# The original documents are located in Box 14, folder "Campaign Themes" of the Michael Raoul-Duval Papers at the Gerald R. Ford Presidential Library.

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## THE FORD ECONOMIC POLICIES-A COMPASSIONATE STRATEGY FOR JOB CREATION

- I. The recession recently experienced by all industrial countries demonstrated that inflation by undermining confidence destroys jobs. This happens because consumers hold back on purchases, inventories accumulate, production is slowed, and managers defer investment in plant and equipment.
- 2. The President's strategy for reducing unemployment and creating new jobs has been to rebuild confidence by showing that inflation can be curbed through reducing the rate of increase in government spending and demonstrating, by the courageous exercise of the veto power, that government has the will to resist politically appealing but non-essential claims on national resources.
- 3. Government spending for public service jobs not only reaches the wrong people but can never be more than a stop-gap at best because a job that would not exist but for public subsidy is by definition a "non-productive job" that will last only as long as the subsidy is available. The use of public money to provide non-productive jobs is bound over the long run to be inflationary—thus risking job destruction rather than contributing to job creation. To the extent that federal funds are used to create productive jobs, those funds supplant expenditures that would otherwise be made by other levels of government or by the private sector.
- 4. The only effective means, therefore, of achieving full employment is to set the economy on a course of sustainable growth that will generate enough new jobs every year to employ the people newly entering the job market. The only adequate job creation policy is thus a comprehensive capital formation policy. Nor can the failure of private investment to create new jobs be compensated for by government programs. The direct subsidy of jobs will not work for the reasons set forth above.
- 5. The higher the chronic level of unemployment and underemployment, the more impossible becomes the task of coping with such social problems as welfare dependency, drug abuse, and crime. Unless the economy is able to provide an adequate number of decent jobs, the able-bodied welfare



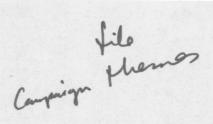
recipient, the rehabilitated addict, and the discharged offender have nowhere to go. Welfare costs mount, crime increases, and public spending soars. Inflationary pressures are renewed, confidence again deteriorates, and unemployment grows even worse. Expectations toward government are disappointed and alienation is reinforced.

6. Sound economic policies and compassionate social policies are thus inseparably linked.

ELR

April 16, 1976





- 1. The President's Vision of What He wants to Accomplish
- 2. Reforming Bigness
- 3. Let's Get on With the Job
- 4. The Pursuit of Hope
- 5. We've Got to Work For It
- 6. Striking a New Balance
- 7. Building on America's Proven Strengths



MEMORANDUM FOR:

DAVE GERGEN

JERRY JONES

FOSTER CHANOCK

FROM:

MIKE DUVAL

SUBJECT:

THEMES

Last Sunday, the pastor of my church said something in his sermon which I think could be extremely useful as a campaign theme for the President:

"A Christian brings a sense of his own limitations to politics."

This tracts very nicely with our anti-arrogance approach to the President  $\boldsymbol{\cdot}$  .

cc: Dick Cheney

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THE WHITE HOUSE
WASHINGTON
April 20, 1976

MEMO FOR:

DICK CHENEY
JIM CONNOR
DAVE GERGEN
JIM CAVANAUGH
FOSTER CHANOCK

FROM:

MIKE DUVAL

SUBJECT:

CAMPAIGN THEME

Attached is a rough draft theme paper.

I've also enclosed a column out of today's Wall Street Journal which is well worth your reading.



President Ford views the individual as the source of America's great strength. The role of government is to develop and maintain an order which permits the individual to function freely but towards a common national purpose. Institutions -- whether they be religious, governmental, business or social -- should exist to serve people. We must guard against institutionalizing individual responbility.

In 1948 when Gerald Ford ran for his first term in Congress, the outlines of his political philosophy became a matter of public record. His "internationalism", as demonstrated by his support for the U.N. and the Marshall Plan, demonstrated his understanding that the United States world must exercise/leadership. Domestically, his rejection of the existing political machine and his face-to-face encounters with the farmers and other people in his District established Gerald Ford as a man who understands the problems of individuals and is willing to rely, not on government, but on the ability of people to solve their own problems.

Throughout his years in public service, President Ford has sought to establish sensible priorities for the Federal Government. He has consistently fought for a strong national



defense capability, while recognizing that there are social needs which also must be met through judicious allocation of limited resources. The President has never hesitated to shoulder a burden in order to provide for the future of America. This willingness to pay the near-term price in order to protect the future of this country characterizes his public service. He's adopted the long view to public office which discounts near-term political benefits in favor of the future needs of all Americans, their children and their children's children.

