GIVE AMERICA'S WORKERS THE MOST UP-TO-DATE EQUIPMENT. YOU DO NOT WIN A WAR WITH OBSOLETE WEAPONS. YOU CANNOT COMPETE WITH OBSOLETE TOOLS.
9. **My chief opponent in the presidential elections offers a starkly different proposal. It is called Reagan-Kemp-Roth.**

The proposal would provide massive, inflationary tax cuts across-the-board. These tax cuts would add billions and billions of dollars to the federal deficit. They would mean the printing of more and more federal dollars, dollars that would become more and more worthless.

This Reagan-Kemp-Roth bill is economic quicksilver. It glitters. It promises quick results, easy answers, but ends up being worthless. It has been condemned by "Business Week" as inflationary. It has been called "voodoo economics" by the Republican vice presidential candidate himself. Even former Pres. Ford says it is too inflationary for him to support.

Those who peddle this quicksilver to the American people are dealing in flim-flam. They offer you something for nothing. We cannot deal with our problems by offering tomes upon tomes, yet they won't let you see the cards. They say they will give giant tax cuts, giant increases in defense spending, balance the budget and stop inflation all at the same time. But they never tell you how they are going to do it.

I do not believe the American people are going to fall for this flim-flam. The more they hear of this fancy new Republican deal of easy money, big inflation, pie-in-the-sky, the more they are going to say, "Let's cut the cards!"

10. **The fact is, the new leaders of the Republican Party do not want to cut the cards. They do not want the people to know that the real winners in their game are Reagan-Kemp-Roth...**
Under current budget proposals, the American people and I have no doubt that they will pay for the programs of unemployment compensation and all other proposals. There is another Republican proposal to a deep concern in this country, which has to

concern every person in this country that has to

take the burden of paying for it explicitly on

the backs of state and local governments. This is a serious mistake. It means significant increases in the sales tax and other state and local taxes across the country should be miring us, for that is the exact opposite direction we

Albert
I have great confidence in the sound judgment of the American people and I have no doubt that they will reject this Republican economic program of implausible promises, improbable assumptions and ill-considered proposals.

Governor Reagan has proposed again this year as he did in 1976 that the entire burden for financing education and the welfare programs should be placed on the backs of the state and local governments here in Wisconsin and across this nation. In Wisconsin that would mean that the $1 billion the state now receives from the Federal government in welfare and education payments would be cut off and would have to be replaced by $1 billion in additional state income and/or property taxes. If the state should choose to make up that amount through increasing local property taxes, the additional tax burden for the average family of four would be $870 an increase of 63 percent. That's not my idea of how to help the citizens of Wisconsin.
At the same time, it encourages welfare recipients who can get a job. If the Republicans are in the White House, that bill will never pass. That is a very clear difference that will be decided in this election, and you should carefully judge which policy is better for you and for this country.

# # #

Electrostatic Copy Made for Preservation Purposes
AND THOSE WHO REALLY DO NOT NEED A TAX BREAK, THOSE WHO REALLY
DO NOT ANY HELP FROM THE GOVERNMENT. THEIR PROPOSAL GOES
THIS WAY: THE HIGHER YOUR TAX BRACKET, THE BIGGER YOUR CUT
OF THE REAGAN-KEMP-ROTH PIE. IT IS A STACKED DECK.

11. [THE CHIEF OPPONENT TRIES TO CONVINCE US THAT HE IS CONCERNED
ABOUT THE AMERICAN WORKING PERSON. BUT HE CERTAINLY HAS SOME
STRANGE, REPUBLICAN VIEWS ON HOW TO DO IT.

† HE SAYS THAT THE BEST WAY TO INCREASE EMPLOYMENT IS
TO CUT THE MINIMUM WAGE.
† HE SAYS THE BEST WAY TO HELP WORKERS IS TO MAKE IT
MORE DANGEROUS TO DO THEIR JOBS.
† HE SAYS THAT THE BEST WAY TO HELP WORKING PEOPLE IS
TO GIVE MORE TAX BREAKS TO THE WEALTHY.

