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

Copyright Notice

The copyright law of the United States (Title 17, United States Code) governs the making of photocopies or other reproductions of copyrighted material. Michael Raoul-Duval donated to the United States of America his copyrights in all of his unpublished writings in National Archives collections. Works prepared by U.S. Government employees as part of their official duties are in the public domain. The copyrights to materials written by other individuals or organizations are presumed to remain with them. If you think any of the information displayed in the PDF is subject to a valid copyright claim, please contact the Gerald R. Ford Presidential Library.

H-file Carter

CARTER: THE SHAPE OF A NEW ADMINISTRATION

With Georgia mafia aides freely saying that they'll be expediters and appointmentmakers, not policymakers, in a Carter administration, so that decision-making will flow back out to the departments, there's growing interest—and as yet only sketchy information—on who might be riding herd on that departmental policymaking. Here is what's being said in various media, especially in states where prominent Carter supporters may have job leverage.

Foreign Affairs: Lots of talk about Zbigniew Brzezinski or George Ball becoming Secretary of State, less attention to the multinational economics of it. . . Brzezinski's Trilateral Commission (through which he nurtured his Carter connection) is partly a vehicle for multinational corporation chiefs led by David Rockefeller of the Chase Manhattan, but also including top officers of Coca-Cola, Bendix, Deere, Texas Instruments, Exxon, Caterpillar, Hewlett-Packard and Sears Roebuck, as well as a half dozen leading banks and investment houses. Ball is a partner of Lehman Brothers (and Ball is also a Trilateral Commission board member). Both Brzezinski and another Trilateral associate close to Carter's organization -- Columbia Prof. Richard Gardner -- have written on the need for a foreign policy that transcends strictly national interests and takes a broader view. Bear in mind that the broader view of the Trilateral Commission is generally friendly to multinational corporations. This fits very well with Carter's multinational tax credit assurance to a July 22 metting of top businessmen. Also, Yale Prof. Richard Cooper, mentioned as Undersecretary of State Economic Affairs, is a director of banking and insurance companies, and of the Rockefeller Brothers Fund.

Interior: Carter has primary campaign-period obligations to Texas and Oklahoma party leaders, and although Louisiana Governor Edwin Edwards doubts Carter on oil and gas policy, Texas-Oklahoma politicos are more optimistic. The Houston Chronicle reports (7/11) that Oklahoma Gov. David Boren, who will head Carter's energy policy task force, is "viewed as a prospect for Secretary of the Interior." Oklahoma papers say the same thing. Per task force policy, the magnitude of the long-term effort envisioned by Boren "is reflected in his proposal that capital investment in energy research and development needs be increased \$1 trillion over the next quarter century."

Agriculture: After earlier rumors that Carter farm policy adviser P.R. Smith, cottongrowing Vice President of the Georgia Farm Bureau, might be the next Agriculture Secretary, strong pressure has grown up for a Midwest secretary? One longshot possibility is Robert J. "Pud" Williams, Illinois state director of Agriculture and chairman of Carter's farm effort in the 12-state Midwest region Meanwhile, the Lincoln (Nebraska) Star of July 11 reports that Nebraska Gov. J. 🛝 Exon, expected to be a Senate candidate in 1978, is also being touted for Secretary of Agriculture. Exon says fellow governors are pushing him for it, and "if Jimmy Carter is elected President and wants to talk to me about it, I would have thorough personal discussions with him," He adds, "I've been the man carrying the ball on agricultural policy at the governors' conferences." Overall, Exon says the next secretary should be a politician from the Midwest rather than someone who represents agribusiness or agricultural institutions. Exon also mentioned former North Dakota governor William Guy (D). Meanwhile, there is no doubt that Carter is doing very well with the farm vote. Southern farmers are giving him landslide backing, and even among normally Republican Illinois farmers, Ford leads Carter by only 35.6% to 32.6% per a Prairie Farmer magazine poll (Chicago Tribune, July 19).

Housing and Urban Development: Quite a few possibilities. Harvard law professor Charles Haar, a planning expert who heads Carter's task force, was

an assistant HUD secretary in the Sixties and could come back. Carter himself is big on planning, having chaired several southwest Georgia planning commissions. Another HUD Secretarial possibility is Pittsburgh Mayor Pete Flaherty who, like Oklahoman Boren, was one of Carter's earliest supporters. Flaherty is thought likely to seek a Washington job in preparation for his 1978 gubernatorial bid, and the Pittsburgh Press (7/11) says many "have suggested the Mayor could qualify as a cabinet officer or urban-affairs coordinator" but the Press adds that Flaherty is also an expert on bureaucratic house cleaning and agency-reduction and might serve "in some special capacity as a payroll-reduction expert." Another possibility. . . Louisville Mayor Harvey Sloane. The Louisville Courier-Journal (7/11) notes that Sloane, whose term will expire next year, "was among the very few prominent national Democrats who endorsed Carter before the first primary. . . Sloane has also been instrumental in helping Carter with his health. and urban affairs campaign planks." But the paper notes that few Kentucky party people think Carter would offer Sloane a cabinet job, and that he might not accept a sub-cabinet slot (presumably Undersecretary of HUD or HEW).

Transportation: Another possibility for Pittsburgher Flaherty. Bert Lance, the Atlanta National Bank President who's a key Carter Fundraiser and served as Carter's Georgia Transportation Commissioner (1971-73), worked closely with Flaherty in the Pennsylvania primary. Lance himself is not expected to seek the job, and neither is transportation task force head Alan Boyd, a former Transportation Secretary.

Health, Education and Welfare: University of North Carolina President, William Friday, whose name has been mentioned, puts down the report in response to home state media. Another possibility. . .United Auto Workers chief Leonard Woodcock. This from the Detroit Free Press (7/11): "Woodcock also said that if Carter is elected, he wants a position in the new administration. The UAW President mentioned that he has heard speculation that he is being considered for two cabinet posts -- Secretary of Health, Education and Welfare or Secretary of State -- but said he has not sought either specifically. Both Carter and Mondale are very close to the National Education Association, and can be expected to support their goals as well as push for a separate Education Department. Mondale's brother Mort, a past president of the Minnesota NEA, is currently an NEA staff member in Minnesota. As for health, one Carter advisor is already playing a double role. Mary King, Carter health task force coordinator, is president of Mary King Associates, a health management firm seeking federal contracts.

Labor: The new "Labor Coalition" of liberal unions has displaced George Meany's AFL-CIO regulars as the labor force having the ear of the presumed throne, even though Meany forces were able to block selection of Machinists Union official Bill Holayter as Carter campaign labor liaison (see detailed articles in 7/13 Detroit Free Press and 7/15 Los Angeles Times). This new group, prinicipally consisting of the UAW, the Oil, Chemical and Atomic Workers, the American Federation of State, County and Municipal Employees, the National Education Association, the Communication Workers, the Machinists and the United Mine Workers, is expected to have a major say in selecting both the Labor Secretary and the HEW Secretary. Also, look for the top political operatives of the coalition -- William Dodds of the UAW, Michael Miller of the Communications Workers, Bernie Aronson of the Mine Workers, William Welsh of the Municipal Employees, Holayter of the Machinists and Terry Herndon of the Teachers -- to play a key role in November elections coordination as they did in the spring primaries (eventually mostly on behalf of Carter).

Commerce: Nothing much yet. Alan Boyd's name is mentioned, but the job is seen more likely to go to an Establishment-type businessman.

THE WHITE HOUSE WASHINGTON

Alan, Mike Deval

You asked for a memo, and here's an essay. It's a wonder I didn't wind up with my autobiography. But I hope these ramblings are enlightening to the Westside Yankees.

Kays (Puller)



The question as to whether Jimmy Carter will sweep the South is tied up in whether emotional symbols are more powerful than changing economic and social realities.

To the extent that Southerners still feel an apartness from the rest of the Nation, based on feelings of both pride and inferiority, to that extent, Jimmy Carter from Georgia has a definite emotional pull.

The strange mixture of inferior and superior feelings that most Southerners, my generation included, inherited still influences our perceptions of America. As recently as the late 60's, Southerners often felt like foreigners in other parts of the Nation. Not only were we usually treated as bigots, we also felt keenly the lackluster reputation of our educational systems, the lack of cultural advantages and the hostility of other Americans to our folkways and our accents. (Sally Quinn last week described Miss Lillian's accent as "exquisite." The Eastern press has not always been so flattering.) This type of emotional reaction that certainly influenced Lyndon Johnson all of his life has been mitigated by rapid changes in Southern society and National attitudes about the South.

Southerners usually have a love-hate relationship with their region. It is probably not unlike the feelings of any group of Americans with a strong cultural identification. Even in trying to analyze the South, my own feelings became a mixture of homesickness and defensiveness. The social structures I love the most are those I wanted to escape, and perhaps that sums up the power of Carter's use of Southern myths.

Carter is playing upon two essentially conflicting myths--the "good ole boy" rural South and the "black and white together"
new South. (Journalists have discovered a "new" South with the
regularity of the changing seasons since World War II.)

Plains, Georgia is not the South

Plains, Georgia is not the South any more than Grand Rapids, Michigan is the North. The small Southern town is exactly what many Southerners happily escaped. Because of the narrowness of religions, these towns are very confining with rigid social rules and limited educational opportunities. (Rosalynn Carter did not want to leave the Navy and go back.)

The affectations of the "good ole boy" are enjoyed most by those Southerners now living in air-conditioned suburban comfort. Being "down home" in the rootless suburbs of Atlanta, Memphis or Dallas gives a sense of identity, and perhaps beer-drinking brother Billy Carter makes citified and genuine rednecks feel good. Why Americans who ran away from small towns to the cities love the "idea" of a small town may be of more sociological than political significance, but it is obviously part of Carter's interpretation of how to play the American mood. It may well be an interpretation with limited appeal in those traditional Democratic industrial strongholds where voters probably have seen such towns only on television.

(I did note a very high percentage of the citified rednecks (Jaycees in double-knit suit types) among Reagan's leaders in West Tennessee.)

"The 'New' South of Black and White Together"

As both creator and victim of myths, perhaps the South has more of them about race relations.

The race problem often has been the central political and emotional fact of Southern life. Southerners, primarily whites, have long tried to romanticize the character of black-white relationships. With the demise of the civil rights movement some blacks have joined this effort.

Just as the South was not as grim a place for blacks as it was pictured in the 50's and 60's, so today it is not as good and cheerful as depicted. Southern schools are statistically more desegregated than schools in other parts of the country. The ugly symbols of segregation——separate bathrooms, water fountains and "white only" signs——are gone, but social segregation in neighborhoods, churches and most private events is still a reality.

Most of the important changes in the South resulted from improved economic conditions and a surface degree of racial tolerance. I believe the two factors are intertwined. When most white leaders finally realized the stigma of segregation and racial injustice retarded economic progress, then the outside pressures from the media and the Federal government helped produce change.

The media often traffics in outdated myths. While the picture of "Daddy" King and Jimmy Carter singing "We Shall Overcome" has great emotional appeal to most blacks and liberals, especially those from the South, it is a warped picture.

The King church in Atlanta is just as segregated as Carter's church in Plains. While black ministers from the Baptist Church (a different brand of Baptists from their white counterparts in the Southern Baptist Church) and other all-black denominations were active in the civil rights movement, very few Fundamentalists marched along. The "We Shall Overcome" Christianity of the liberal ministry never significantly touched existing religious organizations. Churches in the South are rarely integrated.

Blacks and whites together may sound good to ease the memories of a legally segregated society, but Southerners know better. Muted racial animosities remain, but a carefully nurtured indifference---a feeling of live and let live---prevails as long as the economy is good and Federal intervention is at a minimum.

The irony of Carter's wedding of two such disparate myths is that much of the racial hatred that is still voiced is between blacks and rural and upwardly mobile rednecks. (It is very instructive to look at the Southern states with the highest percentage of blacks to see where this conflict is the strongest.)

Southern liberals, of which I count myself one on the race issue, have "mea culpaed" themselves to death for so long that few, if any, want to think the strains of civil rights music in Madison Square Garden is based on limited and distorted realities of the South in 1976---or the Nation, for that matter.

The "Tara" Mentality

The South of plantations and a "gracious" way of life, which existed only for a few, is a myth with an appeal totally out of proportion to its relationship to modern life. Today the appeal probably comes from its racism overtone and from the threat that change still represents to many Southerners. This myth is an absolute contradiction to the two Carter uses, and



for those Southerners who find Plains tacky and the Kings disgusting, this myth is their favorite.

In analyzing whether Carter will sweep the South automatically, the warring character of these myths should be taken into account. It's going to be quite a juggling act to pull together the rednecks, the liberals and the would-be aristocrats under one umbrella of "The South Will Rise Again."

The Real New South--Money and Air-Conditioning

Prosperity has done more to bring the South into the Union than Sherman did. The links between the rise of Republicanism in the South and the economy are very strong ones. To be sure, Republicans offered a more conservative philosophy at a time when the National Democrats were moving left on such critical issues in the South as local control, the peace movement and social involvement. It was, however, also important that more and more Southerners had enough money to start thinking Republican.

There are two significant problems that have already damaged Republican inroads in the South. State-wide GOP organizations, where they have any strength, are generally linked to personalities, and in very few areas have Republicans managed to build the kind of county organizations that survive and prosper regardless of the candidate.

The other detrimental impact came from the Agnew resignation and Watergate. Many of the Republicans who built the party in the lean years of the 1950's and early 60's were personally wounded by the Agnew revelations, and then hit a second blow by Watergate.

Agnew's genuine popularity in the South produced much bitterness after his resignation. The results of the combination have left some experienced party leaders without much stomach for another Presidential effort. Watergate may help Carter more in some areas of the South than his appeal to regionalism.

I believe it would be a mistake to write off the South entirely, because Southerners may vote their pocketbooks and conservatism more than their regional pride.



In looking at ways to beat Carter in the South, it should be remembered that Walter Mondale represents and was one of those "Yankees" who preached against the bigoted and backward South. What some Southerners viewed as "heroes," others thought of as "outside agitators." And not all of those who disliked those who preached at the South were racists, some of us just thought the rest of the country should get its own house in order.

Two other areas of Carter's Southern background also have potential political implications: his religion and the media's reaction to the South.



As one of the fastest-growing, if not the fastest-growing, Protestant denomination in the country, the Southern Baptist surge could be very critical in areas other than the old South. Only in-depth polling can determine the emotional pull of Carter's religion on members of his own faith, but the strength of the religious tie could be crucial in Texas, the Sunbelt States and Southern California.

Witnessing or publicly testifying to one's faith is a very important tenet of the Southern Baptists. Given this, Carter's open testimony must have great appeal to his fellow <u>Southern</u> Baptists and perhaps to other Baptists and Fundamentalists as well.

It could be very important to know how involved Southern Baptists may be in a Carter campaign. Many large Baptists churches, as part of their evangelical efforts, have sophisticated broadcast facilities. Often Baptist churches are very politically involved in anti-liquor and anti-pornography campaigns. (Liquor is to Baptists what abortion is to Catholics.)

In the 1960 Presidential campaign, Baptist and other Fundamentalist ministers preached against John Kennedy's election. Special tracts, warning against the Catholic menace in government, were distributed at church services. Anti-Catholicism is generally more theological than personal, since many areas of the South have few, if any, Catholics, but it remains today part of Fundamentalists teachings.

The Fundamentalists denominations are part of the Protestant Restoration movement. The Restoration contrasts with the Reformation, which produced the Lutherans, Methodists and Presbyterians among others. The Fundamentalist churches built their theology on claims of having restored New Testament Christianity, instead of reforming the Catholic tradition. This distinction accounts for the anti-ecumenical spirit of the Fundamentalists.

Even mainstream Protestant denominations are more conservative in the South. For example, the two main branches of the Presbyterian Churches have not totally reunited after the

Civil War split. The Pentacostal movement, which has affected most forms of Christianity, has given strong impetus to conservatives in Southern churches, who want old-fashioned theology, not social work.

