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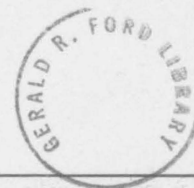
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# News & Comment

The President's Daily News Summary



Leading The News...

FOR TUESDAY, OCTOBER 12, 1976

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Ford Approves New Israel Arms Package

President Ford has approved a new sophisticated arms aid package for Israel, including weapons never before supplied the Jewish State, but not the perishing missile, Ron Nessen said Monday.

The Whit House refused to say specifically what is included in the new arms agreemant, but CBS reported it calls for supplying the Israelis with new air and ground radar systems, so sophisticated they are not yet in use by American forces. (CBS)

The deal also includes about 100 M-60 tanks, Bob Schieffer reported but the dicision to commit the tanks is not greeted with enthusiasm by the U. S. army, since American tank inventories are already running low, and some of the tanks have been previously earmarked for U. S. forces, Schieffer added. (CBS)

President Ford said at a metting with Israele Foreign Minister Yigal Allon he approved the agreement to forestall "Circumstances we want to avoid" in the Middle East. Nessen told reporters the President made the decision last week on a long-standing Israeli request for new weapons. He said the weaponry is part of the \$1 billion in credit sales to Israel which already has been authorized in the 1977 fiscal year budget. It received \$1.5 billion in the 1976 fiscal year. (CBS)

Jimmy Carter in his second debate with Ford attacked the level of administration aid to Israel. Asked whether Ford's move was tied to the Presidentaal race, Nessen said, "That is not worthy of an answer. That's not something I'm going to deny". There was a new arms aid agreement at this time because "It's in our interest to sell these things.

Allon also denied to reporters the step up in arms to Israel had andy comnection with the U.S. elections.

But Sen. Jacob Javits (R-N. Y.), following a campaign steering committee meeting, emphasized that one of the Ford campaign's major concerns is to counter Carter's charges that Ford's support of Israel in uncertain. (CBS)

Javits told reporters after the meeting: "I see no uncertainty whatever about a U. S. commitment under this President who had given unstinting support to Israel, to the tune of \$4 billion in aid in the last two years: has show the the U. S. willingness to stand alone in the Security Council and veto hostile resolutions against Israel. (CBS)

Administration officials continue to deny that the announcement was designed to help the President politically, but they condede it will do nothing to detract form Ford's reception Tuesday

when he goes to Brooklyn to campaign among predominantly Jewish organizations, Schieffer added. (CBS)

ABC covered the story in a :15 anchor report, running # 6 in the news. NBC mentioned the arms agreement briefly in its 2:00 lead story on the Ford campaign.

CBS led with the Israeli arms story which ran 2:40. Ten spot included an anchor report by Schieffer, film of Ford and Allon in the Oval Office, and Javits and Evans on film.

AP, UPI, Nets 10/11/76

FORD/DOLE

Issues

Ford: U.S. Will Remain Freedom's Champion

President Ford, criticized by Jimmy Carter for saying Poland is not dominated by the Russians, told a cheering Columbus Day crowd Monday America has been and will remain freedom's champion for the people of Europe.

The new world, Ford said, in Washington, has since its discovery become "the champion of freedom and the champion of human rights" for the old world. "America has always been the champion and we will never let them down," he said.

At a Columbus Day rally, Ford said: "Today, the problems we face in building a better world can be just as difficult as the ones Columbus overcame in finding a new one. The peoples of the old world still look to the new world as the champion of freedom and the champion of human rights." (NBC)

Reflecting his concern about the freedom of Eastern Europe, President Ford invited people of Eastern European descent to the White House Tuesday, NBC and CBS reported.

The President also met with his campaign steering committee and Sen. Dole Monday.

The committee agreed that Jimmy Carter is running a mean and nasty campaign, and that he is losing the South. Sen. Jacob Javits (R-N.Y.) urged the President to take his gloves off and get tougher. He said Ford should point out to the American people things in Carter's character that could be harmful to the United States, Marilyn Berger said. (NBC, CBS)

Gov. Daniel Evans (R-Wash.) said, "The President, in marked contrast, has consistently through the campaign conducted himself in a manner befitting a president. And after, all that's what we are selecting." (ABC, CBS)

Returning to Washington Sunday night, Ford campaign chairman James Baker admitted "what had become impossible to deny -- that the campaign is in trouble," Tom Jarriel reported. (ABC)

"This last week has been less than outstanding, however, we think that this is something to be expected. We would think that in a campaign such as this, there would be peaks and valleys," Baker said.