12. I DO NOT CLAIM [PERFECTION FOR MY ECONOMIC PROGRAM. IT
WILL NOT SOLVE ALL OUR CHALLENGES OVERNIGHT. BUT AT LEAST IT
WILL BE A MAJOR STEP IN THE RIGHT DIRECTION. AT LEAST IT DEALS WITH ECONOMIC
REALITY AND RESPECTS ECONOMIC JUSTICE. IT MAKES OUR INDUSTRY
STRONGER, BY MAKING AMERICA'S WORKERS MORE PRODUCTIVE, BETTER
ABLE TO COMPETE ON WORLD MARKETS AND IT DOES NOT PLACE
MAJOR NEW BURDENS ON STATE AND LOCAL GOV'TS.

13. REAGAN-KEMP-ROTH GOES IN THE OTHER DIRECTION ALTOGETHER.
IT WOULD INCREASE THE SIZE OF THE FEDERAL DEFICIT, IT WOULD
ADD TO INFLATION, IT WOULD MAKE AMERICAN PAYCHECKS WORTH
LESS, AND IT WOULD DO VERY LITTLE WHATEVER TO INCREASE
PRODUCTION, AND INEVITABLY ADD TO THE STATE AND LOCAL TAX BURDEN
AND THE REPUBLICAN PROPOSAL
14. I STARTED MY REMARKS BY SAYING THAT THIS SCHOOL STANDS FOR WHAT AMERICA IS ALL ABOUT. I BELIEVE IT IS ALSO WHAT OUR ECONOMIC PROGRAM IS ALL ABOUT. WE AMERICANS DO NOT BELIEVE IN LIVING OFF HAND-OUTS. WE BELIEVE IN CARRYING OUR OWN WEIGHT. I WANT TO MAKE IT EASIER TO DO JUST THAT.

15. WE AMERICANS HAVE COME FROM MANY COUNTRIES. WE HAVE ALL COME WITH A COMMON DREAM—A DREAM OF FREEDOM, A DREAM OF OPPORTUNITY, A DREAM OF A BETTER FUTURE FOR OUR FAMILIES. I AM DETERMINED TO MAKE THE DREAM OF AMERICA A LIVING, BREATHING REALITY.

# # #
1. IT IS WONDERFUL TO BE HERE IN CHICAGO --
2. ONE OF THE GREAT INDUSTRIAL CENTERS OF OUR COUNTRY.
3. I AM PARTICULARLY PROUD THAT ONE OF THE THINGS YOU PRODUCE MOST -- & BEST -- IS DEMOCRATS!
4. NOW YOU KNOW WHAT I MEAN WHEN I CALL FOR INCREASED PRODUCTIVITY.
5. ONE THING THAT ALWAYS IMPRESSES ME WITH A GROUP LIKE THIS
6. IS WHAT CREATIVE & IMAGINATIVE PEOPLE DEMOCRATS ARE.
7. HOW ELSE COULD THEY FIND SUCH AN INFINITE VARIETY OF SUBJECTS ON WHICH TO DISAGREE.
1. BUT I KNOW THERE IS ONE THING EVERY PERSON IN THIS ROOM AGREES WITH TONIGHT:

2. WE ARE GOING TO WHIP THE REPUBLICANS ON NOVEMBER 4TH!

3. I WOULD LIKE TO TAKE A MOMENT.

4. TO READDRESS MYSELF TO THE CONTINUING ACCUSATION

      THAT I AM RUNNING A MEAN CAMPAIGN.