Southern churches also function as social centers, and this function has a strong relationship to class structures. Southern Baptists are generally, but not always, strongly middle class, and the roots are rural. Although the Southern Baptists like the Churches of Christ are organized on a congregational basis, the Southern Baptist Convention provides a central vehicle for coordination of evangelical efforts.

It may well be that the negative impact of Carter's bornagain Christianity on Jews, ethnic Catholics and those Americans without religious ties will offset whatever pluses his religion has for those of his own faith or middle-aged Americans, dismayed with modern morality. Nevertheless, it is an emotional element in this campaign that deserves exploration, all the more so because it appeals to precisely the strongest groups of those who vote, the middle-aged.



Carther's use of the Southern mystique may be as important in terms of the media as it is to Southerners. The South with its many legends, some inherited and others manufactured, makes good copy, and the abundance of colorful characters, real or pretend, makes interesting film.

The civil rights movement influenced a generation of journalists, who still fondly remember the emotional highs of those days. In the years between Little Rock in 1956 and King's assassination in 1968, a surprising number of television and print reporters, now on the National scene, got their first big breaks. (Chancellor, Doug Kiker, Charles Quinn are among many NBC reporters who covered civil rights. Tom Brokaw and Don Oliver both got their starts at WSB in Atlanta. Tom Jarriel moved to the White House as a result of his coverage of the South. Jim Squires, the Chicago Tribune Bureau Chief; Bill Kovich, The New York Times Bureau; Fred Graham, CBS; and David Halberstam are all products of John Seigenthaler's Nashville Tennessean. Moyers and Cronkite are also Texans.)

It may sound strange, but the camaraderie of those days was not unlike that of wartime. There was some danger and much excitement. Many reporters are crusaders at heart, and the civil rights movement was a crusade with media-created heroes and villians. Never mind that many stories never came close to understanding the emotions of blacks and whites in the South, the reporters enjoyed those years. I covered the waning days of the movement and King's death, and despite the agonies I felt as a local reporter who lived in Memphis, the "fox-hole" mentality made it all seem strangely exhilerating.

I believe these experiences are going to leave many of these reporters with an extra vulnerability to Carter's version of the New South. They are going to want to believe and promote Carter's hoke. It may, of course, backfire if the rest of the country gets bored to death with hearing about the South, but the return of the networks and the National reporters certainly will be enjoyed as revenge by those Southerners, who endured the first invasion with gritted teeth.

Here are some questions from this personal look at the South:

- *How Southern do Southerners feel? Is regional pride and regional defensiveness stronger than new economic realities and conservative politics?
- *How much will Watergate and Agnew resignation hurt in those areas of the South where Republicans gained politically in past decade?
- *How much influence will religion have on voters? Will Southern Baptists be motivated to vote their religion instead of their pocketbooks? How afraid are Catholics of Carter's religion?
- *How much validity do the Carter myths about the South have for the rest of the Nation?
- *How much will the media help sell Carter's Southern mystique?

materials. Please contact the Gerald R. Ford Presidential Library for access to these materials.

Some items in this folder were not digitized because it contains copyrighted

Jimmy Carter on the U.S. Economy and Business

Jimmy Carter recently paused in his pursuit of the Democratic nomination for President to discuss some questions of particular concern to business. A. James Reichley, a member of FORTUNE's board of editors, and associate editor Ann Hengstenberg conducted the interview with the former Georgia governor.

Governor, what would you do to deal with inflation in the economy?

I would proceed aggressively, with the first emphasis on jobs. My economic advisers and I agree that until you get the unemployment rate down below 5 percent, there's no real danger of escalating inflationary pressures. I would also favor additional money supply, carefully controlled, but I think a little more than we've had in the past two years.

Would you resort to wage and price controls under any circumstances?

I would like to have standby wage and price control authority that could be used for a limited period of time, but I doubt that I would ever use it. I know that Arthur Burns has advocated that this authority be permitted for a period of forty-five days. This would permit the President, or his surrogates, to try to reach an accommodation with management and labor to hold down peremptory increases in wages or prices. But I would not favor mandatory or permanent wage and price controls. My philosophic commitment is to a freer economy.

How far do you think you can get inflation down?

I don't see any reason why the permanent level of inflation can't be as low as 2 or 3 percent. If we get down below 4 percent unemployment, you would have very high inflationary pressures as you

tried to reach lower and lower levels of unemployment. I think that most analyses have shown that if you reached a level of, say, 3 percent unemployment through government or private-sector efforts, the inflation rate would probably rise above 10 percent.

How would you go about the creation of more jobs?

In the first place, contrasted with some of my opponents, I would consider the private sector the primary supplier of jobs. I hope that everything the government does will be oriented to magnify the influence of taxpayers' money by providing more jobs in the private sector. For instance, we should allocate research and development funds to the industries that are inevitably going to arise in the future. One example would be solar energy, where a small investment in research and development money can result in a very rapid increase in no increase in the services to our people.

Do you think we need more planning in the overall economy?

I don't like the prospect of government planning that would be binding on private industry, but my own experience in government is that planning ought to initiate at the executive level, with the President and his office, or with the governor of a state. Secondly, the goals and policies established ought to be publicly divulged. And they ought to be constantly amended as goals are reached or priorities are changed so that the private sector-business, industry, agriculture, and so forth-can cooperate with the government in the evolution of their own long-range plans. I don't favor government domination of private industry with government plans.

What should be the approximate balance between government and private shares of the G.N.P.?

Enigma of Jimmy Carter is pushing the Jewish vote to President Ford

WASHINGTON — President Ford's prospects for scoring well this November among American Jewish voters improved last week, even as Ford was threatening to veto increased aid for Israel. The reason was the heightened likelihood that Jimmy Carter will be his Democratic opponent.

Ford's record on the Middle East has been criticized by some Jewish leaders, but Carter's is unknown and the former Georgia governor's open Christian fervor is said to make some Jews nervous.

White House aides and top leaders of the organized Jewish community said that, against Carter, Ford could now aspire to match the 38 percent Jewish support achieved by former President Richard M. Nixon in 1972, a record for a Republican in recent history.

Ford was given little or no chance of achieving such levels against Sen. Henry M. Jackson (D-Wash.), whose candidacy all but collapsed last week in Pennsylvania, or against Sen. Hubert H. Humphrey (D. Minn.), who said he would not run in any primaries.

Jackson and Humphrey are regarded as two of the strongest friends Israel has in U.S. politics. At one time Ford was too, but things have changed among some observers.

As the pro-Israeli newsletter Near East Report noted last week, Ford entered the White House "with an impressive record of support for Israel during his 24 years in the Congress."

"Since taking office, however, he has sought to combine this tradi. nal support for Israel with an effort to increase U.S. influence in the Arab world, especially Egypt and Saudi Arabia."

Both White House aides and influential

Jews acknowledged that the two-phase U.S. policy has led to a series of "shocks" from the administration — the 1975 "reassessment" after Sec. of State Henry A. Kissinger failed to achieve a Sinai settlement; implications that the United States might negotiate with the Palestine Liberation Organization; the decision to institute arms sales to Egypt; criticism at the United Nations of Israeli settlement policy in occupied Arab lands and the threat to veto efforts to add \$550 million in aid to Israel this year.

Ford has endeavored to explain his positions to American Jewish leaders directly, and has achieved some success.

In March he met with 12 presidents of major Jewish organizations, assuring them that his position on Israel's survival was exactly as it has been for 25 years, and asking the leaders to have confidence that his commitment was fundamental.

One of the leaders said, "Overall, President Ford's record on Jewish issues had been good. We realize he has added responsibilities as President that he didn't have as House minority leader. Much of my view is colored by the kind of person he is, by his sympathy, sincerity and warmth."

At the White House, Ford's liaison officer with the American Jewish community is David Lissay, a Domestic Council aide formerly active in Jewish organizations in Philadelphia. Lissay took over from Dr. Robert Goldwin, although Goldwin continues to attend important meetings on Jewish affairs. At Ford's campaign committee, the person in charge of Jewish voters is Detroit financier Max Fisher.

Fisher reportedly has been advising Ford for months that he could run

[Continued on page 47]



Jimmy Carter's Opportunity

If elected President in November, Gov. Jimmy Carter will have the greatest opportunity to alter the course of our nation and our government since Franklin Roosevelt's election in 1932 and Lyndon Johnson's landslide in 1964.

The special opportunity for Carter derives in part from the fact that only a Democratic President can hope for a Congress led by members of his own party. But a new President from either party would share the same opportunity offered by an even more important fact of contemporary American political life: the depth and breadth of the citizen consensus that we are in the threes of a crisis of confidence in government that the people expect the next President to resolve. That consensus stems from three crises that beseige the national executive: 1) a crisis of confusion as to its role in our society; 2) a crisis of competence as to performance of its tasks; and 3) a crisis of corruption of person and institution.

There is first the crisis centered on the confusion over the proper role of the national government—the execu-

n Mr. Califano, a Washington attoriney, was President Johnson's special assistant for domestic affairs. This arficle is adapted from a recent address before the Women's National Democratic Club.

tive's relationship to the Congress and the courts; its relationship to the state and local governments; and its relationship to the private sector, and to the people.

doreign policy the result of executive dominance to the exclusion of the Conferess over the past 15 years? Is it this dominance and secrecy that has permitted the combination of misjudgment, dissembling and abuse of power that so scars the years from Kennedy to

a few short years (we) have become en-

eral government, of its competence and of its corruption. On these crises Nader, Reagan, Bok, the antibusers, Jesse Jackson and the corporate board chairmen can agree.

As a Democrat, Jimmy Carter would face these crises not only with a citizen consensus pressing for action, but with an opportunity for a superb congressional partnership. By inauguration day, the House and the Senate will have elected new leaders. That leadership will be Democratic, and it will be strong. Rep. Thomas P. O'Neill, the certain Speaker, will be more like Sam Rayburn than Carl Albert. Robert Byrd, the likely Senate Majority Leader (or Hubert Humphrey, the main competitor for that post), will be more like Lyndon Johnson than Mike Mansfield. And a new Democratic President would find many enthusiastic new members in each House-50 House members and eight senators have already decided to relinquish their seats. Their replacements and others who unseat incumbents or move from freshman to sophomore status would be arriving with the same mandate.

But even with that congressional partnership, the new President must work fast. Carter's early nomination victory gives him the chance to be prepared for a running start should he be the one to assume office on Jan. 20, 1977. He should not be sidetracked by petty party squabbles over the platform or any lingering credentials fights. He must, of course, focus on winning the November election, but he must give some time to preparing to govern.

For a new President wins only the opportunity to direct—and hopefully redirect—the activities of the executive branch. He does not win control of it.

Such is the self-sufficient nature of the federal bureaucracy that the most difficult administrative task of the new President will be to parlay his electoral majority and his 2,000 plus presidential appointments into policy control over the executive branch.

Carter Staff: Close-Knit 'Outsiders'

By Juies Witcover Washington Post Staff Writer

In the swirl of differing opinions on Jimmy Carter, there is agreement on one thing: what the former Georgia governor has achieved in the presidential politics of 1976 he has largely achieved himself.

It is, in fact, the man's independence of traditional alliances with political leaders, and the absence of any card-carrying Svengalis around him—no Fred Dutton (Robert F. Kennedy's 1968 presidential campaign manager), no Mark Shields (a Washington political consultant), no David Garth (a media consultant) — that makes so many orthodox politicians wary of him.

How do you "do business"

with a man who is so aloof from, even contemptuous of, the political "establishment?"

Yet no man gets as far as Carter has this year without help. But since Carter has eschewed a Washington base and has instead kept his campaign headquarters in Atlanta, little is known about the individuals who play important roles, and provide political and other advice, to the phenomenon of 1976.

They are a relatively small and close-knit group, predominantly but not exclu-

See STAFF, A6, Col. 1

By MALCOLM BALFOUR And if he becomes President, he'll

the possession of the government. | able experience.

Jimmy Carter believes in UFOs EXCLUSIVE—Jimmy Carter: The Night I Saw a UFO

Speaking exclusively to The EN- "After his speech in Thomaston, my balls of light, clustered in a circle, "I was particularly impressed be-QUIRER, the Democratic front-runner father was stepping out into the parkdeclared:

"If I become President, I'll make businessmen when they spotted the businessmen when they spotted the sky — then disappeared quickly."

father was stepping out into the parking lot of the club with a group of businessmen when they spotted the sky — then disappeared quickly."

release to the public all UFO data in about the former Governor's remark- Mrs. Charlotte Stembridge, a school talk several times about spotting the

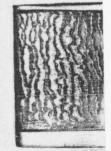
teacher, said: "The object was three UFO.

Carter Suggests a Rights Plan Of 'Compensatory Opportunity'

Special to The New York Times

CINCINNATI, May 4-Jimmy say that Jimmy Carter did Carter said today that, in a con- more' than they did. tinuing struggle to erase dis- "I believe," he added, "in incrimination from American so-suring that all Americans ciety, "compensatory opportuni- should have not only equal opty," and not just equality, portunity, but should also have should be offered in some cases compensatory copportunity if, to blacks and to other victims through my influence or yours, of past intolerance.

The former Georgia Governor. who appears to be running well talents."



they have been deprived of the opportunity of fully using their

ahead of his opposition for the At a news conference later, Democratic Presidential nomi- he said, "You can provide equanation, did not amplify his re- lity of opportunity by law but, mark in great detail. However, quite often, that is not ade-

THE WHITE HOUSE WASHINGTON

May 12, 1976

TO: MIKE DUVAL

FROM: JIM CANNON

FYI.

Carter

FORD

Education Daily IVINY 1, 1010

DEM PLATFORM COULD INCLUDE DEPT. OF ED If frontrunner Jimmy Carter lives up to his previous stands on education, come midsummer, new party rules could put him on a party platform that includes a provision for the creation of a separate Department of Education.

Under this year's new rules, the candidate who comes to the convention with the most delegates will get the most say in the Platform Committee's deliberations, and Carter's growing string of primary victories makes his stands on everything--including a Department of Education--increasingly likely to appear in the platform the Democrats offer the country in November.

Carter has said he favors ". . . a separate Department of Education (which) would consolidate the grant programs, job training, early childhood education, literacy training and many other functions currently scattered throughout the government. The result would be a stronger voice for education at the Federal level." (ED, Apr. 6).

Platform Machinery Makes it Possible

Deputy Platform Director Paul Jensen, that presidential candidate preference votes will be proportionally reflected on each of three standing Democratic committees (Platform, Rules and Credentials). The permanent members of each standing committee will be elected by the state's national delegates as they are elected throughout the course of the state primaries, which end June 8, and all delegates must be selected by June 21. Each standing committee will be composed of 153 members having 150 votes, allocated to the states "in accordance with the same distribution formula used to allocate delegates to the National Convention." Consequently the candidate who has the delegates will also have the committee control, and for the first time, concurs Jensen, the leading party candidate will enjoy a proportional contribution to the content of the party platform.

Before this week's primaries, Carter's 446 delegates put him ahead of active candidates Udall and Jackson two to one. Victories in three out of the four states voting Tuesday should give Carter a lock of 100 more, pushing him close to 40 percent of the golden 1505 needed for nomination.

Theoretically, Carter could eventually lose the nomination in a brokered convention and still be the chief contributor to the Party's platform. "Yes, that is a possibility," Jensen winced.

Platform Committee to Hear Carter Testimony Stuart Eizenstat, Issues Director at Carter's main headquarters in Atlanta, said that Carter is scheduled to testify at hearings before the Full Platform Committee to be held May 17-19 in Washington. Eizenstat refused to speculate about Carter's testimony, but the candidate's stands on increased Federal responsibility for school funding, vocational training and handicapped education "may receive consideration" in the preparation of his testimony.

NEA, AFT Believe It Too Both the National Education Association and the American Federation of Teachers (AFL-CIO) favor a separate education department and say they will testify at the May 17-19 hearings too. The first meeting of the Platform Drafting Subcommittee is scheduled for June 14-16 in Washington. The National Convention starts July 12 in New York's Madison Square Garden.