Jarriel noted that the "valley" part came with Ford's Eastern European statement. He said Ron Nessen made matters worse by not informing reporters that the President had apologized to a Polish leader until he was "badgered into speaking."

Jarriel also said the President's major campaign appearances are receiving less attention, while minor goofs find their way into the front pages. He was referring to -- and showed film of -- the undersized football helmet Ford tried on at a recent football game.

The ABC story on Ford featured a film clip of Baker on the plane, Ford modelling the football helmet, Rev. Criswell denouncing Carter for his Playboy interview, Dan Evans at the steering committee, Ford at the Columbus Day ceremony, and a wrap-up comment by Jarriel. The spot ran 2:23, third in the show.

NBC led with silent film of Ford's meeting with Allon, then moved to the Columbus Day ceremony. Berger concluded the 2:00 spot with a standup comment at the White House.

CBS included film of Javits and Evans in its 2:40 lead story on the Mideast arms agreement. AP,UPI,Networks -- (10/11/76)

#### Ford Charges Carter with 'Demagogery'

President Ford says Jimmy Carter is engaging in "pure demagoguery" by questioning Ford's campaign finances and relationship to lobbyists, according to an interview published in San Francisco Monday.

"I personally resent this attack on my integrity," Ford is quoted as saying in an interview with Reg Murphy, editor of the San Francisco Examiner.

"He knows the charges are not true. They are pure demagoguery. The FBI and the staffs of two congressional committees went all over the records and they gave me a clean bill. There is nothing to be found."

Ford was interviewed in Dallas over the weekend. The interview appeared in Monday's editions of the Examiner.  
AP -- (10/11/76)

Congress Calls for Probe of Possible Ford Perjury

Rep. John Conyers (D-Mich.) said Monday he has asked the Watergate Special Prosecutor to investigate the possibility President Ford committed perjury by telling two congressional committees he had never been instructed by Richard Nixon to block the Watergate investigation.

Conyers said it was possible taped conversations between Ford and Nixon would reveal Ford had been told to block a House investigation into the source of money found on the Watergate burglars in 1972.

That committee, headed by Wright Patman, voted seven days after the break-in at Democratic National Headquarters not to subpoena top White House aides for questioning about the source of money for the Watergate burglars.

Conyers said at a news conference he learned Ford might have committed perjury by reading advance passages from a book by former White House aide John Dean.

He said Dean's book showed "in the Sept. 15, 1972, tape, there were instructions that Nixon wanted it (the Patman investigation) headed off, and he instructed John Ehrlichman to tell Ford and Gerry Brown, a Michigan congressman who served on the House Banking Committee, to head it off."

Ford told the House and Senate Judiciary Committees, which considered his nomination for vice president, that he tried to block the Patman investigation because he felt it set a dangerous precedent and not because Nixon told him to.

"If it turns out Congressman Ford was acting on White House orders, it is quite possible that he may be subject to a charge of obstructing justice. He certainly would have committed perjury before two congressional committees," Conyers said.

"I have reason to believe that the taps covering the period of Sept. 15, 1972, through May 1973, when the Senate Watergate hearings commenced, contain the information that would clarify Mr. Ford's role in this matter," he said.

In a letter to Special Watergate Prosecutor Charles F. Ruff, Conyers asked that the taped conversations between Nixon and Ford be examined. UPI -- (10/11/76)



Rumsfeld Cuts Back Travel Plans

Defense Secretary Rumsfeld has sharply cut back his travel plans rather than risk Pentagon involvement in the election campaign.