5. THIS CHARGE IS TOTALLY WITHOUT SUBSTANCE.

6. I WILL STATE UNEQUIVOCALLY THAT IN OUR GREAT AMERICAN POLITICAL SYSTEM,

7. THERE IS A DEFINITE PLACE FOR EVERY SINGLE REPUBLICAN CANDIDATE.

8. SECOND PLACE.

9. AND THIS YEAR,

10. WE'RE GOING TO DO EVERYTHING IN OUR POWER TO HELP THEM ACHIEVE IT.
1. I COULD UNDERSTAND HOW IT MIGHT BE CONSTRUED AS "MEAN"
2. IF I HAD SAID SOMETHING LIKE THE FOLLOWING:
3. "I MUST ADMIT THAT MY OPPONENT & I ARE BOTH GUILTY OF GROSS OVERSTATEMENTS.
4. "I SAID HIS VIEWS ON INTERNATIONAL RELATIONS WERE SILLY, "AND HE SAYS HE'S QUALIFIED TO BE PRESIDENT."
5. THAT KIND OF STATEMENT HAS NO PLACE IN A MODERN CAMPAIGN,
6. AND I, FOR ONE, WOULD NEVER SAY IT. /
1. {OF COURSE,
2. {ONE OF THE BEST WAYS TO SHOW THE DIFFERENCE BETWEEN OUR TWO VIEWS IS THROUGH DEBATE.
3. {I MEAN A 1-ON-1, NO-HOLDS-BARRED DEBATE ON NATIONAL TELEVISION
4. {THAT COULD BE HELD IN A SMALL TOWN HALL.
5. {OR, IF GOV. REAGAN WANTS TO BRING ALL OF HIS ADVISORS, Muzzled
6. {WE COULD HOLD IT AT SOLDIER'S FIELD.
1. I'm glad to be here sharing these good times with you tonight,
2. because we also have important work to share together,
3. the choice before this nation could not be more stark, or more serious.
4. It is a choice between 2 men
5. with very different visions of the future
6. & how to get there safely.
7. But it is also a choice
8. between the progressive ideals of our Democratic party
   & the narrow doctrines of a new breed of Republican leaders.
9. there could not be more sharply contrasting visions
   than those between me & my opponent,
   & those between our two parties.
1. Ours is the Democratic Party of History --
   • Jefferson & Jackson,
   • Franklin D. Roosevelt & Harry Truman,
   • Lyndon B. Johnson & John F. Kennedy --

2. Evolved to meet the needs of the 1980s, to be sure,

3. But still rooted in the grand traditions

4. That have made it the party closest to the ideals of American life.

5. The New Republicanism would

6. Engage in a nuclear arms race,

7. Implement an economic plan

   That even George Bush says would lead to an inflationary disaster,

8. And deny the struggle for equal rights

   • For minorities,
   • For the poor,
   • For women.
1. We will not let those views prevail!

2. We are talking here tonight about the very future of this nation.

3. We are talking about the life --

4. And about the quality of that life & the prosperity of that life --

5. Of every human being who lives now

6. & who will live in this country in the years ahead.

7. We are talking about a fundamental difference

8. In how we see the world,

9. And in what we think a great government should be.

10. We are talking about how precious is a human ambition,

11. & how damaging is a human frustration or alienation.
1. WE OF THE DEMOCRATIC PARTY ARE SPEAKING URGENTLY
2. ABOUT WHAT IT MEANS TO BE DEPRIVED OF EQUALITY OF OPPORTUNITY
3. AND WHAT IT MEANS TO HAVE REALISTIC HOPES FOR SUSTAINED PROGRESS IN THE FUTURE,
4. AND WE ARE TALKING ON BEHALF OF ALL AMERICANS --
5. BECAUSE IN THE LONG RUN
6. YOU & I KNOW THAT ONLY A JUST & CARING SOCIETY 
   WILL BE A LASTING & TRIUMPHANT SOCIETY,
7. WE ARE HERE TONIGHT TO PROTECT THE FUTURE OF A STRONG AMERICA.
8. I BELIEVE WE DEMOCRATS CAN SECURE THAT FUTURE --
9. AND I INTEND TO FIGHT LIKE HELL FOR IT.
1. THIS MONTH -- IN THESE CRUCIAL MOMENTS OF CHOICE --
2. THE ACTIONS YOU TAKE CAN LITERALLY HELP DECIDE THE LIVES & FUTURES OF MILLIONS OF HUMAN BEINGS;
3. YOU WILL HELP TO DETERMINE
4. WHETHER CONSUMERS WILL HAVE A VOICE IN WASHINGTON, CAPITOL ON THE HILL & IN THE OVAL OFFICE;
5. WHETHER THE QUALITY OF OUR LAND & OUR AIR & OUR WATER WILL BE MAINTAINED & IMPROVED;
6. WHETHER WORKING PEOPLE WILL BE INSIDE THE MEETINGS WHEN THEIR FUTURE IS PLANNED;
7. OR WHETHER THEY WILL BE OUTSIDE -- EXCLUDED, SEARCHING FOR SOME WAY TO LET THEIR VOICE BE HEARD;
8. WHETHER AMERICA WILL SUFFER THROUGH AN ALIENATION OF BLACK-FROM-WHITE, OR CHRISTIAN-FROM-JEW, OR NORTH-FROM-SOUTH, OR RURAL-FROM-URBAN;
9. WHETHER THE NATION WILL BE GUIDED BY A SENSE OF LONG-RANGE PURPOSE, SOUND JUDGEMENT, BROAD CONSULTATIONS,
10. AND BY THE SEARCH FOR PEACE IN A THOUGHTFUL, WELL-CONSIDERED FOREIGN POLICY;
1. Those kinds of questions lie at the very heart of this nation's future,
2. and they must be answered in the heart of every person who lives here.
3. It is my responsibility as the standard bearer of our party,