THE WHITE HOUSE WASHINGTON

NOTE FOR: Mile

FROM : RON NESSEN

POLITICAL FOCUS/ROBERT WALTERS

The Boys on the Carter Bus

Virtually unnoticed in the turmoil of the contest for this New York Times: Carter and his press staff have been paryear's Democratic presidential nomination has been the ani-ticularly hostile toward investigative reporters, including mosity evidenced by former Georgia Gov. Jimmy Carter, the leader in that race, toward the news media.

Carter and his staff have become increasingly testy with reporters, especially those engaged in investigative reporting about the candidate and his campaign-journalists with a penchant for noting the contradictory positions he has taken on numerous issues and others who press for answers to tough questions.

Boston Globe: In recent months, Carter's hostility has reached the point where reporters not only have been grumbling

Nicholas Horrock, a member of The New York Times Washington bureau who has been probing Carter's past, and freelance magazine writers Phil Stanford and Steven Brill.

Horrock reportedly received an icy response from the Carter organization when seeking pre-publication comment on a story disclosing Carter's acceptance of free airplane trips from Lockheed Aircraft Corp. and PepsiCo Inc. while governor.

Horrock refused to discuss his experience, but other sources said Jody Powell, Carter's press secretary, suggested that the proper course for the newsman to take was to ascertain

THE WHITE HOUSE WASHINGTON

May 31, 1976



Dick,

Attached is a brief paper prepared by Powell Moore (formerly on the White House Congressional Relations staff) which analyzes Jimmy Carter. Powell, a Georgian, has known Carter for ten years. This is not based on any research, but rather simply reflects Powell's impressions.

This paper tracks with some of the research being done by the RNC, which is that Carter has two major weaknesses:

First, his personality and character are similar to Richard Nixon in terms of deviousness and inability to deal with people face to face.

Second, Carter flip flops on the issues (talks out of both sides of his mouth), similar to McGovern.

Mike

B. FOROLLO

Jimmy Carter has the Democratic Party in a serious dilemma. If they nominate him, they are stuck with a candidate who lacks the experience and temperament to be President and one who is widely distrusted by leaders of the Democratic Party, with considerable justification.

If they fail to nominate him, after he has been so spectacularly successful in the primaries, the ripple throughout the south will cost them severely at the polls in November. It will be difficult to convince southerners that his regional origin did not cause them to gang up on him and snatch from him the nomination. Either outcome favors the immediate implementation of a strategy directed at Carter.

1 - 1

There are other reasons to begin now with an anti-Carter strategy. His momentum must be broken because he as the Democratic nominee would be very difficult for any Republican to beat. With a Southerner leading the ticket, southern states cannot be counted on to abandon their traditional party. This bloc of electoral votes combined with the northern industrial states, which tend to favor any Democrat, will leave very little left for the Republican nominee.

Moreover, a Carter Presidency would in the opinion of many Carter-watchers damage seriously the office. Barring a miraculous change in him, he can be counted on within three years to challenge Richard Nixon as one of the most unpopular



Presidents in American history. The office and the country can ill-afford another blow to the Presidency.

The system depends upon the adversaries of the candidate to make sure the people understand his weaknesses before they vote for him. It is up to Republicans to contribute to weeding our Carter if he is unqualified. As David Broder acknowledged in a recent column, the press has failed to convey to the American public the shortcomings of his qualifications.

A brief review of Carter's political career may be instructive. He returned to his hometown of Plains in the early fifties after a ten-year career in the Navy following graduation from the Naval Academy. He won narrowly a legally contested race for the State Senate in 1962 and served there until January, 1967. As a comparatively sophisticated senator from rural south Georgia, he captured more than his share of attention from the Atlanta media and was soon recognized as a man with political future.

As an unusually strong partisan in a state where party loyalty was on the wane after Senator Goldwater carried it in 1964 and the Johnson administration became increasingly unpopular, he considered a race against Bo Callaway for Congress, who was in his first and only term in the House of Representatives. Some who knew Carter detected a special

disdain for Callaway at the time. It may sound farfetched that a mature person would be motivated by such considerations, but the combination of Callaway's West Point background, strong Republican advocacy, and silk stocking status may have caused the competitive adrenalin to flow of the peanut farmer Democrat from the Naval Academy.

Developments in early 1966 caused Carter to enter the Governor's race. Callaway had decided to leave his apparently safe House seat in favor of the chance of becoming Georgia's first Republican Governor since Reconstruction. In addition, a major void was created on the Democratic side when former Governor Ernie Vandiver withdrew on a claim of ill-health.

There were several candidates in the race and Carter finished a strong third behind former Governor Ellis Arnall, who had the black vote, and Lester Maddox. Carter was a sensible alternative for moderate Democrats and geared his campaign accordingly. Maddox and Arnall gained positions in the run-off with less than 30 percent of the Democratic vote and Carter scored somewhere in the twenties coming very close to overtaking Maddox, as the second place finisher. Parenthetically, Maddox won the run-off and the Atlanta papers, which supported Arnall, claimed that Republican crossovers, who thought that Maddox would be an easier target for Callaway, provided the margin of victory.

After losing in 1966, Carter commenced a four year campaign for Governor and the nature of his peanut warehouse business permitted him to become virtually a full-time candidate. From the beginning, he had an uphill battle against former Governor Carl Sanders, who served from 1963 to 1967 and who was prohibited by law from succeeding himself. As a result of his progressive record as Governor and his support for the Great Society, Sanders pre-empted the black/liberal vote in Georgia, which had given Hubert Humphrey about 28 percent of the 1968 total. This left for Carter, Georgia's largest voting bloc, which was the 41 percent that voted for Wallace in 1968. After running as a moderate in 1966, Carter was able to accommodate himself in order to reach these voters.

While Sanders pursued his \$100,000 a year plus law practice in Atlanta during 1967, 1968, and 1969, Carter was speaking in churches and to civic clubs and listening to the people. He told them what they wanted to hear and gained the support of leading spokesmen for segregation in Georgia, who probably disliked Sanders more than they favored Carter. He played to the emotions of people who distrust the Atlanta elite in the same manner that he plays to the emotions of people who distrust Washington today. His strategy paid off and his victory in 1970 was an upset.

It did not take long for the Wallace/Maddox element to discover he did not belong to them and he lost his base of support, becoming a very unpopular governor. He alienated

the state legislature and the consensus when he left office in 1974 was that he could not get elected sheriff in his home county.

He apparently decided he was worthy of a presidential race after being exposed to Jackson, Humphrey and McGovern in 1972, concluding if they could bat in the Presidential league, he could. He spent considerable time during his last two years in office plotting his strategy and he maneuvered himself into the chairmanship of the Democrats "Campaign 74 Committee." In this position, he began learning the ways of national politics. After leaving office in January, 1975, he became a full-time candidate for President and the rest is history.

If one asks why he has been able to succeed in this year's race, the answers are varied. A combination of factors have worked in his favor:

- Presidency while other candidates have had distractions like protecting a Senate seat and running a Senate Committee.
- (2) He has perceived better than other candidates
 that less than 10 percent of the total population
 selects the nominee of both parties; has identified
 that narrow segment of voters and has effectively
 gone after them maximizing his resources.

- (3) He was able to establish early respectability as a candidate by winning in New Hampshire and Florida. He accomplished this by pouring a disproportionate amount of time and resources into New Hampshire and he benefited in Florida because Florida was the time and the place for the National Democratic Party to rid itself of the Wallace nuisance, and he was the best man to accomplish it.
- (4) The caliber of the opposition was weak and he was able to survive the process of elimination.

 Humphrey was crippled and could not risk the primaries; Kennedy stayed out; Askew passed up the race and Brown may have moved too late leaving only Scoop Jackson, Mo Udall and Birch Bayh as credible candidates.
- (5) He has benefited from the anti-Washington mood and has been unburdened by the baggage of specific stands on specific issues. Governors and former Governors have historically fared better than Senators and House members in American Presidential sweepstakes up until the post World War II era when foreign policy became more important.

The strategy for defeating Carter must be aimed at forcing him to make a major mistake and to lose his composure. It is too bad the Eagleton affair was wasted on McGovern. Problems have to be created for him where he is forced to make choices and hopefully make the wrong choice if given enough opportunities.

The best hope for accomplishing this is through a wellorganized, well-orchestrated attack strategy using a variety
of spokesmen who are capable of making news followed by a
creative negative issues advertising campaign in the fall
if he is nominated.

This effort should be aimed at smoking him out on the issues and causing his ruthless, duplicious character to surface from behind his smile. He should be closely tracked on the issues and challenged on a daily basis by someone knowledgeable in categories of issues.

An operational structure could be assembled along the following lines:

(1) Establish a team with spokesmen assigning each of them to an issue. The make-up should include highly visable Senators and Cabinet Officers and might be as follows:

Goldwater/Tower - Defense and National Security
Simon - the Economy
Dole - Agriculture

Hills - Housing
Kleppe - Energy
Richardson - Social Programs
Griffin - Labor.

- (2) Establish a research capability that receives daily information on each Carter statement that would supplement news accounts.
- (3) Ask each spokesman to assign his press secretary or some other project officer to the task. This individual would also have a responsibility for tracking Carter's statements and for developing a complete catalogue of all of his positions on assigned issues.
- (4) Conduct daily meetings of the representatives of each spokesman where an attack on Carter is planned.
- (5) On a rotating basis, depending on events, issue a statement or conduct a press conference using a spokesman.

The purpose of this program should be to make sure the American people know Carter well because he would probably be rejected by the voters if they knew him better. If you conducted off-the-record interviews with people who have had considerable experience with him, including former colleagues

in the governors' conferences, members of the Georgia legislature, members of the Georgia Congressional Delegation and their staffs, certain words would bubble to the surface. These words include such epithets as phony, liar, hypocrite, lacks integrity, double crosser, two-faced, speaks from both sides of his mouth, and similar phrases.

If the people go to the polls without a thorough knowledge of a candidate's shortcomings, the people have been failed by the candidates opponents, just as a jury as well as a defendant is failed in a legal case when a lawyer makes an inadequate presentation. The President has the capability to put the mechanism in place to educate the public on Carter. In spite of the fact that he is no longer assured the Republican nomination, he should go ahead and order the execution of a negative Carter strategy as part of his duty as leader of the Republican Party.

To understand the objectives of a negative Carter project, you first need to understand Carter and the fact that there are two sides to him:

(1) There is the Carter, who has Paul Warnke as a national security advisor and will cut \$7 billion from the defense budget and there is the Carter, who has Paul Nitze as his advisor and will add \$30 billion to the defense budget.

- (2) The Carter who spoke in Wisconsin in favor of repealing the right to work laws; the Carter who said in Georgia before a group of financial supporters a week later that he does not support repeal of right to work laws.
- (3) The Carter, who has built his campaign on a claim that he has streamlined the State Government in Georgia; the Carter, who presided over a state administration that increased its employees by 20 percent and increased state spending by 50 percent.
- (4) The Carter, who would simplify income tax forms and eliminate deductions including interest on morgage payments; the Carter, who denies his plan to eliminate interest deductions.
- (5) The Carter, who ridiculed Lester Maddox in New Hampshire; the Carter, who praised him in 1970.
- (6) The Carter, who pledged to "end once and for all the threat Wallace represents to our country;" the Carter, who promised in 1970 to invite Wallace to Georgia to address the state legislature and is on-the-record a number of times praising him.

. .

- (7) The Carter, who promised to support Wallace in 1972, if he would not offer a slate of delegates in Georgia; the Carter who made the nominating speech for Scoop Jackson in Miami after Wallace lived up to his end of the bargain.
- (8) The Carter, who claimed, after he was castigated by Wallace supporters for backing Jackson, that he was carrying out a wish of the late Senator Russell; the reality that anyone who knew Dick Russell knows that he would never have made that request.
- (9) There is the Carter, who said "Other than my father, Senator Russell made the greatest impact on my life.

 I never made a political decision without consulting him first. He kind of adopted me 19 years ago."

 There is the real Carter who never had a particularly close relationship with Dick Russell.
- (10) There is the Carter, who looked Bob Strauss in the eye and said he had no problem with him continuin as chairman through November; the Carter who, according to his former speechwriter, talked of canning Strauss.
- (11) The Carter, who asked Julian Bond to intercede with McGovern in behalf of him becoming McGovern's running mate; the Carter who denied Bond's claim; and the Carter who later acknowledged it.

- (12) The Carter, who pledged his support to Reuben
 Askew to be Chairman of the Southern Governor's
 Conference; the Carter who went back on his
 pledge.
- (13) The Carter, who told environmentalists he supports strip mining legislation; the Carter who told coal operators that he doesn't.
- (14) The Carter, who told a reporter falsely that Senator
 Russell promised to vote for him in 1970; the Carter,
 who called Senator Russell to apologize and claim
 he never said it; the Carter, who told the reporter
 that he said it, but it was off-the-record.
- (15) The Carter, who said he opposed Richard Nixon since he lived in California in 1950; the Carter who profusely praised John Mitchell for his law and order campaign at a dinner in Atlanta in 1971.
- (16) The Carter, who talks of a need for honesty in government; the Carter, who met with Secretary Butz in behalf of the peanut industry in 1973.
- (17) The Carter, who talks of love; the Carter who sent a message recently to the Mayor of Atlanta to "kiss my ---."
- (18) The non-politician Carter, who is running against all the Washington politicians; the Carter who has been a full time candidate for public office for

six of the last ten years and in the Governor's office the other four, where he spent considerable time on politics.

Finally, there is the Carter, who tells the people he will never lie to them, but there is the string of evidence to the contrary that could be uncovered easily if adequately researched. This memorandum is simply the product of unverified recollections of a person who has closely observed him and known him for ten years.

Carter's Position on Issues Designed for Wide Appeal

By DAVID E. ROSENBAUM

WASHINGTON, June 10-An matters and that he acted like examination of Jimmy Carter's a political chameleon, changing stands on the range of cam-stands on the range of cam-his colors to suit his environs.

Mr. Carter now appears as-sured of the Democratic Presi-have taken the positions de-signed to satisfy the most pos-ment month, and he continued to fewest

zy" on the issues, that he John C. Stennis of Mississippi. switched his stands on many Assuming he is the nominee,

sible voters and alienate the next month, and he continued to pick up delegates and endorse-His opponents and critics in ments today from, among oth-His opponents and critics in the successful run through the ers, Gov. Milton J. Shapp of Democratic Presidential prima. Pennsylvania and Senators Robries contended that the former Governor of Georgia was "fuz-

> the charges of fuzziness on issues are likely to be revived by his Republican opponent in the general election campaign.

> A review of Mr. Carter's position papers, stump speeches and answers to questioners shows that his stands are usually detailed and sophisti-cated. While he has changed the tone of his appeal slightly in certain cases-on aid to the cities, for example—the basic

mained consistent throughout the campaign.

One theme emerges fro examination of the range of Mr. Carter's stances on the issu It is that, in every case, he s to have attempted to satisfy the greatest possible num ber voters.

Such a pragmatic strategy is not unusual among successful politicians. But, Mr. Carter has left himself open to unusually intensive scrutiny because he has based his campaign to a large extent on his own trust-worthiness and credibility.

When he began his run for the Presidency 16 months ago, when he was, in his own words, when he was, in his own words, "an unbelievably obscure can-didate," he told small gather-ings, "I will never lie to you." It is a line that, to this day, he has retained in his basic stump speech. And it is also a promise that has left him

a promise that has left him open to special scrutiny.
At the outset of a four-day campaign swing last month, one of his staff members was asked to name one bold position that Mr. Carter had taken, just one issue on which the leading Democratic Presidential candidate had risked opposition by taking a stand on principle.

'Give Me a Week'

After a moment's reflection, After a moment's reflection, the aide answered by making a joke. He quoted the famous response by President Eisenhower to a question about what ideas Richard M. Nixon, as Vice President, had contributed to the Eisenhower Administration: "If you give me a week, I might think of one."

others on the Carter staff acknowledge that their candidate studies opinion polls carefully and tries to position himself in such a way that as few voters as possible become disaffected by his stands on the affected by his stands on the

Mr. Carter himself told a crowd at Shaw High School in East Cleveland, Ohio, one evening last week: "The main thing that's tied me to the voters of this nation is that I feel the same as you do about the issues that are important to your life."