Last week, Rumsfeld visited military installations in Missouri, Illinois and Ohio, all regarded as toss-up states in the election. He had been scheduled for tours in California and Texas, but they have been cancelled except for a one-day trip to Fort Worth for a ceremony to be attended by foreign dignitaries. CBS -- (10/11/76)

ImageMr. Ford's Choice

(Editorial, excerpted, Richmond Times-Dispatch)

One excellent way to compare the Democratic and Republican presidential candidates, Gov. Mills Godwin told audiences in Richmond yesterday, is to compare the vice presidential candidates. By the choices they made in selecting their running mates, both Jimmy Carter and Gerald Ford, the Republican governor said, revealed much about their own philosophies.

Yesterday Mr. Ford's choice was in Richmond. After hearing him speak, our conclusion is that if Gov. Godwin's test is valid, there should be considerable enthusiasm in Virginia for Gerald Ford. For the views that Sen. Dole expressed are widely shared in this state.

Sen. Dole's positions are sound; and many Virginians will like what they reveal about the philosophy of President Ford. -- (10/6/76)

Carter Woos Chicago Ethnics

Flanked by Mayor Richard Daley and Rep. Peter Rodino (D-NJ), Jimmy Carter campaigned for ethnic group votes on the streets of Chicago Monday.

But he was greeted at every stop by demonstrators opposed to his position on abortion.

Carter was supposed to stop at the reviewing stand to watch the State Street Columbus Day Parade. But at the urging of Daley or the Secret Service, he marched along. It was reported that two men were overheard making a threat against Carter's life. (NBC)

Chicago's large Catholic population presents a problem for Carter, Don Oliver reported. A priest at a Polish-American dinner Sunday gave a strong anti-Carter, anti-abortion invocation. And at a Catholic mass Monday, pro-life demonstrators booed Carter. (NBC)

But pro-Carter sign carriers were moved closer to the church to block the abortion demonstrators who were kept across the street. Oliver said this tactic is spelled out in the Carter campaign manual for advance men. (NBC)

Illinois is a tough state for Carter, Oliver said. And Michael Howlett, the Democratic candidate for Governor, is making it more difficult because he is running far behind his Republican opponent.

"Jimmy Carter has always found political strength in his image as an outsider," Ed Rabel reported. "But in Chicago, his attachment to Mayor Daley and his political machine makes Carter look like an insider. (CBS)

"And that is causing him real problems here. They're worried about being dragged down on the coattails of old-style politicians like Daley's hand-picked gubernatorial candidate Michael Howlett.

"There have been serious problems within the Democratic organization because of a feeling that Carter was trying to keep Daley's man Howlett at arm's length. But, today it was clear that the problems have been solved.

"The solution apparently is in keeping Howlett away from Carter at public events, like Chicago's Columbus Day Parade. Citing a sore throat, Howlett did not march today. Yet his absence may be little help to Carter who is still shoulder-to-shoulder with the other machine politicians.

"As political experts and pollsters point out, it is a good thing Carter isn't counting on Illinois to win the presidency," Rabel concluded.

ABC led with an intro by Walters about the Carter sex "Rumor." Jarriel did a voice-over film of the parade report on the Anderson piece. The spot also included Carter talking with reporters and a standup comment wrapping it up. Charles Gibson followed with a :30 interview with Greener.

The Carter spot ran second on NBC, featuring Carter and his family marching in the parade. Oliver concluded the 2:00 spot with a standup comment.

The 2:25 Carter story, which ran #2 on CBS, included Daley and Carter marching in the Columbus Day parade and speaking to bystanders. Rabel ended the report with a voice-over comment. AP, UPI, Networks\_ (10/11/76)

### Carter Denies Alleged Sex Scandal

Jimmy Carter interepted his Columbus Day Schedule Monday to deny an "undubstantiated story" about his personal life.

Referring to Jack Anderson's report on Good Morning America Monday about his extramartial affairs, Carter said, "I don't think the public responds to that sort of thing anymore." (ABC)

Carter praised Anderson for his handling of the story. He said he was personally upset, but the story has not hurt his campaign because it is false.

Carter's press secretary Jody Powell said he has been told that the story came form highly placed Republican officials.

Carter hopes the public will understand there is no evidence to support the allegations, and instead, see him as the victim of a smear attempt, Sam Donaldson reported. (ABC)

Asked if Republican campaign officials are involved in leaking the story, Ford campaign spokesman said, "Hogwash."