\[ \begin{align*} &\text{as the incumbent pres. of the greatest nation on earth,} \\
&\text{& as the nominee of our party,} \end{align*} \]
4. to work with you
5. in making known to the American people the truth about America's choices.
6. That is our job as Democrats -- & our duty as Americans.
1. We want a nation that draws its judges from all walks of life.
2. We want a nation that gives equal rights to women.
3. We want a nation committed to human rights.
4. We want a nation that is strong enough & confident enough.
5. So that we are not afraid of peace.
6. If we can make these issues clear,
7. The American people will make no mistake in November.
8. Because the choice is unmistakable.
9. Between the traditions of our Democratic Party
   and the extreme positions of the New Republican Leadership.

Electrostatic Copy Made for Preservation Purposes
1. **DOES THIS COUNTRY NEED A PRESIDENT**

2. **WHO BELIEVES THAT THE WAY TO CONTROL NUCLEAR WEAPONS**

3. **IS TO "PLAY THE ARMS RACE CARD"?**

4. **DO YOU AGREE WITH GOV. REAGAN**

5. ** THAT THE PROLIFERATION OF NUCLEAR WEAPONS IS "NONE OF OUR BUSINESS"?**

6. **DO MOST AMERICANS THINK UNEMPLOYMENT INSURANCE**

7. **IS "A PAID VACATION" FOR "FREELOADERS"?**

8. **DO THOSE OF YOU WHO GREW UP IN THE GREAT DEPRESSION, AS I DID,**

9. **THINK THE "NEW DEAL" WAS BASED ON FASCISM?**

10. **DO THOSE HERE TONIGHT WHO KNEW & LOVED & SUPPORTED HUBERT HUMPHREY**

11. **BELIEVE -- AS GOV. REAGAN DOES --**

   **THAT THE HUMPHREY-HAWKINS BILL IS A "DESIGN FOR FASCISM"?**
1. BUT IT IS NOT EASY TO GET THAT MESSAGE ACROSS CLEARLY
2. BECAUSE OF THE MUZZLING, THE WITHDRAWING, & THE MASQUERADING OF MY OPPONENT.
3. IT IS A TRAVESTY
4. THAT IT HAS NOT BEEN POSSIBLE TO ARRANGE A DEBATE
5. BETWEEN THE LEADERS OF THE 2 MAJOR PARTIES,
6. AND OF 2 TOTALLY DIFFERENT VIEWS OF THE FUTURE OF THE WORLD.
7. THE AMERICAN PEOPLE NEED THIS DEBATE,
8. THEY DESERVE THIS DEBATE,
9. AND THE REPUBLICANS OUGHT NOT DENY IT TO THEM.
1. I’LL DO THE BEST I CAN OVER THE NEXT FEW WEEKS.
2. THIS IS MY LAST CAMPAIGN --
3. THE LAST POLITICAL RACE I WILL EVER RUN.
4. I DO NOT INTEND FOR IT TO END
5. BY TURNING THE GOVT. OF THE UNITED STATES
6. OVER TO PEOPLE WHOSE POLITICAL PHILOSOPHY & VIEWS ABOUT THIS COUNTRY
7. ARE DIRECTLY CONTRARY TO ALMOST EVERYTHING IN WHICH I BELIEVE!
8. BUT 29 DAYS IS NOT A VERY LONG TIME
9. IN WHICH TO OVERCOME THE WELL-FINANCED SIMPLIFICATIONS & DISTORTIONS
   OF THE OPPOSITION.
1. You have helped time after time -- some of you for decades --
2. to keep this party together through thick- & thin.
3. Our party is strong now.
4. Our party is united.
5. We have an opportunity to spread our word,
   to raise our standard,
   & to rally millions of Americans
   in facing the future with confidence.
1. I appreciate what you have done over the years & tonight.
2. I congratulate you & I thank you.
3. But now you must join me & Fritz Mondale as partners --
4. determined to get our views to the nation
5. in a clear, unvarnished, absolutely truthful way
6. about the choice that will be made on election day in November.
7. You have given this party your contributions & your hearts.
8. But you cannot walk out of here tonight
9. satisfied that you have fulfilled your obligation.
10. The job is not yet done.
1. WE STILL MUST HAVE YOUR LEADERSHIP,
   { YOUR VOICE,
   { YOUR DEDICATION,
   { YOUR ENERGY,
   & YOUR SPIRIT.