He is perfectly capable of weathering a storm of criticism by remaining clearly focused on the future. This was recently demonstrated by his reaction to three key problems confronting him when he took office in August 1974. First, he brought the Nation back from the brink of despair to increasing self-reliance and self-respect. Second, he did not react wildly to the problems facing this country because of the recession. Rejecting the panic of those who wanted a massive government intrusion, he kept the Nation on a steady economic course while demonstrating compassion for those who were most hurt by the recession. He understood that a free economy is a national imperative. Finally, he demonstrated leadership in the areas of national defense and energy independence by telling the Nation that it would have to shoulder difficult near-term burdens in order to protect the future of this country.

The President's realistic view that the Nation has limited resources and her greatest strength is her people, has resulted in a consistent policy over the last twenty-five years of service. He insists that the individual be left alone, to the maximum extent feasible, in order that the efforts of each of us to improve our own lives and the lives of our families will result in greater national productivity and prosperity.

There are, however, certain needs which must be addressed by government. Here, the most important function of national leaders is to establish the priorities and create the balance necessary to maximize our limited resources in our efforts to solve legitimate national problems. In order to provide this leadership, the President must make decisions which invariably result in saying no to the wants of some in order to protect the greater needs of the Nation as a whole.

The President has shown that he understands the strengths and weaknesses of this country and that he has the courage to translate this understanding into specific policies which will provide the kind of leadership necessary to solve the great problems we confront. The President's view of the history of this Nation has also shaped the policies of his Administration. In his view, the greatest accomplishment of our first century was the establishment of a political process. The second century was characterized by industrial



and agricultural growth. The President now sees us entering a century of the individual. Our national policies must be designed to strengthen and protect the role of the individual citizen. Self-reliance and individual dignity have characterized our past and must guide our future development.

# A Closet Capitalist Confesses

WSJ. 4/20/26 P.22

By MICHAEL NOVAK

The day I heard Michael Harrington say that most liberals are "closet socialists," I knew by my revulsion that I had to face an ugly truth about myself. For years, I had tried to hide, even from myself, my unconscious convictions. In the intellectual circles I frequent, persons with inclinations like my own are mocked, considered to be compromised, held at arm's length as security rights.

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loved the idea of socialism.

"But what is it about this particular idea you like?" I asked. "Government control? Will we have a Pentagon of heavy industry?" Not exactly. Nor did they think my suggestion witty, that under socialism everything would function like the Post Office. When they began to speak of "planning." I asked, who would police the planners? They had enormous faith in poli-

thrives better under capitalism. It's presumptuous to believe that God is on any human's side. (Actually, if capitalism were godless and socialism were deeply religious, the roles of many spokesmen in America would be reversed in fascinating ways.) But God did make human beings free. Free to sin. God's heart may have been socialist; his design was capitalist as hell. There is an innate tendency in socialism toward authoritarianism. Left to them-

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### OPPORTUNITIES--GOOD STORIES I.

Medal of Freedom Awards

Agriculture--Events

Science Awards

Flu Vaccine--Events

Hoover Commission -- Study of the Efficiency and Organization of the Government

Long-Term Financing of Social Security--Message to the Congress

Older Americans Events

Continued Reference to the Education and Health Block Grant Proposals

Message to the Congress on Big Government

Catastrophic Health Insurance

Uranium Enrichment Legislation Put vs Public

Crime - Speech and Related Events Prosecuting W++45.

Strength of Economy

Drugs--Speeches, Meetings--Message to the Congress

\$28 Billion Tax Reduction

Food Stamp Reform--Bang the Congress

## Government Spending

Revenue Sharing--Bang the Congress and Take Credit When Passed

Environmental-Conservation Statement (

Science Legislation--Signing Ceremony

Small Business

Veterans

Get Government Off Our Backs--Series of Events

Statement on Urban Policy

Statement on Relations with States and Local Governments

### II. POSSIBLE OPPORTUNITIES OR PROBLEMS

FEC

Anti-Busing

### III. PROBLEMS THAT CAN BITE US

Black Lung Legislation

Day Care

Postal Service

Minimum Wage

Youth Differential

New York City

Union Contracts/Strikes

Public Employee Strikes



### THE WHITE HOUSE

WASHINGTON

April 19, 1976

MEMORANDUM FOR:

DICK CHENEY

FROM:

MIKE DUVAL

SUBJECT:

SATURDAY MEETING



The following are some of the action items which came out of the meeting:

- We need to improve our paid advertising with emphasis on showing the President as decisive, strong and with deep ideological roots.
- The President is still not perceived as "Presidential". This fact should be kept in mind as we develop his schedule, speeches, etc.
- Cabinet officers still are not giving appropriate credit to the President. We need to develop a better early warning system of upcoming decisions/events which the President should be involved in. This probably should be a Domestic Council/OMB/EPB function. In addition, the Cabinet officers need individual guidance on how to handle the President thematically. I suggest that when we get together all our theme papers and develop a one- or two-page theme outline, that you meet with each member of the Cabinet individually to discuss how they handle the President in a political sense.
- We should be careful of identifying the President with our efforts to get a GOP majority in Congress. First, there's the problem of strongly identifying the President as a Republican (because of the impact on the Independent and switch voter) and because a strong argument could be made that the President should be of a different party than the Congress in order to restrain the growth of government.