"Anybody that knows of anybody that would put out anything like that on this committee, let me assure you that they would be fired immediatly", he said. ABC 10/11

### Mondale Marches Down Fifth Ave.

Sen. Walter Mondale walked past generally subdued crowds on Fifth Avenue during a Columbus Day parade, his third ethnic celebration in two days.

Later Monday, the Deocratic Vice-Presideatial candidate took tin time out from campaigning to visit for 15 minutes with his political mentor, Sen. Hubert Humphrey, who is recovering from a cancer operation. Results of the operation "could not have been more favorable". Mondale said after emerging from the Sloan-Kettering Hospital.

On Fifth Avenue, Mondale was flanked by a half-dozen politicians, including Democratic Gov. Hugh Carey and senatorial candidate Patrick Moynihan.

Once again, Mondale shared the spotlight with a Republican campaigner, this time President Ford's son Steve, who preceded him in the parade.

Mondale suspended his active campaigning Monday night to rest up, and study his debate against Sen. Dole Friday. AP, UPI, NBC 10/11

Carter's New Agressive Campaign  
( BY Eric Sevareid, CBS)

The Presidential campaign had hardly been music to the ears at any stage. A new theme seems to emerge from the cacophony every week. What has been going on since the last debate is a daily calculated effort by Jimmy Carter to dis-credit Mr. Ford, not just as a leader, but as a man.

It began with that debate in which Carter refused to call his opponent President Ford, which he is, though Ford repeatedly called the challenger Governor Carter, which he is not. The man who promised a government just as decent and loving as the American people, whatever that realistical means, is revealing another side of himself--. An instinct for the delivered insult, the loaded phrase and the broad inuendo.

He makes a ligimate point in calling attention to Ford's failure to hold open full scale news conferences since the campaign began, but usesthat to call Ford as secretive as Nixon, and will envoke trigger phrases, like stonewalling, phrases that people automatically associate with Nixon and Watergate. He used phrases like brainwashing to explain Ford's frightful gacffe about East Europe. He uses the phrase, "Tell the truth, the whole truth, and nothing but the truth," in connection with unproved irrularity with Ford's use of campaign funds, as if ford was an accused criminal in the dock.

To say a President is incompetent is within the rules of a rough game, but to say the American people are competent while the administration is not, is to say something to devoid rational meaning.

One week one candidate is up, and the other is down. The next week it is the reverse. Right now, the campaign itself is down, if it goes up between now and November, Carter will have to do that. He will have to pay attention to those among his advisers now telling him that his cut-throat tactics against Ford, whom most people stell preceve as an honest man, have gone too far

What they are concerned about obviously is not injustice done to Ford, but the dangers this kind of attack will backfire on Carter. The irrational for these attacks is that Carter will slip dangerously, partly from his own blunders, that he has had a disadvantage campaign trip against a man for whom the bands played "Hail to the Chief."

It is indeed a disadvantage that the challengers to an incum-rant President have always suffered. But Ford too suffered a disadvantage, a handicap of opposing a man who has had nothing else to do but campaign for two long years. The penuts grow anyway. Election day is not for off, it just seems that way. 10/11/76

Two Neros Fiddling

(By Howard K. Smith, ABC)

Every election contains portions of flub and nonsense, but this is the first Presidential one, since Al Smith was beaten for allegedly aiming to put the Pope in the White House, that has been almost entirely flub.

No really sharp issues have developed in either of the two presidential debates. The headline grabbers have been Jimmy Carter's blooper about ethnic purity and his interview with Playboy, the dirty joke of Mr. Jord's ex-agriculture Secretary, and Ford's own boo-boo about the independence of Eastern Europe. To these earth-shakers today there have been added allegations that Carter has had mistresses, which he promptly said was nonsense.

It's not as though there aren't serious subjects in every day's news.

Last week, the economic indicators went down, and wholesale prices and the number of unemployed household heads went up. Today's New York Times says that New York City's crisis, like that of many other cities, is going to get worse. And it reported in ten years thirty-six nations will have enough plutonium to build whole arsenals of atomic bombs. Those are a few of a hundred things that cry out for serious talk and creative plans.