Surveys by The New York Times and CBS News this year Times and CBS News this year indicate that the strategy has been successful. They have shown time and again that conservative voters tend to view Mr. Carter as conservative, that moderates see him as liberal.

Indeed, reporters who have traveled with the former Governor since the first of the year and observed him before every green of voter cannot recall an instance in which an audience appeared displeased at one of his statements.

Most of his staff members say that Mr. Carter is merely practicing good politics, and they note accurately that many other successful politicians, including President Kennedy, made a point of campaigning on positions that were guaranteed not to allenate voters. One ranking aide disagrees, however. This aide, who is reputed to have good political sensibilities, recently remarked in an exasperated tone. "If he would just get boged once, about anything, it would make all the rest of his positions so much more credible."

Recorded

Rhetorical Skills

Mr. Carter employs a num-ber of rhetorical techniques to make his stands acceptable to make his stands acceptable to both sides of a controversy. One is to espouse a position while speaking in a way de-signed to appeal to those hold-ing the opposite view. Thus, asked in heavily Ro-man Catholic Rhode Island about his position on abortion, Mr. Carter began by saying.

"I think abortion is wrong. I don't think the government ought to do anything to en-

ought to do anything to en-courage abortion."
Then, he described his posi-tion: He would oppose a con-stitutional amendment that would everturn the Supreme Court's ruling permitting abor-tions. He would seek Federal aid for sex education, family planning instruction and adop-tion procedures.

He ended by saying, "I'll do everything I can to minimize abortion.

Another factic Mr. Carter uses in speeches is to agree to "study" something favored by persons whose support he is seeking.

For instance, throughout his campaign, Mr. Carter has opposed direct Federal aid to helpcities out of financial straits. Last week, however, he promised Mayor Beame he would "study the creation of a Federal municipalities securities insurance corporation to assist localities in marketing their bonds and in reducing interest. surance corporation to assist localities in marketing their bonds and in reducing interest levels now faced by municipalities and to provide voluntary self-controls in municipal financial matters."

Another method used by Mr.

Carter is to take a position that encourages both sides of a

Carter is to take a position that encourages both sides of a question to believe that he is on their side.

He says, for example, in an appeal to businessmen, that he would not ask Congress for legislation repealing the Federal law that permits state right-to-work statutes and that right-to-work statutes and that right-to-work statutes and that he would do nothing to en-courage that kind of legislation. But, he continues, reaching for labor support, if Congress passes such a measure, he "would be glad to sign it." A fourth rhetorical technique

TRB

is a tricky job counter

Predictions are fun but tricky in the pundit business - they are an occupational hazard that ought to be resisted but never are. It is a temptation to come right out now and say that Jimmy Carter will win by a landslide next Nov. 2 (for better or worse). But shall I actually commit myself to that? Remember election eve four years ago!

The crowd looked at Spiro Agnew at his campaign headquarters and chanted jubilantly, "Twelve more years, twelve more years!" meaning that he would follow his beloved leader Richard Nixon with two terms of his own after 1976. And Time magazine in a special predated edition

Ship of State not on his golly, it all is. knowledge of navigation but on his hearty manner. It has left us for the final Carter administration, we stage with a choice between guess; how long can a fresh Jimmy Carter, the Great face be fresh, or a newcom-Who-is-he?, and the Ford- er be "anti-Washington" Reagan Right-wing Twins. who is part of Washington? When the ultimate comes next November it is esti- big Carter federal reorganvoters will vote - 75 million down if attempted. It will be missing.

TRB is the traditional signature on a weekly column appearing in The New Republic magazine, writ-

Most of us, at first any- that the media will tradiway, had little idea who tionally start snapping and was running or why. In the biting again - legitimately. beauty contest voters enough, no doubt - after picked the captain of the telling how wonderful, by

It will be easy to fault a

Our guess, too, is that the mated that 50 per cent of ization program will bog strikes us as a gimmick: it's been tried before with little success.

> On the other hand, if Jimmy Carter actually has reform plans - a minimum income for the working and

the small so

6Pm.
9/20

DRAFT

DRAFT

DRAFT

EPTY PROMISES OR EMPTY POCKETS? (62 Who Pays the PIPER)

Jimmy Carter is playing the old shell game with the American people this year. His Platform is a cynical and deceptive array of peanut shells, and the voters are supposed to guess which ones contain real pledges and which ones merely cover empty promises.

The Carter campaign has denied Republican charges that just 5 of Carter's programs would add \$100 billion and all of them over \$200 billion to the annual cost of the federal government. They challenged Republicans to prove their charges.

The Republican Policy Committee analysis (see attached chart) shows that the total would, in fact, be far higher -- over \$217.2 billion a year in additional federal spending by 1980 and over \$706.1 billion for four years -- a 50 percent increase in federal spending.

Many of Carter's pledges are vague, unspecific or confusing. Why? Because if Carter dared to spell out precisely what he meant, he would have to admit either that his were hollow promises or that his program would cost almost a trillion dollars for four years...and that's not pearuts!

Republicans know, the American people know and Carter himself knows that this kind of spending is wildly impossible and irresponsible. Personal and corporate income taxes by 1980 will run about \$312 billion -- Carter's programs would mean raising taxes by Everyone would have to pay a lot more, not just those with incomes above \$14,700 as Carter recently suggested. If he did not raise taxes to pay for these programs, the alternative would be unprecedented and staggering inflation, the least equitable tax of all.

That is why we don't think the pledges and promises made by Candidate Carter and his platform would be kept by President Carter. This calculated deceit of the Carter Platform arcuses false hopes from individuals and groups duped into believing they would benefit from new or expanded programs. We saw in the 1960's how destructive and demoralizing it is to raise people's expectations and then not deliver. Carter's Platform promises to repeat this sad cycle.

If Carter disagrees with our analysis, we ask him to explain to the voters exactly what he does mean. Shell games are for carmivals, not for the 1976 presidential election. The American people deserve a straight answer on this important question.



Page 2

President Ford and Senator Dole stand on the Republican Platform -- does Carter support his? The Republican Policy Committee hopes this analysis will prompt an honest and candid response from Carter -- not more evasion, deceit or empty rhetoric.

Additional Federal Costs of Democratic/Carter Platform

	Proposal		80 one-year	•		77-80 four	-year
		LOW	MID (billions)	HIGH	LOW	MID (billions	HIGH
1.	HIMPHREY-HAWKINS:	\$12.1	\$21.8	\$31.5	\$29.9	: \$56.5	\$83.2
2.	COUNTERCYLCICAL AID:	0.5	1.0	1.5	2.0	4.0	6.0
3.	PUBLIC EMPLOYMENT:	1.0	2.3-	3.6	11.0	13.7	18.9
4.	PUBLIC WORKS PROJECTS:	1.5	1.5	1.5	6.2	6.2	6.2
5.	DIRECT STIMILIS TO PRIVATE SECTOR:	1.65	1.65	1.65	6.6	6.6	6.6
6.	NATIONAL HEALTH INSURANCE:	88.7	101.6	114.6	314.1	342.5	370.9
7.	WELFARE REFORM:	12.3	18.9	25.6	44.4	70.8	497.3
8.	FEDERAL TAKEOVER OF STATE LOCAL WELFARE COSTS:	4.1	5.2	6.4	14.6	8 18.71	22.94
9.	TITLE I, ELEMENTARY & SECONDARY EDUCATION ACT full funding:	.25	1.175	2.1	1.0	4.7	8.4
10.	CHILD DEVELOPMENT PROGRAMS:	7.1	14.2	25,10	13.4	26.6	47.0
11.	EDUCATIONAL FINANCE EQUALIZATION:	11.0	22.0	27.88	38.3	5 76.7	85.28
12.	TAX BENEFIT FOR THE EDUCAT OF ELEMENTARY AND SECONDAR PUPILS:		.9	1.2	2.4	3.6	4.8
13.	EXPANDED VOCATIONAL EDUCATION:	.7	.8	.9	1.7	2.0	2.4
14.	COST OF EDUCATION PAYMENTS TO HIGHER EDUCATION IN- STITUTIONS:	.75	1.0	1.25	3.0	4.0	5.0
15.	VOIER REGISTRATION:	.05	.225	.500	.2	.9	2.0
16.	INCREASING SOCIAL SERVICES TO KEEP PACE WITH INFLATION:	1.4	15	1.7	4.1	4.5	4,9
17.	LIBERALIZATION OF ALLOWABI EARNINGS LIMITATION UNDER SOCIAL SECURITY:		4.6	5.8	7.2	18.4	23.2
	VA EDUCATIONAL ASSISTANCE - 2 years	0	·o	0	.9	.9	.9
19.	INDEX REVENUE SHARING TO INFLATION:	1.4	1.7	2.0	3.4	4.2	5.0
y . ,	CHANGE REVENUE SHARING FORMULA	6.7	.9	1.25	2.7	3.6	4.5
21.	SUBSIDIES OF LOANS FOR LO & MODERATE INCOME HOUSING CONSTRUCTION:		5.5	3.0	6.0	10.9	12.0
22.	EXPAND HOUSING SUBSIDIES FOR THE ELDERLY:	.1	.2	.3	.4	.8	1.2

	Proposal		30 one-yea	r	1977- estir	-80 four-y	year
		LOW	MID (billions	HIGH	LOW	MID pillions)	HIGH
23.	STEADY FLOW OF HOUSING CREDIT:	.06	.13	.19	.3	.5	.8
24.	UPGRADING SECONDARY ROADS & BRIDGES:	.8	1.6	2.4	1.6	3.3	4.9
25.	FULL FUNDING OF RURAL DEVELOPMENT ACT:	.4	.6	.8	1.5	2.1	2.9
26.	INCREASED FEDERAL FUNDING FOR ENERGY RESEARCH AND DEVELOPMENT:	.6	1.3	1.6	.8	1.6	2.3
27.	FARM PRICE SUPPORT PROGRAMS:	4.4	4.9	6.2	16.4	17.8	20.6
29	74.	?	?	?	?	?	?
	TOTAL:	161.5+	\$217.2+	\$270.5+	\$534.2+	\$706.1+	\$850.1+

.

1. HUMPHREY-HAWKINS BILL

The Congressional Budget Office prepared an economic analysis of the Humphrey-Hawkins bill, H.R. 50, "The Full Employment and Balanced Growth Act of 1976." (May 21, 1976.) Using a variety of economic and policy assumptions, this analysis indicated that although the initial net cost (allowing for reduced unemployment compensation payments and increased tax revenues) would run between \$12.1 and \$31.5 billion, the net cost of the program after 12 months of operation would taper off to between \$7 and \$19.9 billion and after 24 months to between \$5.4 and \$15.9 billion. Estimating the four year cost can be done two ways. Using the initial cost figure (\$12.1 to \$31.5 billion) to represent achievement of 3 percent unemployment by 1980, assume a linear progression toward that goal at a 25% rate annually, i.e. one-fourth the full program in the first year (\$3 to \$7.8 billion), one-half the second year and three-fourths the third year. The total four year net cost under this method of estimating would range between \$30 and \$78.5 billion. An alternative would be to compute the initial cost, the 12-month figure, the 24-month figure and assume that the fourth year would approximate the 24-month figure as well. This yields a range of net cost between \$29.9 and \$83.2 billion. As CBO further indicates, "inflation that occurs between 1976 and 1980 could increase these costs." These estimates are based on 1976 dollars.

The range of estimates for each period depends on displacement and inclusion or exclusion of teenagers over age 18 in the program. Public employment programs often displace some workers who had previously been employed, perhaps in lower-paying private-sector jobs, or by simply rehiring with federal funds persons who had been previously paid with state or local funds. CBO low-end cost estimates were based on an assumption of zero displacement, while high-end estimates assumed a 40 percent displacement rate. Higher displacement would mean even higher costs.

2. CCUNIERCYCLICAL AID TO CITTES

Many ambitious countercyclical aid proposals were circulated in Congress in the wake of the New York City fiscal crisis. The concept -- giving no-strings-attached federal grants to states and cities -- found its way into a job creation bill, S. 3201 (now P.L. 94-369) as Title II. Congress overrode the veto of this legislation and, pending appropriations, distribution of countercyclical funds is scheduled to begin in the fall of 1976.

Originally proposed as an annual \$2 billion program, the enacted version was pegged at \$1.25 for the first five quarters. However, the first (July, 1976) quarter payment will total somewhat over \$300 million.

Although the Democratic Platform endorses the countercyclical aid concept without specifying a funding level, Jimmy Carter in his presentation to the Democratic Platform Committee stated that "\$2 billion of countercyclical assistance...is essential and affordable."

Estimating added countercyclical aid costs depends on future rates of unemployment. Assuming the present program at \$1 billion annually, Carter's \$2 billion proposal means an added \$1 billion per year. Higher or lower unemployment rates affecting the current program would raise or lower this one-year estimate. The four-year estimate would similarily be affected by the extent and duration of 6% or higher unemployment rates.

3. PUBLIC EMPLOYMENT

The Democratic Platform states that "consistent and coherent economic policy requires federal" anti-recession grant programs...accompanied by public employment.... In each case, the programs should be phased in automatically when unemployment rises and phased out as it declines. Carter's presentation to the Democratic Platform Committee he was more specific:
"we should provide 800,000 summer youth jobs and double the CETA program

from 300,000 to 600,000 jobs."

In February, 1976, the House of Representatives, under Democratic leadership, passed the "Emergency Employment Projects Amendments of 1976," H.R. 11453. This legislation would have increased Title II and VI CETA public employment jobs from 320,000 to 600,000. The Congressional Budget Office estimated that additional costs, over existing programs, would run about \$4.373 billion for Fiscal 1977, assuming an average annual cost of \$7289 per job created. The Education and Labor Committee disagreed with this estimate and predicted that the average man-year cost of a public service job under the bill would be \$8500, or an overall cost of \$5.1 billion.

This legislation was side-tracked in the Senate, however, and H.R. 12987, a stop-gap measure continuing the CETA public employment programs due to run out during the Fiscal 1976-77 transition quarter, was enacted instead. The net cost of the Senate version of H.R. 12987 was estimated by the Congressional Budget Office to be \$1.543 billion in Fiscal 1977. The final conference version of the legislation will be an estimated \$2.5 billion.

President Ford, by contrast, had requested a \$1.5 billion measure that provided for phasing out Title VI of this program in Fiscal 1977.

Since the Carter and Democratic Platform proposals range from the program favored by the House Democratic leadership to the final version of H.R. 12987, an estimate range is derived by assuming that President Ford would provide \$1.5 billion in Fiscal 1977 for Title VI during its phase-out period and nothing thereafter while assuming that a Carter administration would go for the \$5.1 billion program, the \$2.5 billion program or a figure inbetween, probably depending on prevailing unemployment rates. This computation yields a Fiscal 1977 net estimate of between \$1 billion for the added cost of H.R. 12987 over the President's request to \$3.6 billion for the added cost of H.R. 11453 over the President's request. Assuming that inflation increases would cancel out any savings from lower program levels due to reduced unemployment, a four-year range falls between \$11 billion and \$18.9 billion.

All the above estimates allow for the potential savings to be realized from unemployment compensation reductions and increased tax revenues. Regarding summer jobs, it should be noted that since 830,000 summer jobs were funded this year, 80,000 more than Carter recommended, a small savings would be obtained.

4. PUBLIC WORKS PROJECTS

The Democratic Platform calls for "public works projects" as a part of a "consistent and coherent economic policy." Carter, in his testimony before the Democratic Platform Committee elaborated:

"creation of meaningful and productive <u>public needs</u> jobs as a supplement to the private sector, including jobs for unmet needs in areas such as bousing rehabilitation and repairing our railroad railbeds."

A major public works-jobs initiative by the Congressional Democratic Leadership, H.R. 5247, the "Public Works Employment Act" was enacted in January 1976. When it was vetoed by President Ford, Congress responded with a second similar but scaled down bill, S. 3201, which became law despite a second veto. Were it not for having a Republican President in the White House, the first measure would now stand as public law, and with a Democratic President, the total cost might have been even higher than H.R. 5247.