2. GIVE US ALL THAT AND -- WORKING TOGETHER -- WE WILL WIN IN NOVEMBER!

3. EVERY ONE OF YOU HERE TONIGHT IS A LEADER.

4. THERE IS NO ONE HERE WHO COULD NOT REACH A THOUSAND PEOPLE,
   { AND THERE ARE MANY OF YOU

5. WHO COULD REACH MILLIONS BETWEEN NOW & NOVEMBER 4TH,
   { THERE IS NO DOUBT THAT YOUR STATE OF ILLINOIS IS A KEY TO VICTORY.

6. IF YOU WILL HELP ME IN A DEDICATED WAY,
    { ABOVE & BEYOND WHAT YOU HAD DREAMED OF DOING WHEN YOU CAME HERE TONIGHT,

7. I DO NOT BELIEVE THAT YOU WILL EVER HAVE A MORE IMPORTANT RESPONSIBILITY.

8. THERE IS NO DOUBT THAT WE WILL WIN.
1. IN 1980, IF JUST 28,000 PEOPLE IN TEXAS & A FEW THOUSAND RIGHT HERE IN ILLINOIS HAD VOTED DIFFERENTLY --
2. JOHN F. KENNEDY WOULD NEVER HAVE BEEN PRESIDENT.
3. AND THINK BACK TO 1968.
4. IF MANY OF YOU -- & I -- HAD DONE ALL THAT I AM ASKING YOU TO DO NOW,
5. AMERICA WOULD HAVE PUT HUBERT HUMPHREY INTO THE WHITE HOUSE
6. INSTEAD OF RICHARD NIXON --
7. AND YOU KNOW IT!
8. IN 1976 WE WON AGAINST OVERWHELMING ODDS
9. BECAUSE YOU WERE THERE -- & YOU HELPED --
10. AND WE DEVELOPED A KIND OF FERVOR & SPIRIT THAT IGNITED THE AMERICAN PEOPLE.
1. I TELL YOU -- THERE IS MUCH MORE AT STAKE IN 1980 THAN IN 1976.

2. IT IS UP TO US.

3. TO LEAD THIS COUNTRY THROUGH THE THRESHOLD OF A BRIGHT & SECURE FUTURE.

4. AND WE MUST --

5. BECAUSE THE ALTERNATIVE IS TOO DOUBTFUL,
   TOO BLEAK
   TO CONTEMPLATE.

6. I DO NOT INTEND TO LOSE.

7. WILL YOU HELP ME?

# # #
MH Awards Banquet 6-10-80
MIAMI - CUBAS / MNIASS
BLACK RIOTS SP. NEW POLICY?

Mt St. Helens
GRAND ISLAND SWEATSHIRT
"THEY MIGHT NEED HELP"
"MY HOUSE MUST NOT"

Freud. Meaning of life is to
LOVE & WORK - MHA80 - ROS

NO HIGHER HONOR. EXEMPLARY
VOLUNTEER
HARD TO BE OBJECTIVE RE ROS

Mental Health Association
Awards Banquet 6/10/80
Mental (RSC recipient Outstanding
Mental Health Volunteer of the
Decade)
1. I WANT TO THANK BUD & MARGARET LOFTUS
2. FOR HOSTING THIS "BACKYARD" VERSION OF A TOWN MEETING.
3. IN 1976 THE LOFTUSES HAD THE OPPORTUNITY
4. TO HOST EITHER SEN. BENTSEN OR MYSELF.
5. THEY CHOSE TO HAVE THE SENATOR COME VISIT WITH THEM.
6. I UNDERSTAND THEY WANT TO USE THIS OCCASION TO SET THE RECORD STRAIGHT.
7. THE LOFTUSES HAVE A BIG INVESTMENT IN THE FUTURE.
8. THEY HAVE 9 CHILDREN.
9. I, TOO, AM COMMITTED TO THE FUTURE.
10. THE CHOICE THIS NATION FACES IN NOVEMBER IS A CHOICE BETWEEN 2 FUTURES --
11. A CHOICE THAT COULD NOT BE CLEARER.