Consolations in the campaign are few and scrawny. One is that the next debate will be between the Vice Presidential candidates. They may just possibly say something pertinent. The other is that we're doing numerically better than ancient Rome. they had one Nero fiddling while Rome burned, we've got two.

10/11/76

## *Election Issue Spurs Commerce Agency To Disclose Boycott Charges for 7 Firms*

*By a WALL STREET JOURNAL Staff Reporter.*

WASHINGTON—Now that the Arab boycott of Israel, has become a presidential campaign issue, the Commerce Department has stepped up its efforts to enforce U.S. rules on the boycott.

none of the seven companies was charged with failing to report requests to discriminate against U.S. citizens. However, one of the charging letters eventually made available indicates that a request to discriminate was received.

# There just isn't a city-slicker slate

## *Compared to Grand Rapids, Staten Island is big-time*

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**SAM ROBERTS**

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**T**HE CANDIDATES debate about the Panama Canal but don't discuss the Gowanus. They spar over Eastern Europe but neglect the lower East Side. They pursue Southern strategies that bypass the South Bronx.

With the election only three weeks away, the major candidates for President and their running-mates have yet to fully confront New York City's fiscal crisis and are all but ignoring it as they

spokesman but insists that he is open-minded, touts the President as a "known quantity." But as far as New York is concerned, what's known isn't all that encouraging. Saddled with the famous "Drop Dead" headline, Ford is running out of time to prove that he is more compassionate than his performance last year would indicate.

If Ford is ripe for a political death-bed conversion, Carter is still to be born — let alone, born again — into the urban battleground. Beame has wrung some commitments from Carter that go far beyond what Ford promises, but the Democrat's performance is so far untested. Mondale, who has the best urban record

The Critical Catholic Vote  
(By Chris Kelley, CBS)

Both President Ford and Jimmy Carter have openly courted the nation's 33 million Catholic voters, most of them concentrated in the Northern industrial states, areas crucial for victory in this election.

Traditionally, Catholics have voted for Democratic Presidential candidates. But in 1972, the majority of the Catholic vote went to Republican Richard Nixon.

"Not only haven't they returned to the Democratic Party this time, at least in Presidential elections, but they are even less likely to support the Democrat this time than last time," Catholic columnist Andrew Greeley said.

"Part of it, I think, is that it was just assumed Catholics would drift back after the McGovern affair. And that was a mistake. They had to be won back. At least this candidate (Jimmy Carter) had to win them back, and he has not successfully done so," Greeley added.

But Father Greeley sees the Polish vote swinging to Carter, not because he has won it, but because of President Ford's second debate remark that East Europeans no longer are under Soviet domination. Father Greeley says any chances Ford had with the Poles have gone down the drain.

"I think to the extent that Catholic Democrats vote for Ford it will be under the old Irish adage, 'Better the devil you know than the devil you don't,'" Greeley commented.

According to the CBS-N.Y. Times poll taken after the first debate, Catholics were evenly divided over the candidates. President Ford had gained more Catholic support than Jimmy Carter, especially among suburban Catholics.

The old Catholic bloc, largely composed of immigrants, generations ago, has largely dissintegrated. Today Catholics are more affluent, tend to vote pocket-book issues like the rest of the electorate, and are politically more independent.

"I think there is evidence of a growing conservatism in certain sections of the Catholic community so that, while the Catholics are still more left of center as a group on social issues, like welfare and civil rights and so forth, in the population as a whole, it's less so than it used to be. There's more variety of opinion," Rev. Thomas Gannon, a sociologist, said.

While the church has injected the abortion issue into the campaign, opinion surveys conclude the matter is not a political issue for Catholics despite the widely publicized meeting between the candidates and the Conference of Bishops.



13

Political analysts say Catholics are uneasy about Carter's evangelical religious style, the fact that he is a Southerner and a Baptist, the fact that he does not display enough concern for the cities.

How Catholics will vote is still an open question. But public opinion surveys and political analysts agree they will vote. Greeley says Polish and Irish Catholics have particularly high voting records.