H.R. 5247 carried a \$6.2 billion authorization which would have resulted in a Fiscal 1977 spending increase of about \$2.5 billion, over \$1 billion in Fiscal 1978 and another \$1.5 billion in Fiscal 1979 and beyond.

5. DIRECT STIMILUS TO THE PRIVATE SECTOR

The Democratic Congress enacted the "Emergency Employment Appropriations Act, 1976," H.R. 4481, in an ill-advised effort to stimulate the economy through increased deficit spending. Typical of "direct stimulus" proposals, this measure weighed in at some \$3.3 billion over the amount requested by President Ford, and would have required expenditures of about half this amount in Fiscal 1976 and the remainder in Fiscal 1977 and subsequent years, despite the fact that unemployment percentages were already trending downward. Several items in the bill were for increased spending levels for existing programs; their effect would be to lock in higher costs for these programs in future years. Assuming that a Democratic Congress unimpeded by a Republican President would enact a program of at least this magnitude, a \$1.65 billion annual figure stands as a reasonable estimate.

6. NATIONAL HEALTH INSURANCE

Both the Democratic Platform and Jimmy Carter's presentation to the Democratic Platform Committee call for a comprehensive national health insurance system with "universal and mandatory" coverage, financed by a combination of employer-employee shared payroll taxes and general tax revenues.

The most serious legislative proposal to provide this form of health insurance is H.R. 21, the Kennedy-Corman bill. Federal spending for the first year of this program has been estimated at \$70 billion by the Rand Corporation (May, 1976). However, this cost will be offset by a savings of \$4 billion through elimination of present tax expenditure items. The net cost during the first year of the program's operation is therefore estimated at about \$66 billion. This approximates the estimates made by the Congressional Budget Office.

Projecting the cost of national health insurance, the Congressional Budget Office in its March 15, 1976, Budget Options for Fiscal Year 1977 report discussed the impact of various options. For a tax-financed comprehensive national health plan, it calculated the following range of estimates (which vary depending on assumptions regarding the effectiveness of cost controls):

FY	billions
1977	 \$114.0 - \$116.5
1978	 \$125.4 - \$135.4
1979	 \$138.3 - \$156.7
1980	 \$151.4 - \$177.3
1981	 \$164.7 - \$200.1

CBO estimated continuation of programs which health insurance would replace during the same period to cost:

FY	billions
1977	 \$45.0
1978	 \$50.8
1979	 \$56.5
1980	 \$62.7
1981	 \$69.3

By contrast, President Ford's budget proposed curtailing growth in federal health expenditures by program consolidation and limiting reimbursable physician and hospital costs, while adding protection against catastrophic health costs and placing a ceiling on beneficiary cost-sharing for medicare services. The Ford proposal would have saved \$3.3 billion in Fiscal 1977, reducing the total to \$41.7 billion. Figures are not available for anticipated savings through Fiscal 1981 but they would yield a program somewhat less costly than the present one.

By subtracting the projected cost of present programs from the anticipated costs of a taxfinanced comprehensive national health insurance program, it is possible to get an idea of the added costs of Carter's platform proposal:

FY		billions
1977	-	\$69.9 - \$71.5
1978		\$74.6 - \$84.6
1979		\$81.8 - \$100.2
1980		\$88.7 - \$114.6
1981		\$95.4 - \$130.8

Total added cost over the 1977-1980 four-year period would be between \$314.1 and \$370.9 billion.

7. WELFARE REFORM

According to the Democratic Platform, 'Fundamental welfare reform is necessary. ...We should move toward replacement of our existing...system with a simplified system of income maintenance, substantially financed by the federal government." Both the Platform and Carter's testimony to the Platform committee emphasize the need for a work requirement.

The proposal developed by former Congresswoman Griffiths (D-Mich.) stands as the most seriously considered welfare reform proposal of the type Carter describes. The Congressional Research Service of the Library of Congress estimates that the Griffiths bill will cost, in addition to the \$11.2 billion currently being spent on welfare programs (1976 figure), an additional \$1.5 billion in outlays and \$8.4 billion in lost tax revenues, for a total cost of \$9.9 billion over present welfare costs.

The Congressional Budget Office in their March 15, 1976 report on <u>Budget Options</u>, estimated that.

"If the (Griffiths) system were initiated in 1978 and cash allowances were raised to keep pace with inflation, the first year cash allowance outlays would be \$2.3 billion less than levels needed to maintain current policy in the programs which the cash allowance would replace -- AFDC and food stamps. However, the tax credit would reduce 1978 revenues and generate outlays estimated at \$25.4 billion. Estimated costs do not assume an extension of the present earned income tax credit. The net effect...would be to raise federal outlays for income assistance for the lower-income population by \$23.1 billion in 1977 and \$26.4 billion by 1981."

In contrast, President Ford has proposed several cost-saving measures for welfare programs which would reduce program costs below the current policy level by \$4.9 billion in fiscal year 1977. Computing the cost of the Griffiths proposal over present policy, however, yields the following estimates if the Library of Congress estimate is used as the low figure, the CEO estimate as the high figure, and the average of the two as the middle figure:

FY	Low	Medium (billions)	High
1977 1978 1979 1980	\$ 9.9 10.7 11.5 12.3	\$16.5 17.3 18.1 18.9	\$23.1 23.9 24.7 25.6
Total	\$44.4	\$70.8	\$97.3

8. REDUCING STATE AND LOCAL SHARE OF WELFARE COSTS

Carter, testifying before the Platform Committee, stated that, "The welfare burden should be removed from cities, with all welfare costs being paid by the federal and state governments."

The Democratic Platform elaborated, ... 'Local governments should no longer be required to bear the burden of welfare costs...there should be a phased reduction in the states' share of welfare costs.

Using HEW's most recent (1975) figures, a 75 percent federal government assumption of state and local contributions for AFDC, SSI and Social Services would amount to \$4.38 billion, in addition to the \$10.7 billion in federal funds already being spent. A 75 percent takeover of just AFDC contributions would run some \$2.8 billion over the present federal share of \$4.5 billion.

Four-year estimates were not available. However, it is clear that inflation, increased welfare rolls and whatever higher welfare costs are involved in a welfare reform program would push the estimates up significantly. If more than 75 percent federal takeover were contemplated, this too would increase federal costs.

OMB calculates that under current policy, AFDC costs would increase during the next five years at about seven percent annually while SSI would go up annually at a rate between eight and eleven percent. Ignoring the increases that would be attributable to a costly welfare reform program, figuring an annual growth rate of eight percent and working from the 1975 figures, the following estimates are derived:

FY	low ¹	medium (billions)	high ²
1977 1978 1979 1980	\$ 3.26 3.52 3.80 4.10	\$ 4.18 4.51 4.87 5.25	\$ 5.10 5.50 5.94 6.40
Total	\$14.68	\$18.71	\$22.94

1AFDC only 2AFDC, SSI and Social Services

.9. TITLE I, ELEMENTARY AND SECONDARY EDUCATION ACT

The Democratic Platform states that,

'We should strengthen federal support of existing programs that stress improvement of reading and math skills. Title I of the Elementary and Secondary Education Act must reach those it is intended to benefit to effectively increase these primary skills. 'Break-throughs' in compensatory education require a concentration of resources..."

Democrats: in Congress have repeatedly sought full funding of Title I, ESEA, i.e. appropriating fully as much as the Act authorizes. Since the FY 1977 authorization is \$4.39 billion and the appropriations will be \$2.28, full funding would require an additional \$2.1 billion in Fiscal 1977 (high estimate). The Congressional Budget Office's July 15, 1976 report on Budget Options indicates that "increasing the share of federal resources devoted to services for inadequately served populations could add \$250 million to Title I" (low estimate). Choosing a course of increased funding mid-way between full funding, the goal of the education lobby, and the CBO's budget option yields a figure of \$1.175 billion. Assuming that inflationary pressure will push up present expenditure rates as well as Carter increases between 1977 and 1980, the four-year estimate is simply a multiplication of the 1977 one-year estimate.

10. DEVELOPMENTAL AND EDUCATIONAL CHILD CARE PROGRAMS

The Democratic Platform calls for,

"federally financed, family centered developmental and educational child care
programs -- operated by the public schools or other local organizations, including both private and community -- and that they be available to all who
need and desire them."

Carter's presentation to the Platform similarly called for "adequate child care for all

parents who desire to use it," and for "high quality, accessible child care facilities so that mothers who wish to work can do so,"

The leading proposal to develop the kind of program described by the Democratic Platform is the one developed by Senator Mondale, the Vice-Presidential nominee, and Rep. Bradenas, S.626/H.R. 2966, "The Child and Family Services Act." This would create a new federal program.

This legislation contains a deceptively low initial authorization level sufficient only to allow for an initial planning phase and a gradual start-up of this massive new program -- just \$1.85 billion for a three-year period. However, the program structured under this Act, if fully implemented, would be vastly more costly after the initial start-up period. Most of those who have sponsored the bill and have testified before House and Senate Subcommittees on it have emphasized its child care or child development aspects, and it is fair to say that they hope the program would make available reasonably high quality child care services to those who want or need them.

The Executive Director of the Child Welfare League testified, for example, that, "appropriations needed to provide decent child care for the segments of the child population most at rish is...\$14.243 billion per year. Costs for purely custodial care,...would be about half that amount."

His estimates were based on the following assumptions:

"latchkey" children needing care: 10,000 under age six\$26,000,000 (\$2,600 per chi	Amount
per year) 842,000 school age\$1.094 billion (\$1300 per child per year)	i\$1.120 billion
184,000 children looked after by caretaker while at work: 65,000 preschool\$169 million 119,000 school age\$154 million	\$.323 billion
4,925,000 preschool children requiring care whose parents are in work force	
TOTAL.	\$14.243 billion

(Joint Hearings of the Committee on Labor and Public Welfare, U.S. Senate and the Subcommittee on Select Education and Labor, U.S. House of Representatives, on S. 626 and H.R. 2966, on February 21, 1975, page 210.)

The Congressional Research Service of the Library of Congress attempted to cost out a fully-implemented Brademas-Mondale child development/child care program and arrived at a \$25.1 billion figure, making the following assumptions:

- Children Under 1 Year -- 3,081,000; assume a 5 percent participation rate and a cost per child of \$3,000.

 Cost = \$462,150,000.
 - Age 1 -- 2,999,000; assume a 10 percent participation rate and a cost per child of \$3,000.

 Cost = \$899,700,000.
 - Age 2 -- 3,014,000; assume a 20 percent participation rate and a cost per child of \$2,700.

 Cost = \$1,657,700,000.
 - Age 3 -- 3,225,000; assume a 50 percent participation rate and a cost per child of \$2,500.

 Cost = \$4,031,250,000.
 - Age 4 3,577,000; assume a 50 percent participation rate and a cost per child of \$2,500.

 Cost = \$4,471,250,000.
 - Age 5 -- 3,493,000; assume a 50 percent participation rate and a cost per child of \$1,700.

 Cost = \$2,969,050,000.

Ages 6 through 12

2 -- 25,824,000; assume a 50 percent participation rate and a cost per child of \$900.

Cost = \$11,620,800,000.

Ages 13

14 -- 8,434,000; assume a 30 percent participation rate and a cost per child of \$800.

Cost = \$2,024,160,000.

High though this estimate may seem, the Library points out that the bill does not limit eligibility for services and that the costs per child were mid-range estimates based on amounts currently deemed necessary by experts for "adequate" or "good" child care.

Assuming that Carter would fully implement the program described in the platform, estimates are made based on the Library of Congress figure for the high-range, the Child Welfare League figure for the mid-range, and half the Child Welfare League figure for the low-range. It is also assumed that the program will begin at a very modest level and then double each year to reach full program levels by 1980.

FY	low	medium (billions)	high
1977 1978 1979 1980	\$.9 1.8 3.6 7.1	\$ 1.75 3.55 7.10 14.20	\$ 3.13 6.27 12.55 25.10
Total	\$13.4	\$26.60	\$47.05

11. EDUCATIONAL FINANCE EQUALIZATION

The Democrats indicate that they want to,

"guarantee that jurisdictions of differing financial capacity can spend equal amounts on education....With increased federal funds, it is possible to enhance educational opportunity by eliminating spending disparities within state borders."

In Congress, several bills have been proposed by Democratic leaders to achieve this "equalization" of educational finances via infusions of federal funds.

H.R. 16 was introduced by Rep. Perkins, Democratic Chairman of the House Education and Labor Committee. Under this proposal, Title I Basic Grants to States would be between \$4.1 and \$4.5 billion based on a 41.1 million school enrollment figure for the 1978-79 school year base figure. Title II Equalization Grants would run between \$21.1 and \$23.3 billion. The range in both cases depends on whether or not private school enrollment were compensated. The grand total for this bill, therefore, would be between \$26.2 and \$27.8 billion by 1980.

H.R. 16 - Educational Finance Equalization (billions)

•	Title I - basic	grants	Title II equalization Grants	Total
1977	public only	\$4.33	\$8.83	\$13.16
	public & private	4.77	9.74	\$14.51
1978	public only	\$4.30	\$13.16	\$17.46
	public & private	4.74	14.49	\$19.23
1979	public only	\$4.23	\$17.27	\$21.50
	public & private	4.66	19.00	\$23.66
1980	public only public & private	\$4.16 4.57	\$21.19 23.31	\$25.35 \$27.88
TOTAL	public only	\$17.02	\$60.45	\$77.47
	public & private	18.74	66.54	\$85.28

This proposal presses the limits of what an unrestrained Democratic Congress prodded by a Democratic President might seek for an educational finance program and therefore constitutes a

high-range estimate.

For a mid-range estimate, H.R. 10145, another Perkins bill, was used. This measure provides for a federal grant to all States for each fiscal year equal to one-third of the aggregate current expenditures in all States for the second fiscal year preceding such fiscal year which were derived from State or local sources. The costs of this program will be approximately \$16.6 billion for Fiscal 1977, \$18.1 billion for 1978, \$20 billion for FY 1979 and \$22 billion for FY 1980.

For a low-range estimate, assume that a program is enacted amounting to only one-sixth the aggregate current expenditures, i.e. one-half the amounts specified in H.R. 10145.

12. TAX AID FOR THE EDUCATION OF ALL PUPILS

The Democratic Platform supports "a constitutionally acceptable method of providing tax aid for the education of all pupils in non-segregated schools in order to insure parental freedom in choosing the best education for their children."

Dozens of bills have been introduced in Congress on this subject. Assuming eligible private school enrollment of between five and six million and an average tax benefit of \$150 per year -- a threshold amount necessary to have any meaningful impact on parents' ability to afford private education -- the revenue cost would be \$900,000,000. A \$200 tax benefit would mean a revenue cost of \$1.2 billion annually (high estimate) while a \$100 tax benefit would reduce revenues by \$.6 billion (low estimate). For four-year estimates, it is assumed that enrollments will hold steady, although were such a tax benefit to be enacted it might well have the effect of stimulating increased private school enrollments.

13. EXPANDED VOCATIONAL EDUCATION

The Democratic Platform favors expanding federal support in various areas of educational need, including vocational education. It also commits itself to support of adult education and training which will provide skills.

Jimmy Carter, testifying before the Democratic Platform Committee, elaborated by stating that these programs should address the 2.5 million students leaving the educational system without adequate vocational training and the 750,000 untrained youth entering the unemployment pool annually. He recommended that community colleges and other existing programs be strengthened and extended.

One reasonable estimate of what expanded federal support in these areas might entail would be to look at the House and Senate-passed versions of new vocational education legislation.

The Senate version, S. 2657, authorized for Title II vocational education and Title V career education programs of \$1.091 billion for Fiscal 1978, \$1.310 billion for FY 1979, and \$1.525 billion for FY 1980.

The House version, H.R. 12835 authorized for vocational education \$.780 billion for FY 1977, \$.973 billion for FY 1978, \$1.134 billion for FY 1979, and \$1.314 billion for FY 1980.

Current spending levels for Occupational, Vocational and Adult education are running somewhat over \$600 million annually.