- The President's speeches, when delivered to a political audience (e.g., the Convention), should immediately be elevated from a "party speech" into a speech to the Nation. This can be done by a one-or two-line transition paragraph. In this regard, a general criticism of speeches is that they tend to be aimed at the physical audience, which is present at the event, and not the broader national audience.
- When we announce decisions, we should give greater emphasis on why the President took the course of action decided upon and what it will mean for the people. We need to better define the President's objectives.
- We have to tighten up the White House staff system in order to act more like an incumbent and not a candidate. There's too much emphasis on legislative proposals and not enough direct action taken by the Executive Branch at the direction of the President. In this regard, all public announcements of Presidential (Executive Branch) decisions should be sandwiched between thematic lead and close paragraphs. Don't worry about repetition as this will be required in order to get our message out.
- We need a decision on whether or not the President should do a weekly "update" of key actions taken by the Executive Branch. This could either be limited to economic events (which I think would be a mistake because we'd be trapped into having the President announce the bad as well as the good news) or it could be broadened and tied into the "big government" theme. I'd like to work on this latter concept for awhile before we make a final decision.

To summarize the above, it seems to me that what came out of Saturday's meeting was an identification of a clear need for greater centralization and control of the Executive Branch decision and announcement process.

I'll have my draft "theme" papers completed today.

cc: Foster Chanock



SAT 4/17/76

GAM (Rusevolt Rm)

Thomas

CHENEY, John Deerdorf, Bob Tetter, Forter, Greenspan, O'Neill, Cavanaugh, Carloon, Jones, Conner, Michelsen

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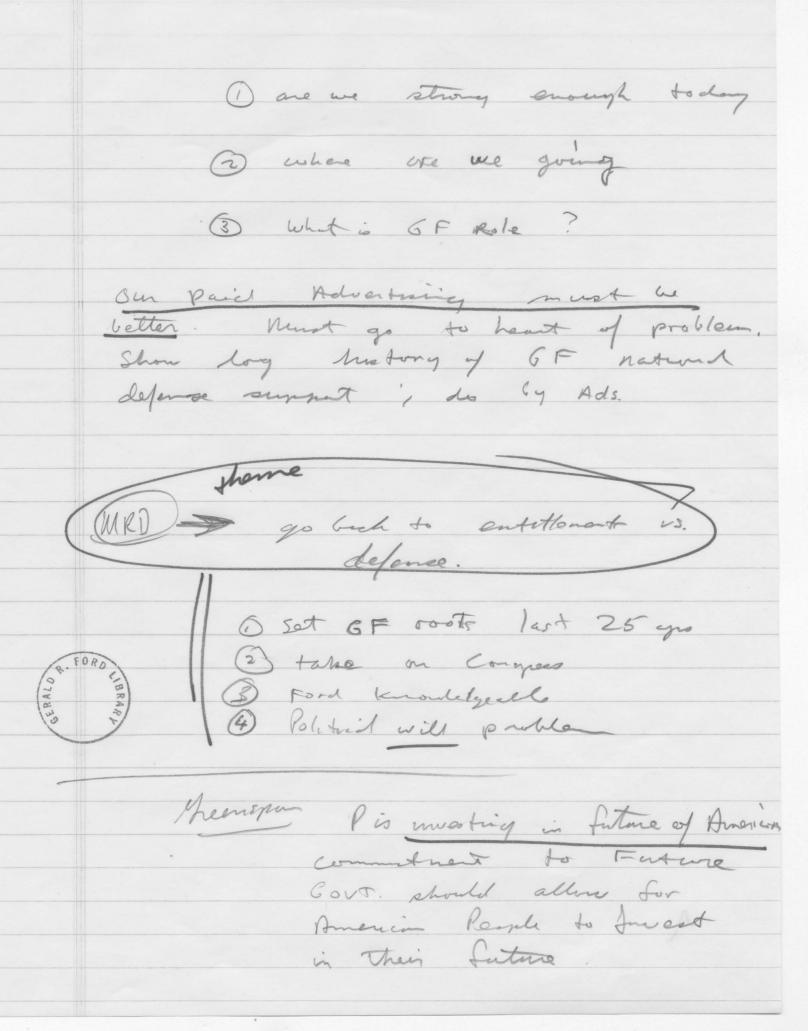
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(look at intro to SOTU)

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( see P41 Econ. Rpt.) (R. FORD (1882)