(=over=) (LET ME MENTION.....)
1. LET ME MENTION TO YOU
2. ONE VERY IMPORTANT & VERY CLEAR DIFFERENCE
3. BETWEEN MY PROPOSALS & GOV. REAGAN'S PROPOSALS
4. IN AN AREA THAT I KNOW IS OF GREAT IMPORTANCE TO YOU,
5. GOV. REAGAN HAS PROPOSED AGAIN THIS YEAR -- AS HE DID IN 1976 -- THAT THE ENTIRE BURDEN FOR FINANCING EDUCATION & THE WELFARE PROGRAMS
6. BE PLACED ON THE BACKS OF THE STATE & LOCAL GOVERNMENTS
7. HERE IN ILLINOIS & ACROSS THIS NATION.
8. IN ILLINOIS THAT WOULD MEAN
9. THAT THE $2.1 BILLION THE STATE NOW RECEIVES FROM THE FED. GOVT. IN WELFARE & EDUCATION PAYMENTS
10. WOULD BE CUT OFF & WOULD HAVE TO BE REPLACED
11. BY $2.1 BILLION IN ADDITIONAL STATE INCOME AND/OR PROPERTY TAXES.
12. (NEW CARD=) (IF THE STATE,...
1. IF THE STATE SHOULD CHOOSE TO MAKE UP THAT AMOUNT THROUGH INCREASING LOCAL PROPERTY TAXES,
2. THE ADDITIONAL TAX BURDEN FOR THE AVERAGE FAMILY OF 4 WOULD BE $740 -- AN INCREASE OF 53%.
3. THAT'S NOT MY IDEA OF HOW TO HELP THE CITIZENS OF ILLINOIS.
4. THAT PROPOSAL BY GOV. REAGAN IS EXACTLY THE OPPOSITE OF WHAT I THINK NEEDS TO BE DONE.
5. WE HAVE RIGHT NOW A BILL BEFORE THE CONGRESS THAT WOULD REDUCE THE COST OF THE WELFARE PROGRAM THAT NOW FALLS ON STATE & LOCAL GOVERNMENTS.
6. IT HAS ALREADY PASSED THE HOUSE & IS PENDING IN THE SENATE.

(=over=) (THE CHOICE IN THIS.....)
1. THE CHOICE IN THIS AREA, AS IN MANY OTHERS, IS VERY CLEAR.

2. A REPUBLICAN ADMINISTRATION

3. WILL MEAN THAT STATE & LOCAL TAXES FOR FINANCING EDUCATION & THE WELFARE PROGRAM

4. ARE LIKELY TO INCREASE TREMENDOUSLY.

5. A DEMOCRATIC ADMINISTRATION WILL MEAN THAT BURDEN IS LIKELY TO DECLINE.

6. YOU WILL HAVE TO DECIDE WHICH YOU PREFER.


8. THE TASK BEFORE US IS TO BUILD FOR THE FUTURE.

9. WE HAVE AN ENERGY PROGRAM FOR THE FUTURE.

10. WE ARE WORKING TO REVITALIZE AMERICAN INDUSTRY FOR THE FUTURE.

11. WE ARE PRESERVING ALASKAN WILDERNESS FOR THE FUTURE.
1. We are appointing judges for the future.
2. We are building a strong defense for the future.
3. Most important, we are building peace for the future.
4. The challenges ahead of us are exciting ones.
5. We must never forget we are Americans.
6. We can do anything.
7. And while we have much to do -- we have much to do it with.

(over) (We have......)
1. WE HAVE AMERICAN INGENUITY, IMAGINATION, & DARING.
2. OUR FOREFATHERS PIONEERED THIS COUNTRY, & MADE IT GREAT.
3. THEY DID SO BY LOOKING AHEAD & BEYOND & BY VENTURING & EXPLORING.
4. THEY DID NOT GET AHEAD BY LOOKING BACKWARD, OR SUCCEED BY SITTING STILL.
5. WE HAVE THEIR LEGACY TO LIVE UP TO, THEIR SPIRIT WITHIN US STILL.
6. THE DAYS AHEAD WILL BE AS BRIGHT AS WE MAKE THEM --
7. WITH AMERICAN SOURCES OF LIGHT & ENERGY, AMERICAN LABOR, & AMERICAN INDUSTRY.
8. I THINK THAT IS THE MOST EXCITING CHALLENGE OF ALL --
9. THAT IS WHAT OUR FUTURE IS ALL ABOUT.
1. THE REPUBLICANS HAVE A CANDIDATE FOR PRESIDENT
2. WHO WANTS YOU TO FORGET HE OPPOSED MEDICARE & MEDICAID & WANTED TO WEAKEN SOCIAL SECURITY.
3. HE WANTS YOU TO FORGET
4. THAT HE CALLED UNEMPLOYMENT INSURANCE "A PREPAID VACATION", FOR LOADERS.
5. AND SAID THAT THE MINIMUM WAGE
6. "IS THE CAUSE OF MORE MISERY & UNEMPLOYMENT THAN ANYTHING SINCE THE GREAT DEPRESSION".