Using the House bill as the low estimate, the Senate bill as the high estimate and the average of the two as the mid-range estimate yields the following:

FY	1ow	medium (billions)	high
1977 1978 1979 1980	\$.1 .4 .5 .7	\$.2 .45 .6	\$.3 .5 .7
Total	\$1.7	\$2.05	\$2.4

14. COST OF EDUCATION PAYMENTS TO HIGHER EDUCATION INSTITUTIONS

The Democratic Platform calls for the federal government to "directly provide cost of education payment to all higher education institutions...to help cover per-student costs which far exceed those covered by tuition and fees."

Such a program is presently authorized at \$1 billion annually under the Higher Education Act, Title IV - A - 5, Sec. 419 (including general assistance to graduate schools). Funds for this

program have never been appropriated, so any money for it would be in addition to present spending levels.

Using this already-enacted \$1 billion program as a mid-range estimate, a low estimate might be derived by calculating 75% funding while a high estimate might mean a 25% increase in the program.

15. VOTER REGISTRATION BY MAIL

Both the Democratic Platform and Jimmy Carter, in testimony before the Platform Committee, called for:

"passage of legislation providing for registration by mail in federal elections to erase existing barriers to voter participation."

Democratic Members of the House of Representatives, responding to pressure from candidate Carter, pushed through a watered down version of the "Voter Registration Act," H.R. 11552. The Senate, favoring a more ambitious proposal, has not acted. Carter, in the meanwhile, subsequently advocated "universal registration," a still more costly option.

Estimates for implementing a registration by mail program have been variously estimated at \$50 million to \$500 million. Usually excluded from these estimates are the hidden expenses the Postal Service will be forced to absorb for distribution of the registration forms to every address in the United States.

Although federal elections are held every two years, the cost estimates for the registration legislation are computed on an annualized basis. Using \$50 million for a low estimate, \$500 million for a high estimate and the mid-point of \$225 million as a mid-range estimate and assuming that increasing experience and efficiency in operating the program will cancel out inflation increases during the first four years yields four-year estimates of \$.2 billion, \$.9 billion, \$2 billion.

16. INCREASING THE SOCIAL SERVICES PROGRAM TO KEEP PACE WITH INFLATION

The Democratic Platform states:

"In 1972, the ceiling for federal social service grants was frozen at \$2.5 billion, and subsequent inflation of 28 percent has reduced the effective federal aid to existing programs. While there must certainly be a ceiling on such grants, it should be raised to compensate for inflation and to encourage states and localities to expand social services to low- and moderate-income families."

Compensating for the 28 percent inflation since 1972 will cost \$700 billion annually, giving a new social services base of \$3.2 billion. Estimating FY 1977-80 costs depends on what inflation rate is assumed. Using a 5 percent rate for a low estimate, a six percent rate for the middle estimate, and a 7 percent rate for a high estimate yields the following additional costs over the present ceiling (\$2.74 billion in FY 1977, \$2.5 billion thereafter):

FY	low	medium (billions)	high
1977 1978 1979 1980	\$.5 1.0 1.2 1.4	\$.6 1.1 1.3 1.5	\$.6 1.2 1.4 1.7
Total	\$4.1	\$4.5	\$4.9



Extending eligibility for social services to low- and moderate-income families would involve an astronomically expensive restructuring of this welfare-oriented program, the cost of which is impossible to calculate without further details.

17. LIBERALIZATION OF THE ALLOWABLE FARNING LIMITATION UNDER SOCIAL SECURITY

There is currently a limit of \$2760 on the amount one may earn and still draw full social security benefits. The Democratic Platform advocates "a liberalization of the allowable earnings limitation under Social Security for older Americans who wish to continue working and living as productive citizens."

Raising the present limit to \$5000 would cost \$1.8 billion in additional Social Security benefit payouts. A \$10,000 limit would add \$4.6 billion; a \$15,000 limit would add \$5.8 billion and any limit higher than \$20,000 would cost from \$6 to \$7 billion.

Using \$5000 as a low estimate, \$10,000 as a mid-range estimate and \$15,000 as a high estimate and holding these figures constant (even though income security benefits for the aged increased by 28.5 percent between 1975 and 1977 and can be expected to continue climbing sharply during the next four years) yields four-year estimates of \$7.2 billion, \$18.4 billion and \$23.2 billion respectively.

18. EXTEND VA EDUCATIONAL ASSISTANCE TWO YEARS

In previous wars, veterans received eight years of educational benefits. Thus far, Vietnam veterans have received 10 years of benefits, and Carter proposes to extend educational assistance two years for those veterans already enrolled and drawing benefits in VA-approved educational and training programs.

According to the Veterans Administration, provision of a two-year extension to veterans who were enrolled in education programs under the G.I. bill during the Spring senester of 1976 and whose educational benefits expired on May 31, 1976 would cost \$610 million in FY 1977 and \$356.5 million in FY 1978.

19. INCREASE REVENUE SHARING TO COMPENSATE FOR INFLATION

An increase in the annual funding of the general revenue sharing program to compensate for the erosion of inflation is called for by the Democratic Platform.

Using a five percent rate for a low estimate, a six percent rate for a middle estimate and a seven percent rate for a high estimate gives the following increases in the present \$6.65 billion revenue sharing program:

FY	low	medium (billions)	high
1977	\$.3	\$.4	\$.5
1978	.7	.8	1.0
1979	1.0	1.3	. 1.5
1980	1.4	1.7	2.0
Total	\$3.4	\$4.2	\$5.0

20. CHANGE REVENUE SHARING FORMULA

Without greater specificity, it is impossible to cost out the impact of a broadly-based community needs formula which conceivably could include poverty, condition of housing stock, percentage of dependent population or other variables. However, H.R. 10319, a measure introduced by Rep. Fascell and proposed as an amendment during the 1976 revenue sharing debate, provided a needs-based formula using only poverty level data. A computer simulation of the impact of this formula showed that the additional cost could be \$630 million annually, or a four-year total of \$2.52 billion.

Adjusting the formula to measure tax effort could be done in a variety of ways. Assuming that the principal concern is to expand the definition of tax effort to include other non-tax sources of revenue such as water, sewage and sanitation charges, however, yields an annual \$270 million figure for a four-year total of \$1.08 billion.

Using these estimates as a mid-range figure, 75% of that amount as the low estimate and 125% as the high estimate yields the following:

FY	low	medium (billions)	high
1977	\$.675	\$.9	\$1.125
1978	.675	.9	1.125
1979	.675	.9	1.125
1980	.675	.9	1,125
Total	\$2.7	\$3.6	- \$4.5

21. SUBSIDIES AND LOANS FOR LOW AND MODERATE INCOME HOUSING CONSTRUCTION

The Democratic Platform takes the Republicans to task for losing the "vision of the House Act of 1968 the result of three decades of enlightened Democratic housing policy...reasserts these goals and pledges to achieve them." This Act, typical of the extravagant promises and false expectations of the 1960's, promised 2.6 million units a year. Achieving this would involve subsidizing probably 1 million units substantially or even building them directly. Assuming \$25,000 per unit, the cost would be \$25 billion annually for direct construction. Reinstituting the original Section 235 and 236 programs with a 1 percent interest rate for 40 years would involve obligations of \$72 billion.

Such goals are obviously impossibly high, and the Democratic Platform and Carter's testimony to the Platform Committee pledge support for direct federal subsidies and low interest loans to encourage the construction of low- and moderate-income housing.

Fiscal Year 1977 outlays for housing subsidies to stimulate low- and moderate-income housing under Section 8, interest subsidies, Section 235 and 236 amount to \$3 billion.

Assuming the Democrats mean to double this figure, an assumption well in keeping with legislative proposals by Democratic Congressional leaders, would mean another \$3 billion annually for a four-year total of \$12 billion.

The Congressional Budget Office March 15, 1976 report on <u>Budget Options</u> indicates that expanding production of subsidized housing for lower-income households through emphasis on Section 8 and assisting roughly 5.2 million households would require additional outlays of \$1.7 billion in Fiscal 1977, \$1.2 billion in Fiscal 1978, \$2.5 billion in Fiscal 1979 and \$5.5 billion in Fiscal 1980, for a four-year total additional outlays of \$10.9 billion.

Using a 50% increase in existing outlays as a low estimate, the CBO option as a middle estimate and a doubling of existing outlays as a high option yields the following:

FY	low	medium (billions)	high
1977	\$1.5	\$1.7	\$3.0
1978	1.5	1.2	3.0
1979	1.5	2.5	3.0
1980	1.5	5.5	3.0
Total	\$6.0	\$10.9	\$12.0

22. HOUSING SUBSTDIES FOR THE ELDERLY

Both Carter and the Democratic Platform call for expansion of the highly successful programs of direct federal subsidies to provide housing for the elderly. Fiscal year 1977 outlays for this program are approximately \$200 million. "Expansion" is assumed to mean a 50 percent increase, a doubling or a 150 percent increase for purposes of arriving at low, medium and high estimates. This would require \$.1, \$.2 or \$.3 billion respectively for one-year and \$.4, \$.8 or \$1.2 billion for four-years.

23. STEADY FLOW OF HOUSING CREDIT

Carter's testimony before the Democratic Platform Committee called for "providing a steady source of credit at low interest rates to stabilize the housing industry." This proposal was included in the Democratic Platform.

The major program that Democrats in Congress have pushed in the past and are likely to press in the future in the mortgage credit area is GNMA. An additional \$5 billion has been authorized in the Emergency Housing Act of 1976. \$2 billion of this \$5 billion has been appropriated for use by HUD during Fiscal 1977. Assuming all \$5 billion would be appropriated and utilized during a Carter Administration, and assuming further an outlay level equal to 10 percent of total obli-

gational authority results in an estimate of \$.125 billion per year or \$.5 billion over four years. Spending only half this amount could be assumed for a low estimate, while additional legislation to spend 50% more would yield a high estimate.

24. UPGRADING SECONDARY ROADS AND BRIDGES

The Transportation plank of the Democratic Platform offers commitment to dealing with transportation needs of nural America by upgrading secondary roads and bridges and by completion of the original plan of 1956 for the interstate highway system where it benefits nural Americans.

The most recent (1972) National Highway Needs Study estimates that some \$36.8 billion of backlog and new needs would accrue by 1980, and \$38.4 billion by 1990, in terms of 1969 dollars, or \$51.7 and \$53.9 billion in terms of current dollars. Undertaking this upgrading in a four-year program is not feasible because state and local matching funds would not be available, federal regulations preclude expeditious programming of capital improvements, the construction industry could not respond to this magnitude of demand so quickly nor could state and local highway agencies. Therefore, apportioning the upgrading goal out through 1990, assuming that no increase at all could occur in 1977, a realistic attempt to upgrade secondary roads and bridges would involve at a low range \$1 billion annually between FY 1978-80 for a FY 1980 expenditure increase of \$.8 billion and a cumulative FY 1978-80 expenditure increase of \$1.630 billion. At a mid-range of \$2 billion annually from FY 1978-80, the FY 1980 expenditure increase would be \$1.614 billion for a cumulative impact of \$3.26 billion. At a high-range \$3 billion FY 1978-80 level, the FY 1980 expenditure increase would be \$4.9 billion.

25. FULL FUNDING OF THE RURAL DEVELOPMENT ACT

The Democratic Platform "pledges to strengthen the economy and thereby create jobs in our agricultural and rural areas by the full implementation and funding of the Rural Development Act of 1972."

Under existing policy, Federal expenditures for the Act are expected to be \$.29 billion in FY 1977, \$.34 billion in FY 1978, \$.48 billion in FY 1979 and \$.67 billion in FY 1980.

The Library of Congress examined the 14 programs contained in the Rural Development Act and estimated that probable maximum levels of program participation and demand would increase costs between \$.64 billion and \$.82 billion during those years. Using this as a high estimate, 75% of this figure for a mid-range estimate and half the maximum for a low-range estimate yields the following additional expenditures:

FY	low	medium (billions)	high
1977	\$.32	\$.48	\$.64
1978	.35	.53	.70
1979	.38	.56	.76
1980	.41	.61	.82
Total	\$1.46	\$2.18	\$2.92

26. INCREASED FEDERAL FUNDING FOR ENERGY RESEARCH AND DEVELOPMENT

The Democratic Platform recommends "that the federal government promptly expand whatever funds are required to develop a new system of energy...support an active federal role in research and development of clean burning and commercially competitive coal burning systems and technologies, ... (and undertake) major federal initiatives, including major governmental participation in early high-risk development projects...to harness renewable resources like solar, wind, geothermal, the oceans, and other new technologies such as fusion, fuel cell and the conservation of solid waste and starches into energy."

The Congressional Budget Office, in its July 15, 1976 Background paper No. 10 on Energy Research: Alternative Strategies indicates that a full funding strategy would add to the President's base program completion strategy all of the demonstration projects identified in ERDA's national plan in all program areas. This would be a high option estimate for the ambitious energy research and development program described in the Democratic Platform.

A mid-range option would be a strategy downplaying the fission programs but emphasizing all other long-term technologies. A low-range option would be a strategy emphasizing near- and mid-term technologies and deferring all major long-term technology demonstration projects not already underway.

In terms of budget outlays, the costs of these options over the program completion costs of \$2.7 billion in FY 1977, \$3.2 billion in FY 1978, \$3.6 billion in FY 1979 and \$3.8 billion in FY 1980 would be:

FY	low	medium (billions)	high
1977			
1978	\$.1	\$.1	\$.1
1979	.15	.2	.6
1980	.6	1.3	1.6
Total	\$.85	\$1.6	\$2.3

27. FARM PRICE SUPPORT AND PARITY PROGRAM

The Democratic Platform states that,

"Without parity income assurance to farmers, full production cannot be achieved in an uncertain economy. We must assure parity returns to farmers based on costs of production plus a reasonable profit."

Carter expressed the same concern in his testimony to the Democratic Platform Committee.

This language would seem to support the view that a Carter Administration would reinstitute the farm price support policies and acre limitations of the 1950's and 1960's. These old farm policies were largely abolished by the 1973 Agricultural and Consumer Protection Act. A return to these discarded policies would cost the U.S. more than \$4 billion a year by 1980 according to estimates of agricultural economists at the Brookings Institution and the U.S. Department of Agriculture.