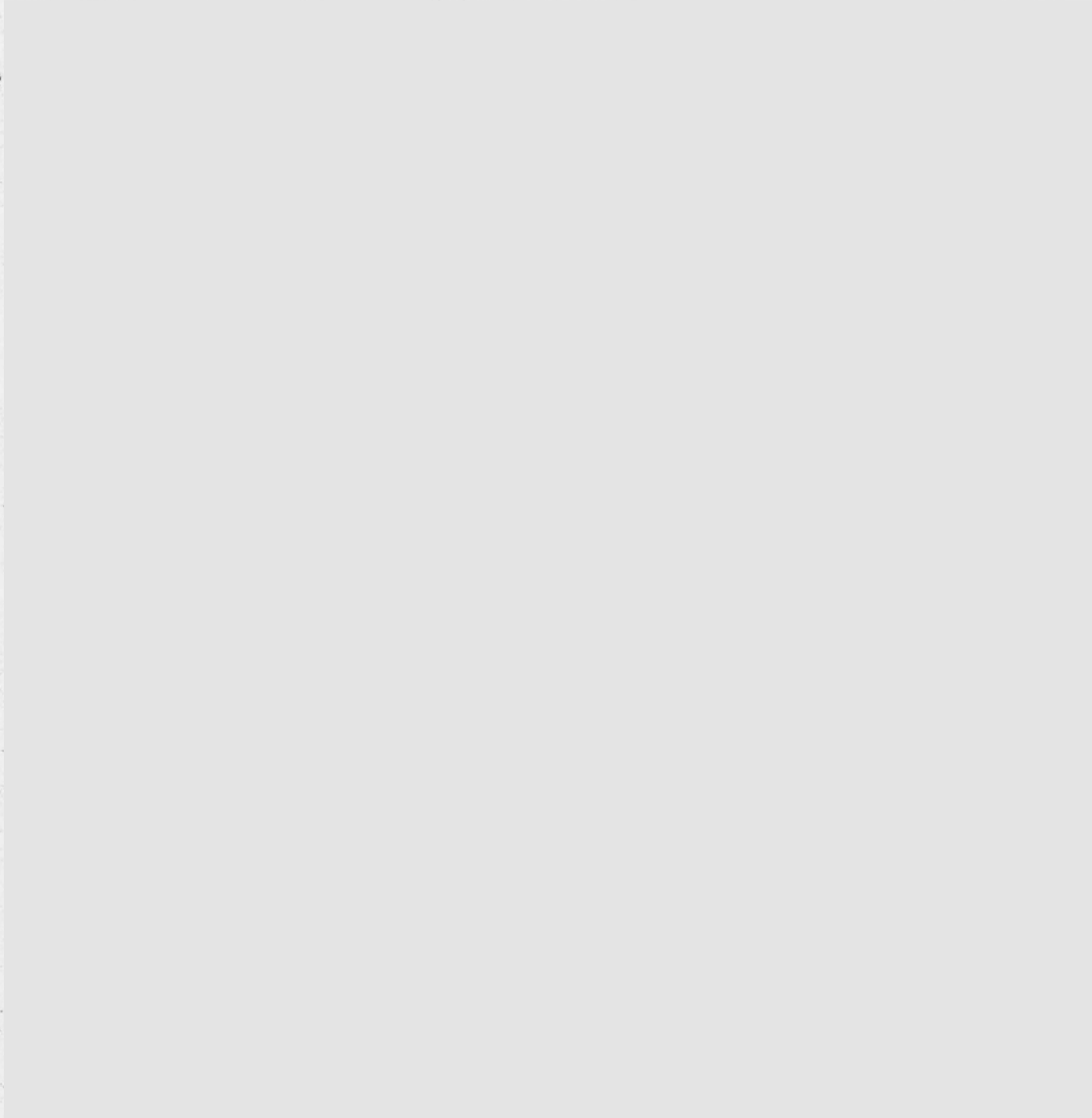
If the election is as close as it's predicted to be, those Catholic decisions in the voting booth could decide the race.