(=over=) (And when we.....)

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1. AND WHEN WE FORGET ALL THAT,
2. HE WANTS US TO BELIEVE THAT THE SOLUTIONS TO OUR PROBLEMS ARE ALL SIMPLE,
3. THAT MAJOR FEDERAL PROGRAMS SHOULD BE LOADED ON THE BACKS OF THE LOCAL TAXPAYERS,
4. THAT THE DEPT. OF EDUCATION SHOULD BE ABOLISHED,
   THE DEPT. OF ENERGY DISMANTLED,
   THE WINDFALL PROFITS TAX SHOULD BE REPEALED,
   & THE OIL COMPANIES UNLEASHED TO HANDLE THE ENERGY PROBLEM.

(=NEW CARD=) (AMERICAN PEOPLE,....)

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for Preservation Purposes
1. American people are not simple-minded,
2. and they haven't given up on this country & our values.
3. I meet with average Americans almost every day --
4. not in big banks & country clubs --
5. but on the streets, ... in schools --
6. Americans who work on the farms & in the factories.
7. and I can tell you -- & I tell the Republican party --
8. that Americans are ready to build again -- not tear down.
9. they are ready to face facts
   & get on with the job of rebuilding our economy from the ground up.
1. THEY ARE READY TO PROVIDE JOBS FOR ALL ABLE-BODIED AMERICANS.
2. THEY ARE READY TO PROTECT SOCIAL SECURITY & TO HELP THE POOR, THE WEAK, & THE ELDERLY HAVE A LIFE OF SECURITY & SELF-RESPECT.
3. THAT'S WHERE THE FUTURE OF THIS COUNTRY IS --
4. IN THE COMMON SENSE & GOOD JUDGMENT,
5. IN THE BUILDING SPIRIT,
6. IN THE COMPASSION & CONCERN OF THE AMERICAN PEOPLE --
7. AND THAT IS ALSO THE SPIRIT OF THE DEMOCRATIC PARTY.

(=NEW CARD=) (I WANT YOU.....)

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1. I WANT YOU TO LEAVE TODAY WITH THAT SPIRIT.

2. I WANT US ALL TO REMEMBER 1980 AS A YEAR OF GREAT DEMOCRATIC VICTORY.

3. I WANT YOU TO REMEMBER...

4. HOW WE WON THIS ELECTION FROM THE PRECINCT UP --

5. HOW WE DEFEATED THE REPUBLICAN CANDIDATES

6. DESPITE ALL THEIR MONEY UP & DOWN THE TICKET,

7. BUT MOST OF ALL,

8. I WANT YOU TO BE ABLE TO TELL YOUR CHILDREN & GRANDCHILDREN

9. HOW IN 1980 WE BEGAN TO REBUILD AMERICA.

10. I’LL DO MY PART,

11. AND I WANT YOU TO DO YOURS.
FRANK MOORE
ALFRED KAHN
The attached was returned in the President's outbox today and is forwarded to you for appropriate handling.

Rick Hutcheson

CC:
STU EIZENSTAT
MEMORANDUM TO THE PRESIDENT
FROM: ALFRED E. KAHN
SUBJECT: W.R. GRACE

I sent the attached memo to all your principal advisors, economic and political.

While Ray Jenkins and I -- and probably several of the others -- wish that our national energy needs were compatible with the first option (declare Grace out of compliance and cancel the synfuels contract with them) none of us is in a position to contradict the DOE view (which John Sawhill is setting forth in a separate memo, and Bob Schule, for Frank Moore, supports because of the active interest of Senator Huddleston) that it is important to go through with the contract.

In these circumstances, all of us -- Bill Miller, Charlie Schultze, Stu, Anne Wexler, Al McDonald, Ray Jenkins and Bob Schule -- recommend option 2 (declare them out of compliance but proceed with the contract).

I will have our people look for other possible sanctions.