Allowing for inflation, storage costs and crop size, estimates for additional costs of a price support program are:

FY -	low	medium (billions)	high
1977	\$ 3.8	\$ 4.0	\$ 4.2
1978	4.0	4.3	4.8 5.4
1980	4.4	4.9	6.2
Total	\$16.4	\$17.8	\$20.6

- 28. DOMESTIC DEVELOPMENT BANK
- 29. YOUTH PARTICIPATION IN PUBLIC EMPLOYMENT PROGRAMS
- 30. ESTABLISH SPECIAL MEANS FOR TRAINING AND LOCATING JOBS FOR DIFFICULT TO EMPLOY PEOPLE IN THE PRIVATE SECTOR AND TO EXTENT NECESSARY IN PUBLIC SECTOR
- 31. ADEQUATE FUNDING FOR A GREATLY IMPROVED GOVERNMENT-WIDE SYSTEM FOR DELIVERY OF EQUAL JOB & PROMOTION OPPORTUNITIES
- 32. DIRECT GOVERNMENT LOANS FOR SMALL BUSINESS, ESPECIALLY MINORITY OWNED
- 33. INDEXATION OF MINIMAM WAGE (would affect some government employees).
- 34. RAISE PAY STANDARDS FOR OVERTIME (would affect some government employees)
- 35. EXTEND UNEMPLOYMENT INSURANCE TO COVER ALL WAGE AND SALARY WORKERS
- 36. FULL ENFORCEMENT OF OSHA, COMPREHENSIVE MINE SAFETY ACT AND BLACK LUNG COMPENSATION
- 37. INDEPENDENT CONSUMER AGENCY
- 38. INCENTIVES TO REWARD EFFICIENCY & INNOVATION, ASSURE MONDISCRIMINATION AND AFFIRMATIVE ACTION IN CIVIL SERVICE
- 39. PARTIAL PUBLIC FINANCING FOR CONGRESSIONAL CANDIDATES ON MATCHING BASIS
- 40. OFFICE OF CITIZEN ADVOCACY IN EXECUTIVE BRANCH
- 41. FULL FUNDING FOR NEIGHBORHOOD LEGAL SERVICES FOR THE POOR
- 42. GOVERNMENT SUPPORTED SYSTEMS FOR DEVELOPING OBJECTIVE PRODUCT PERFORMANCE STANDARDS

- 43. INCREASED FEDERAL AID TO GOVERNMENT LABORATORIES AND PRIVATE INSTITUTIONS TO SEEK THE CURE TO HEART DISEASE, CANCER, SICKLE CELL ANEMIA, PARALYSIS FROM SPINAL CORD INJURY, DRUG ADDICTION AND OTHER INFLICTIONS (sic)
- 44. INCREASING THE NUMBER OF DOCTORS AND PARAMEDICAL PERSONNEL IN THE PRIMARY HEALTH FIELD
- 45. VIGOROUS FEDERAL PROGRAMS AND POLICIES OF COMPENSATORY OPPORTUNITY AND FULL FUNDING OF CIVIL RIGHTS PROGRAMS
- 46. EXPAND FEDERAL SUPPORT FOR BILINGUAL EDUCATION
- 47. FEDERAL AID TO IMPLEMENT DESEGREGATION THROUGH MATCHING FUNDS, INCENTIVE GRANIS AND OTHER MECHANISMS
- 48: INCREASED FEDERAL INVESTMENT IN GRADUATE EDUCATION
- 49. FULL FUNDING OF LIBRARY PROGRAMS
- 50. ADECUATE FUNDING AND IMPROVED MANAGEMENT AND HEALTH CARE IN VA HEALTH CARE PROGRAM
- 51. REDUCING HEALTH COSTS PAID BY SENIOR CITIZENS UNDER THE PRESENT SYSTEM
- 52. EXTEND MEDICARE TO AMERICANS ABROAD WHO ARE ELIGIBLE FOR SOCIAL SECURITY
- 53. FUNDING FOR THE GROWTH AND DEVELOPMENT OF THE NATIONAL ENDOWMENT FOR THE ARTS AND HUMANITIES
- 54. SPECIAL ANTI-RECESSION EMPLOYMENT PROGRAMS FOR ARTISTS
- 55. INCREASED EMPHASIS ON REHABILITATION OF EXISTING HOUSING TO REBUILD OUR NEIGHBORHOODS
- 56. INCREASE LOANS AND SUBSIDIES FOR HOUSING AND REHABILITATION ESPECIALLY IN POVERTY-STRICKEN AREAS
- 57. MASSIVE EFFORT TO HELP MAJOR OLDER CITIES IN THEIR UNPRECEDENTED FISCAL CRISES
- 58. FUNDING AND IMPLEMENTATION OF THE JUVENILE JUSTICE AND DELIQUENCY PREVENTION ACT OF 1974
- 59. EXTEND FEDERAL DEATH BENEFITS TO POLICE KILLED IN THE LINE OF DUTY
- 60. INCREASED FEDERAL OPERATING SUBSIDIES FOR MASS TRANSIT IN URBAN AND RURAL AREAS
- 61. PROGRAM OF NATIONAL RAIL AND ROAD REHABILITATION AND IMPROVED MASS TRANSIT TO PUT THOUSANDS OF UNEMPLOYED CONSTRUCTION WORKERS BACK TO WORK
- 62. DEVELOP PROGRAMS TO MAKE THE FAMILY FARM ECONOMICALLY HEALTHY AGAIN
- 63. INSURE AND GUARANTEE LOANS FOR ELECTRIFICATION AND TELEPHONE FACILITIES FOR RURAL AMERICANS
- 64. INSURE THE EXISTENCE OF ADEQUATE FACILITIES, COMMUNITY FACILITIES SUCH AS WATER SUPPLY AND SEWAGE DISPOSAL SYSTEMS, DECENT HOUSING AND NEEDED TRANSPORT
- 65. NEW FEDERAL INCENTIVES FOR ALDING INDIVIDUAL HOME OWNERS IN UNDERTAKING ENERGY CONSERVATION INVESTMENTS
- 66. STRIP MINING REGULATION
- 67. REVITALIZE BASIC CREDIT PROGRAMS FOR FARMERS
- 68. PROVIDE ADEQUATE CREDIT TAILORED TO THE NEEDS OF YOUNG FARMERS
- 69. REINSTATE SOIL CONSERVATION PROGRAMS
- 70. FEDERAL ASSISTANCE PROGRAMS TO FARM WORKERS FOR HOUSING, EMPLOYMENT, HEALTH CARE, SOCIAL SERVICES, AND EDUCATION
- 71. SUBSTANTIAL INCREASES IN FUNDING FOR ENVIRONMENTAL RESEARCH AND DEVELOPMENT
- 72. FEDERAL ASSISTANCE IN PROMOTING GREATER DEVELOPING COUNTRY CAPITAL MARKETS
- 73. SIGNIFICANT CONTRIBUTIONS TO THE MULTI-NATIONAL WORLD FOOD RESERVE SYSTEM
- 74. INCREASE BILATERAL AND MULTILATERAL ASSISTANCE TO AFRICA

THE WHITE HOUSE WASHINGTON

Stypen

MEMORANDUM FOR DICK CHENEY

FROM JIM REICHLEY

Attached is documentation for the memo on Carter that you gave me some time ago. The documentation has been supplied by the RNC.



Point 1.) There is the Carter, who has Paul Warnke as a national security advisor and will cut \$7 billion from the defense budget and there is the Carter, who has Paul Nitze as his advisor and will add \$30 billion to the defense budget.

Columnists Rowland Evans and Robert Novak relate that erstwhile speechwriter Robert Shrum was troubled by Carter's rejection of a "massively reduced defense ." Washington Post, May 13, 1976.

In his memorandum recounting his days as a Carter speechwriter. Shrum quotes an aide as saying that "the three men Carter most trusts on foreign aid and defense policy "are Columbia University professor Zbigniew Brzezinski, Admiral Hyman Rickover, and Paul Nitze, former assistant Defense Secretary. New Times, June 11, 1976.

Shrum relates that Carter rejected a Brzezinski naper because of advice by Nitze. Evans and Novak point out, however, that "both Brzezinski and Nitze want Carter to preserve his options in preparation for virtually inevitable higher military spending - advice accepted by Carter, according to Shrum's disclosures. Washington Post, May 13, 1976

Evans and Novak note with interest that Shrum discloses that Carter is reconsidering his opposition on the B-l Bomber, making Carter the only Democrat candidate with the exception of Sen. Henry Jackson to consider the issue favorably. Washington Post, May 13, 1976.

Carter has stated repeatedly his position favoring a cut in the military budget. Shrum points out that Carter has not indentified the base figure for the cut, meaning that he could fulfill this promise while permitting spending to rise. In addition to vagueness, Shrum relates a reluctance on the part of Carter to speak on the issue, quoting him as saying "I don't want to tie my hands as president... Anyway, there's no political advantage in the issue." New Times, June 11, 1976

Point 2.) The Carter who spoke in Wisconsin in favor of repealing the right to work laws; the Carter who said in Georgia before a group of financial supporters a week later that he does not support repeal of the right to work laws.

In an article in the April 14, 1976 <u>Atlanta Constitution</u> written by Jim Merriner, Carter is said to have stated in Waukesha, Wisconsin, "I think the 14-B should be repealed..." In that same article, however, Merriner reports that Carter said during a meeting of his Atlanta Executive Finance Committee in Atlanta that he had not advocated repeal of the 14-B. This was two weeks <u>after</u> his statement in Wisconsin.

Point 3.) The Carter who has built his campaign on a claim that he has streamlined the State Government in Georgia; the Carter, who presided over a state administration that increased it employees by 20% and increased state spending by 50%.

It is a given fact that Carter has repeatedly attacked the federal bureaucracy as "wasteful," and entirely too large. But, as is

alledged and according to Dick Pettys in a February 16, 1976, article in the Atlanta Constitution, in Carter's own "streamlined" Georgia government, state employment "rose under Carter from 34,322 to 42,400, an increase of 24 percent."

Also, "the state budget increased from \$1.057 billion in fiscal 1971 to \$1.675 billion, an increase of 58.5 percent."

Point 4.) The Carter who would simplify income tax forms and eliminate deductions including interest on mortgage payments; the Carter, who denies his plan to eliminate interest deductions.

On Monday, February 23, 1976, when asked by a member of the audience in Boston's League of Women Voters forum whether his tax reforms would include elimination of this tax break for homeowners, Carter said it "would be among those that I would like to do away with."

The article found in the February 26, 1976 <u>Boston Globe</u> begins by stating that opposition among leading Democrats was very vocal concerning Carter's plans "to eliminate the income tax deduction for home mortgage interest payments."

Yet, in the May 3, 1976, edition of <u>Business Week</u>, when asked if he was "against the homeowner's mortgage interest deduction," Carter answered, "No. I have said that this is one of the tax incentives I would consider changing, But I believe we do need some incentives for private home ownership."

Point 5.) The Carter, who ridiculed Lester Maddox in New Hampshire; the Carter, who praised him in 1970.

In an article in the October 27, 1970, Atlanta Constitution, there is the following statement:

" In Columbus (Ga.), while Maddox beamed from the first row, Carter described the Governor (Maddox) as representing 'The essence of the Democratic Party... he has compassion for the ordinary man. I am proud to be on the ticket with him.'"

However, after Maddox vigorously campaigned against Carter in New Hampshire this year, this statement is found:

"Carter admits he was shaken by the ferocity of the attacks on him, but he says he tried to deal with them in the usual way. 'I had four years of this with Maddox as lieutenant governor so I told lody (Powell, his press secretary) to just treat it like it was Lester.'"

Also, in the February 21, 1976, New York Times Carter said that the New Hampshire voters had "too much judgement to pay any attention to what Lester Maddox says."

Maddox called Carter a liar and a fraud. Carter responded with "Lester Maddox has a press conference every week or so and calls
me a liar, or a thief, or an atheist or a Communist or a Socialist FOR
or a dictator, and I never had any inclination to respond."

Point 6.) The Carter who pledged to "end once and for all the threat Wallace represents to our country;" the Carter, who promised in 1970 to invite Wallace to Georgia to address the state legislature and is on-the-record a number of times praising him.

The entire question of the Carter-Wallace relationship is enigmatic, especially after the venomous attacks each had for the other in the North Carolina primary and then the ensuing Wallace endorsement of Carter.

When Sanders was Governor of Georgia, he would not allow Wallace into the state assembly to speak because he felt Wallace to be a racist and segregationist. Sanders is a staunch Southern liberal.

In the February 25, 1972 Atlanta Constitution, there is a report of Wallace's speech to the Georgia Assembly upon Carter's invitation and subsequent introduction of Wallace to the Assembly.

On June 18, 1972, Carter was reported to have been in Red Level, Alabama at a "Wallace Appreciation Day" wearing a "Wallace in '72" button.

In the August 4, 1972 <u>Birmingham News</u>, Carter endorsed Wallace as the figurehead needed to build a <u>Southern</u> movement to seperate state elections and national tickets.

Also, in a letter reprinted in the controversial article by Stephen Brill in the March <u>Harper's</u>, Carter says to a disgruntled Wallace supporter concerning Carter's nominating speech for Henry Jackson at the Democratic Convention of 1972, "I have never had anything but the highest praise for Governor Wallace." The letter is dated August 4, 1972.

There is other evidence that Carter actually backed Wallace for both the President and Vice-President spot on the 1972 ticket,

On the other hand, in the Southern showdown between Carter and Wallace in North Carolina, Carter said, "Governor Wallace has for a time unfortunately been a spokesman for the South. The South has changed and I think for the better." Washington Star, March 19, 1976.

And then again, "I'm not running against Wallace; I'm running against what he stands for." Los Angeles Times, March 22, 1976.

Point 7.) The Carter, who promised to support Wallace in 1972, if he would not offer a slate of delegates in Georgia; the Carter who made the nominating speech for Scoop Jackson in Miami after Wallace lived up to his end of the bargain.

That Carter gave the nominating sneech for Jackson is political history, but the contention that Carter promised a conditional endorsement of Wallace, can only be substantiated by Wallace's charges in this year's North Carolina primary which should be taken with this political fact in mind.

In the March 18, 1976 <u>Christian Science Monitor</u>, Wallace presents his attack on Carter's credibility. It should be noted that Wallace in fact did not enter the Georgia caucus in 1972.

Point 8.) The Carter who claimed, after he was castigated by Wallace supporters for backing Jackson, that he was carrying out a wish of the late Senator Russell; the reality that anyone who knew Dick Russell knows that he would never have made such a request.

The documentation for Carter's insistence that it was with respect to a dying Russell that Carter nominate Jackson is found in the August 14, 1972 letter re-printed in $\frac{\text{Harper's}}{\text{March}}$, 1976. The allegation that Dick Russell would never have made such a request can not be documented by ux.

Point 9.) There is the Carter, who said "Other than my father, Senator Russell made the greatest impact on my life. I never made a political decision without consulting him. He kind of adopted me 19 years ago." There is the real Carter who never had a particularly close relationship with Dick Russell.

It is known that Carter was the only man ever publicly endorsed by Senator Russell.

In addition, Russell was instrumental in Carter's career in several ways. First, Russell helped secure Carter's discharge form the Navy upon the death of his father. Second, Russell met with and advised Carter frequently on running a campaign. Third, Russell during his last illness would summon Carter to visit him when Carter was in Washington to keep him abreast of the "goings-on" in Georgia. Fourth, Russell gave Carter lists of long-time supporters in Georgia for Carter to contact. Bill Shipp, "Carter Career Owes Everything to Russell," Atlanta Constitution, January 23, 1971.

According to a newspaper account of the incident, Carter delivered a eulogy to Russell in which he said," Other than my father, Sen. Russell made the greatest impact on my life. I never made a political decision without consulting him. He kind of adopted me 19 years ago."

There has not been any data found as to the validity of the statement "There is the real Carter who never had a particularly close relationship with Dick Russell."

Point 10.) There is the Carter, who looked Bob Strauss in the eye and said he had no problem with him continuing as Chairman through November; the Carter who, according to his former speechwriter, talked of canning Strauss.

Carter advisor Charles Kirbo reportedly told Strauss that there was no problem in him continuing as party chairman. This was echoed by Carter in Washington April 3, when asked by Strauss himself. Rowland Evans and Robert Novak, "Carter and Strauss," Washington Post, May 11, 1976.

Carter also allowed word to seep out following his victory in the Pennsylvania primary that Strauss would be retained through the November election. (Evans and Novak)

Evans and Novak quote Robert Shrum as saying that Carter talked of removing Strauss in Pittshurgh on April 25. Carter reportedly said: "If we can't remove Strauss I'll be a pretty pathetic nominee." A Carter aide reportedly telephoned Strauss and explained that Carter had meant that "a nominee who could not (name a new chairman) would be 'pretty pathetic!'"

Point 11.) The Carter, who asked Julian Bond to intercede with McGovern in behalf of him becoming McGovern's running mate; the Carter who deniéd Bond's claim; and the Carter who later acknowledged it.

It is known that Julian Bond interceded with McGovern in an effort to have Carter named as the replacement to Sen. Thomas Eagleton on the ticket. David Nordan, Atlanta Journal, August 3, 1972.

Bond claimed in March that his lobbying with McGovern had been done at Carter's request, a claim which was denied by Carter Press secretary Jody Powell. Jim Merriner, Atlanta Constitution, March 29, 1976.

Merriner quotes McGovern press secretary Alan Baron as saying: "Julian said he was doing this at Carter's request!" Baron was quoting Sen. McGovern.

In a different account of this incident, Baron is quoted as saying that Bond was one of 'several Southerners' who went to McGovern headquarters in Miami Beach "and said they had been asked to come by Governor Carter." New York Times, March 31, 1976

Carter has subsequentially acknowledged that he approached Rep. Andrew Young and Coretta King about lobbying for him as a 1972 vice-presidential candidate. Washington Post, April 4, 1976.

There has been no information found as to any acknowledgement by Carter that Bond's claim is accurate.