--CBS (10/11/76)

# Debates Helping to Focus The Issues and Candidates

THE ENDLESS handicapping of the presidential candidates, especially on the basis of how well they perform in the debates, is fun and maybe even revealing. It is also, ultimately, a little beside the point.

*Otherwise, the debate tended to be a useful discussion of the strengths and weakness of present American foreign policy and of alternatives to it. The president could point to some successes—the Kissin-*



AP Photo

*Getting to know them*

serious men debating serious issues. That is a healthy choice to have and one we hope the remaining debates will tend to confirm and sharpen.

## Out-hawking each other

Both President Ford and Jimmy Carter seemed to be competing for the Reagan vote in their second televised debate. It was livelier and more hostile than the first, but the hard-line posture of both was disappointing.

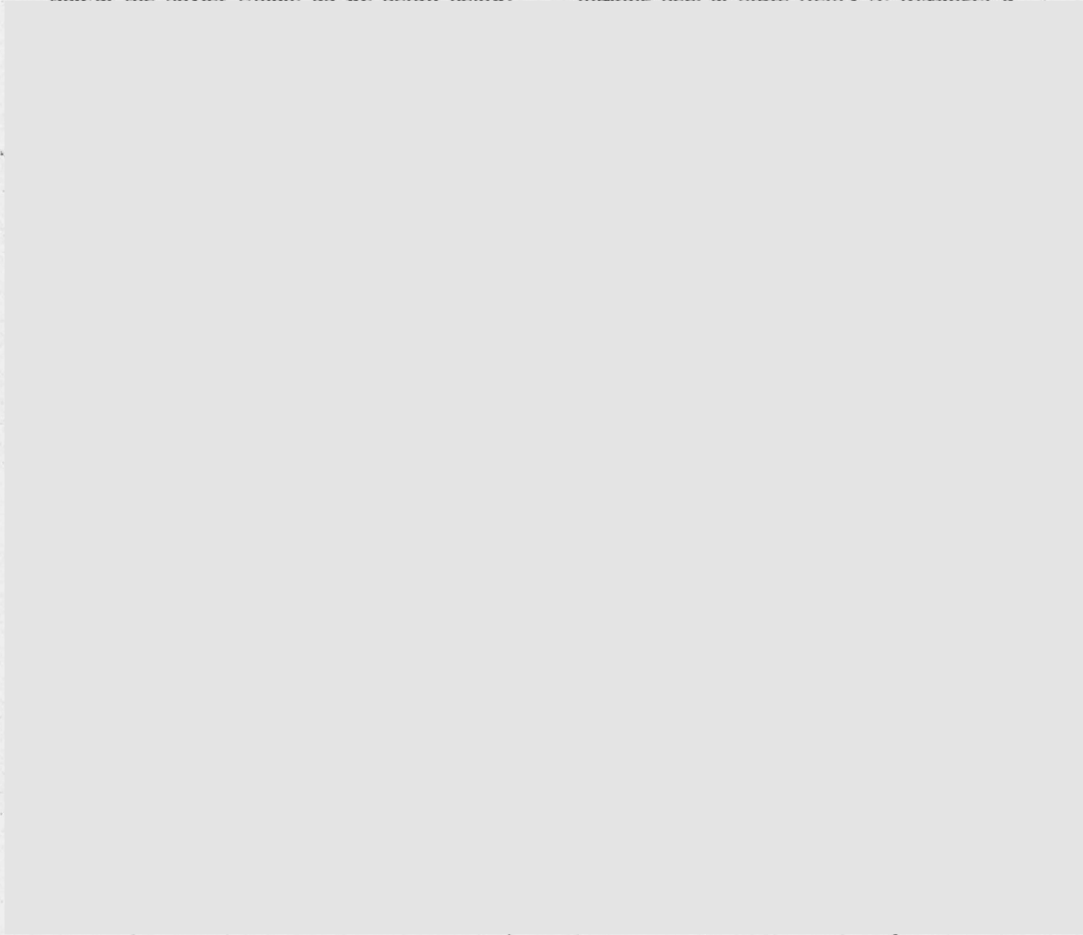
*politik*, but Carter often oversimplified complex issues.