Attachment
EYES ONLY

MEMORANDUM TO INTERESTED PARTIES

FROM: ALFRED E. KAHN

SUBJECT: W. R. Grace

I have just completed a long process of considering and discussing with the W. R. Grace people their petition for reconsideration.

After wrestling with the arguments and the numbers I cannot in good conscience accept their contentions. The Council staff, however, has come up with a creative, legitimate means by which we can honestly reduce the amount by which they are out of compliance (this is for the fourth quarter of the first program year -- i.e. the third quarter of calendar 1979) from $5.17 to $1.99 million (the latter price was not reduced from $2.0 for quick sale); but there is no way in which I can find them in compliance in which any explanation would not make clear to all informed parties we had broken our own rules and simply capitulated.

The Company remains recalcitrant, and unwilling to make any genuine restitution, even though the amount is negligible compared with their $6 billion in sales. They are willing, however, to offer a plan for "corrective action" that would enable them to make the "restitution" on some other part of their operation than the offending one (AgChem), where in fact they would not in any event be achieving their full allowable. That means their correction would not be real, and any informed person would recognize that their means of making it was in clear violation of our rules and past practices.

The deadline for signing the synfuels contract is Monday, October 6. It could be extended another 15 or 60 days, evidently. As I understand it, DOE feels Grace is a uniquely qualified supplier, and that it should therefore, if necessary, be granted a waiver.

Here then are the choices:

1. Declare them out and deny them the contract. This is the best resolution from our point of view, but my understanding is that DOE feels this would be clearly undesirable on energy policy grounds.
2. Declare them out of compliance, and have DOE grant them a waiver, on the ground that, much as we dislike doing business with a company that will not comply with the price standard, national energy interests dictate that we do so in this case. If DOE's opinion is as I have reported, this would be my preference: it is honest, and raises no danger of our being accused of having stretched the standards, made a deal, or accepted a phony settlement.

3. Find them in compliance or accept their deal as an acceptable corrective action. We feel it is close to certain that the press would see through either of these, and regard it as a cynical -- or pitiful -- effort by the Administration to pretend that the pay/price program is still alive. Either would also create a bad precedent and cast doubt on the reality of all our preceding corrective actions.

4. Try to postpone the contract signing for 15 or 60 days. I see no advantage in this. In view of the publicity the case has already received and the active intervention of the two Kentucky senators, the sooner we terminate the case the better. The only advantage is it would give us additional time to try to apply informal pressure on the company. I believe it would be futile -- although if Charlie Duncan or Bill Miller were willing to give it a try, I would of course welcome it.
MEMORANDUM FOR: THE PRESIDENT
FROM: John C. Sawhill
SUBJECT: DOE Agreement with W. R. Grace Company

On August 22, 1980, the Department of Energy signed a cooperative agreement with the W. R. Grace Company for $13 million to advance the design work on a 50,000 barrel per day coal-to-gasoline project. This is the most advanced coal-to-gasoline project in the country and proposes to use all American technology, i.e., Texaco gasifier and Mobil M gasoline process. The Notice to Proceed was scheduled to be executed in a major public ceremony in Kentucky on August 29, but was cancelled because of a pending COWPS violation on the W. R. Grace Agricultural Division with whom the agreement is executed.

We have again reviewed the technical and production benefits of this project and find it to be an early candidate for demonstration of an environmentally and economically sound project. This project would employ American technology and supply 50,000 barrels of gasoline per day to the Nation's domestic supply of energy. I need not dwell on the necessity to quickly demonstrate the capability and capacity for synthetic fuels.

In addition to the strong domestic necessity to proceed aggressively with this project, the Italian government and industry representatives have evidenced a strong interest in participating in this project. During recent meetings with these representatives, they asked if we would assist in initiating active participation for the Italians with W. R. Grace.

Over the past five weeks, COWPS and Fred Kahn's office has attempted to negotiate a resolution with the W. R. Grace Company. This intensive effort on both sides has not, unfortunately, succeeded. To permit these negotiations to proceed, the DOE granted a 15-day extension of the time in which the contract could legally be activated. This extension expires on Monday, October 6. Under the
procedures established for violations of the COWPS guidelines, the Secretary of Energy may grant a waiver permitting a contract to be awarded if overriding national interests are present. I strongly suggest that such considerations are, in fact, present in this situation and request your agreement to proceed with the issuance of such a waiver.
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Note to
Kahn: please notify affected agencies

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