Point 12.) The Carter, who pledged his support to Reuben Askew to be Chairman of the Southern Governor's Conference; the Carter who went back on his pledge.

It is known that in 1973 Askew "was led to believe that Carter supported his candidacy for chairman of the Southern Governor's Conference..." Bill Peterson, Washington Post, February 25, 1976.

Maryland Governor Marvin Mandel was chairman of the conference nominating committee that year and "was led to believe that Carter supported Florida Gov. Reuben Askew for the conference chairman post." Michael Kiernan, Washington Star, May 14, 1976

-

At the conference, Carter supported Texas Gov. Dolph Briscoe for the post. This position was surprising because Carter was the only governor whose position on the Askew-Briscoe confrontation was not predictable on the basis of previous image and ideology. David Nordan, Atlanta Journal, September 23, 1973.

A contemporary observer explained Carter's support of Briscoe in light of his close relationship with Robert Strauss and his desire to establish a more conservative image for himself. David Nordan, Atlanta Journal, Septmeber 23, 1973

When asked about his vote, Carter stated that his position had "nothing to do with liberal vs. conservative or old vs. new or anything of that nature!" Writer David Nordan continues that "Carter said he was backing Briscoe because the Texan was the first to get into the contest and asked Carter's support some time ago." The Atlanta Journal, September 25, 1973

Carter remains unpopular with many governors, especially those involved in the Askew situation. Said one source, "I don't think Askew has ever forgiven Carter. I know Marvin still remembers." Michael Kiernan, Washington Star, May 14, 1976

It is felt that Carter is unpopular with among those governors with whom he worked closely primarily because of "deep-rooted resentment about Carter's actions at governors' conferences is the conviction "that he frequently misled governors about his intentions at several points."

Point 14.) The Carter, who told a reporter falsely that Senator Russell promised to vote for him in 1970; the Carter who called Senator Russell to apologize and claim he never said it; the Carter, who told the reporter that he said it, but it was off-the-record.

SEE ATTACHED COPIES

Point 15.) The Carter, who said he opposed Richard Nixon since he lived in California in 1950; the Carter who profusely praised John Mitchell for his law and order campaign at a dinner in Atlanta in 1971.

Carter was quoted in an April 1974 issue of People magazine as being "a Nixon hater from way back," a quote which Carter labelled as inaccurate in a telephone interview carried by United Press International. Atlanta Journal, April 15, 1974

Carter's office released a statement for the press in which Carter stated that he had nothing personal against then President Nixon, saying that "my off-hand personal comments about Mr. Nixon came during a general conversation, which I incorrectly assumed was not for publication. They were intended to indicate a continuing political opposition to Mr. Nixon ever since 1950, when I was a resident of California and witnessed his first campaign for the United States Senate, and a belief that no previous President has ever been personally dis-

honest, even during the Grant and Harding Administrations." Mike Wazlavek, Atlanta Constitution, April 15, 1974

Re: the contention that Carter praised John Mitchell at a dinner in Atlanta in 1971.

Nothing has been found to substantiate this.

Point 16.) The Carter, who talks of a need for honesty in government; the Carter, who met with Secretary Butz in behalf of the peanut industry in 1973.

On April 5, 1973 the Department of Agriculture announced changes in the peanut price support system. Carter was highly critical of these, contending that this move could cost as much as \$50 per ton. Atlanta Journal, April 6, 1973

At'a press conference on November 1, 1973, Carter announced that during an upcoming trip to Washington, he would be meeting with Agriculture Secretary Butz, saying that cutbacks in peanut subsidies and exports then being recommended by Butz would have a "catastrophic effect upon Georgia's farm economy and thus on the economic prosperity of the entire state." Atlanta Journal, November 2, 1973.

It must be remembered that Georgia is the nation's largest peanut producing state (producing about 40% of the nations' peanuts) and that peanuts are the leading cash crop in Georgia. Atlanta Journal, April 6, 1973

Point 17.) The Carter, who talks of love; the Carter who sent a message recently to the Mayor of Atlanta to "kiss my ---."

Carter's entire campaign rhetoric has been infused with "the politics of laughter, 'joy', campassion," etc. June 14, 1976, however, in the Shrum article in the New Times, Carter reportedly told Jackson to "kiss my ass."

Also, when he heard of Kennedy's comments about his "intentional imprecision, "Carter said that Kennedy, too, could kiss his ass.

Point 18.) The non-politician Carter, who is running against all the Washington politicians; the Carter, who has been a full time candidate for public office for six of the last ten years and in the Governor's office the other four, where he spent considerable time on politics.

Carter has always insisted on his independence from Washington, etc... Yet when faced with the political realities after the primaries, Carter said in the L.A. Times May 22, 1976, that he might have to engage in "horse-trading" for delegates in the convention.



THE WHITE HOUSE WASHINGTON

TO : Mike Duval

FROM: DAVE GERGEN

FYI



Doral Characte

THE WHITE HOUSE WASHINGTON

FYI

DE 7/26

July 15, 1976

MEMORANDUM FOR:

DAVE GERGEN

FROM:

BOB MEAD

SUBJECT:

JIMMY CARTER

Allow me to share with you some thoughts and perceptions I had last evening watching the Democratic nominating speeches for Governor Carter. (No charge for this.) This contribution, along with David Broder's excellent article, "Carter Enigma is Real," may in some small way help President Ford in his approach for a November victory. (I'm sure there are experts in this already, but my interpretation might add a little.)

I realized during the nominating speeches that an air of the Gospel was flowing from my television set. Speeches were more like testimonials or confessionals. Phrases used i.e. "when you come to know him the way I do" (used by Jesus' disciples) and "...he can lay that burden down..." (in obvious reference to the plight of racism) are typical of how the campaign has been going. They were falling short of equating him with God.

It is very effective on television, and several scenes reminded me of Madison Square Garden when Hitler appeared in the late 30's. There was mass control and mass psychology (exactly what the Germans did); people were caught up in the mystique of it all. (Present day maharajas do this also.)

The bottom line, I suppose, is that you must be very careful in the way you will deal with Carter, in speeches and attitudes. You cannot defy him, or say anything bad about him. (Thus you challenge the world of Christianity.)

On television the nominee caresses, soothes, croons, if you will, to put the people at ease. That soft, even-toned voice relaxes people, and they are receptive. He uses an old trick of lowering his voice to make you want to lean forward to hear him. (If you ever have lunch with Eric Sevaried, sit next to him as he uses this technique.) Carter also pauses long enough for his listeners to shout for more of that "wisdom."

Carter uses this religious atmosphere to his advantage. Karl Marx called religion the opiate of the masses. When you're down and out (Carter on how the country's going), when you need a fix, to get a shot to get your mind off your troubles, you look for something soothing. (Has he not been telling us he understands

THE WHITE HOUSE

WASHINGTON

our problems?)

The Governor comes across, also, as if he is in charge, no one else. There is an air of confidence about him on television which goes along with that soothing voice. "I am nothing but a peanut farmer..." (Jesus was a carpenter.)

When you start saying that Carter is not specific, particularly on issues, remember that Jesus was not specific. He said, "...only follow me, I will show thee the way..." He never said how he would do it or what he would do. Jesus only said, "... you must believe." Never did he explain how or why.

Like Jesus, Carter to a lot of people is a symbol of what you believe you are...Your faith lifts you up...you have faith in yourself. You do the work, Carter doesn't. He is trying to give an incentive to lead a good life to prevent that judgment day. (No one ever commits suicide who sees hope, and Carter is offering out that hope.)

There are lessons to be learned from his style and manner. Perhaps now politicians will refrain from shouting campaign oratory and let others whip up a frenzied audience instead. But attacks on him will be dangerous. You must now think of a way to "out-Herod Herod."

DEX TO VAIL

THE WHITE HOUSE

WASHINGTON

August 22, 1976

MEMORANDUM FOR:

FOSTER CHANOCK MIKE DUVAL JERRY JONES

FROM:

DAVE GERGEN

SUBJECT:

Carter Campaign Plans

Both CBS and NBC reported tonight that Carter has now pinpointed his "battleground states" -- i.e., those states where he will be concentrating because he thinks that's where the battle will be won or lost. The nets agreed that the list included:

California
Illinois
Indiana
Massachusetts
Michigan
New Jersey
New York
Ohio

CBS said it also included Texas and Florida; NBC didn't mention them.

CBS said that he had also selected his main "target groups": blacks, hispanics, Jews, and Catholics.

As you know, he already assumes he has the South locked up and he said after Kansas City that he thought Ford was "forfeiting" the South.



THE WHITE HOUSE WASHINGTON

Mike,

This might be useful to you in connection with the Debates. Apparently Carter may be trying to strengthen his position on the Defense budget issue. I have sent a copy to Alan Woods for his comments.

Jim Connor



9/7

September 7, 1976

MEMORANDUM FOR THE PRESIDENT

attending is attached).

FROM:

MAX L. FRIEDERSDORF

SUBJECT:

Jimmy Carter

Last week about 50 top executives from leading defense contractors were summoned to Atlanta for a meeting with Eizenstate, Carter's top issues staffer (a list of those

George Troutman and Harry Levine, of General Electric, visited my office following the Atlanta meeting to give me a report.

The meeting in Atlanta was very cool, with little if any rapport established.

Levine gave me the attached report which contains some exceedingly interesting material pertaining to Carter and his continuing fuzziness on the issues.

Levine said that the corporation executives challenged Eizenstat on many of his questions, and it was not clear whether Carter organized the meeting to (1) get campaign ideas; (2) establish a better relationship with the industry; (3) lay the groundwork to say he had met with industry representatives to seek cost saving suggestions.



The following questions were presented by Eizenstat, who has Carter's issues effort:

- 1. It appears from statistics available that only about 20% of defense procurement is being done on open bidding? Can procedures be changed to permit more open bidding for procurement? Will this result in any savings?
- Present procurement procedures tend to promote "best and final" and "technical leveling" practices that lead to inequities and cost overruns. What can be done to reform these procedures?
- 3. How can cost overruns be avoided or lessened?
- 4. Is there any way in which defense procurement can be coordinated with foreign policy objectives?
- 5. Why is it not feasible to save money by extending the period in which military personnel are rotated? Our (Gov. Carter's) findings are that extending tour of duty by 2 months would result in an annual saving of \$400 million. A six-month extension would save over a billion dollars.
- 6. What kind of re-organization of DOD can best serve the National interest? For instance, there are more officers in the Pentagon than there are at sea.
- 7. What can be done to cope with the grade creep in the civilian and military ranks?
- 8. It has been said that standardization can save NATO up to \$17 billion. What are the domestic problems with standardization? What are the international problems? How can we achieve the optimum degree of standardization? What are the issues associated with domestic vs. foreign procurement?
- 9. Are Reserve Forces useful? Are they cost effective?
- 10. What is the impact of arms sales abroad? Is the present level of sales healthy? Do arms sales accomplish our foreign policy objectives?
- What are the problems industry faces in dealing with the Government? What can be done to cut the red tape? What can be done to improve Government/Industry relations?

In connection with the B-1, Eizenstat stated the Governor was in favor of R&D but felt that the size of the program warranted a re-examination before the aircraft was put in production.

As to the foreign sales of military equipment, Eizenstat stated that the Governor's views do not necessarily coincide with that expressed in the Democratic platform. He said that the Governor feels there should be a cap on the amount of foreign sales of military equipment, but there was no clarification on how the Governor differed with his platform on this point.

Eizenstat said that the Governor was quite concerned that a means be developed to relate the introduction of new weapons systems to the Country's foreign policy objectives.

Eizenstat stated that Governor Carter would listen to any thoughts that Adm. Rickover had but was not bound and would not slavishly follow Adm. Rickover. (It is my understanding from independent sources that Adm. Rickover did not remember Gov. Carter from his Navy days and has only recently talked to the Governor, and they are, in fact, not close.) However, Eizenstat did state that Governor Carter was concerned about the size of the U.S. Navy viz a viz the Russian and that the Governor did favor a mix of naval vessels -- small and large, nuclear and non-nuclear powered ships.

Eizenstat stated that the Governor has never claimed that consolidating Government agencies in Washington, as he did in Georgia, would reduce the number of Federal employees. In fact, Civil Service rules would limit what they can do; however, the consolidation would increase the efficiency of the Federal Government.



ATTENDANCE LIST AT ATLANTA

- Mr. John W. Anderson
 Vice Pres. & Group Executive
 Aerospace & Defense Group Honeywell, Inc.
 Providence, R. I.
- Mr. Robert Anderson
 President & Chief Executive Officer
 Rockwell International Corp.
 600 Grant St.
 Pittsburgh, Pa.
- 3. Mr. Harry Levine
 Program General Manager,
 General Electric Co. Corporate Office
 Wash, D. C.
- 4. Herbert H. Gray, Executive V. Pres. Southeast Region Atlanta Westinghouse Electric Corp.
- Harry B. Smith
 Executive Vice Pres.
 Defense & Electronics Systems Center
 Baltimore, Md. Westinghouse
- James H. Schofield, Jr.
 Director, Washington Ofc.
 Magnavox Govt. & Industrial Electronics Co.
- 7. Ralph Clark, V. Pres. (Corp.) TRW, Inc., Wash, D. C.
- 8. Dr. M. C. Adams, Group V. Pres., AVCO Corp. Wilmington, Mass.
- 9. Mr. E. J. LeFevre, Vice Pres.
 General Dynamics Corp.
 Washington, D. C.
- 10. Mr. Robert B. Ormsby
 President, Lockheed Georgia Co.
 Marietta, Ga.



- 11. Mr. William McGinty
 Director, Govt./Industry Marketing
 Federal Systems Division
 IBM Corp.
 Wash, D.C.
- 12. Mr. Kenneth Mark
 Director, Strategic Planning
 The Boeing Co.
 Wash, D. C.

3 8 4

- 13. Mr. Barry J. Shillito, President Teledyne Ryan Aeronautical San Diego, Calif.
- 14. Mr. Dennis Nichols
 Corporate Director, Govt. Relations
 Fairchild Industries, Inc.
 Germantown, Md.
- 15. Mr. Arthur Stanziano Vice Pres. - Washington The Hazeltine Corporation Wash, D. C.
- 16. Mr. Jesse R. Lien
 Sr. Vice Pres. & General Mgr.
 Electronic Systems Group
 GTE Sylvania
 Waltham, Mass.
- 17. Mr. Clark MacGregor
 Vice President
 United Technologies Corp.
 Wash, D. C.
- Mr. Forbes Mann, Sr. Vice Pres. The LTV Corp. Wash, D. C.
- 19. Mr. J. L. Winkel, V. Pres., Marketing Hughes Aircraft Corp. Arlington, Va.
- 20. Mr. William W. Woodruff Manager, Program Development (Legis. Liaison) Hughes Aircraft Wash, D.C.

- 21. Mr. Robert C. Smith Vice Pres., Domestic Customer Relations E-Systems, Inc. Arlington, Va.
- 22. Mr. George Sloan Director of Corporate Planning McDonnell Douglas Corp. St. Louis, Mo.
- 23. Mr. Philip C. Kautt
 Corporate Director of Govt. Develop.
 EG&G, Inc.
 Arlington, Va.
- 24. Mr. L. S. Wyler
 TRE Corporation
 Suite 720
 9460 Wilshire Blvd.
 Beverly Hills, Calif.
- 25. Mr. V. J. Adduci, President Electronics Industries Assn. 2001 Eye St, N. W. Wash, D. C.
- 26. Mr. W. A. Simcox, Director of Planning Electronics Industries Assn. 2001 Eye St, N. W. Wash, D. C.
- 27. Hubert Harris, Vice Pres. Citizens & Southern Natl. Bank Atlanta, Ga.
- Mr. Sam T. Martin, Jr.
 S. T. Martin Associates
 Great Falls, Va.
- 29. Mr. Jack Christiansen
 Special Asst. to President & Chairman of the Board
 Grumman Aerospace Corp.
 Bethpage, L.I., N.Y.
- 30. Mr. John Chapman
 Director, Government Relations
 Bendix Corp.
 Wash, D. C.