Ford's blooper on Poland was astonishing. Surely he knows that Poland and all the Warsaw Pact allies of the Soviet Union are satellites with only limited inden-

# There's still a third chance

Credit President Ford with the big gaffe of the campaign so far. His debate statement that East Europe was not under the domination of the Soviet Union, as we detail below.

Jimmy Carter said too little to assure us that his foreign policies would show improvements over Ford's. He took some cheap shots — making Sec. of State Henry A. Kissinger a



## Ford 'liberates' East Europe

One wag said after the first Ford-Carter debate that President Ford won simply because he didn't swallow his tongue in public.

consider themselves dominated by the Soviets. Ford is going to be explaining that one for a long time.



and tight social and economic controls. Explain? He can't.

## The Truth about Watergate

A New York *Times* report about Richard Nixon's memoirs once again has raised serious questions about the pardon President Ford gave the disgraced ex-president. The *Times*' reports that an already-written section of Richard Nix-

will haunt the American people for years. By not insisting on complete admission of guilt, he left Mr. Nixon the path which, according to the *Times*, he now takes.

If the Nixon memoirs do unfold in this man-

Butterfield: Nixon Ordered Firing

Former Federal Aviation Administrator Alexander F. Butterfield said Monday that President Ford took office with a mandate to fire him.

Ron Nessen disagreed, however, terming as "just ludicrous" suggestions that there had been any agreement by Ford to fire Butterfield.

Butterfield, who first revealed the existence of the White House taping system in congressional testimony, said that the decision that he should be fired was made by then President Nixon after Butterfield testified before the House Judiciary Committee in July, 1974. The committee was considering articles of impeachment against Nixon.

And he said that he believes, both from the way he was fired and from indications by his friends in the White House, that when Nixon left office there was an agreement that Butterfield would be dismissed.

Butterfield first commented on the possibility of such an agreement Sunday on CBS, "Sixty Minutes," and repeated his remarks Monday to the Associated Press.

AP 10/11

Market Hits 9th Month Low

The stock market hit its lowest level since last January. Monday, continuing a two-week-old trend, despite unusually active trading on a Columbus Day session.

Reasons cited by brokers for the drop included continuing doubt over economic recovery, uncertainty over the upcoming Presidential election and the impact that it will have on business over the next four years, along with unnerved investors due to recent market losses.

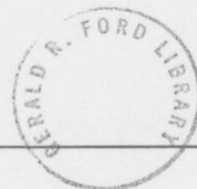
AP, UPI, Nets. 10/11/76

Times of TV News Items  
October 11, 1976

	ABC	NBC	CBS
<u>ADMINISTRATION NEWS</u>			
1. Ford/D.C. Speech	2:45 (3)	2:00 (lead)	
2. Ford/Mideast	:15 (6)		
3. Greener/Carter rumor	:30 (2)		
<u>OTHER MAJOR NEWS</u>			
1. Carter/Chic. Parade	2:45 (lead)	2:00 (2)	2:25 (3)
2. Mondale/NYC	:30 (5)	2:00 (3)	
3. Harris poll/Watergate		:25 (4)	
4. Syrian violence	:30 (7)	1:00 (5)	1:30 (lead)
5. Marcos/riot	:20 (9)	:15 (6)	
6. Rhodesia/war	:10 (10)	:15 (7)	
7. Castro/elections	1:15 (8)		
8. Weather watcher		:25 (9)	
9. Stocks down	:05 (15)	:10 (10)	:20 (7)
10. British pound		1:15 (11)	
11. Swimmer/dies		:15 (12)	
12. Yost/Balloonist quits		:30 (13)	
13. Maine Indians/special		2:00 (14)	
14. Catholic voters		(15)	
15. Rumsfeld travels			:25 (5)
16. U.S. Steel			2:10 (6)
17. Calif. Senate race			4:15 (8)
18. Severeid/ comment			2:30 (9)
19. Madison Ave. Tunes			3:15 (10)
20. Smith/comment	2:00 (4)		
21. Dole camp.	:30 (5)		
22. Mexico/train crash	:30 (11)		
23. Ireland/violence	2:20 (12)		
24. UAW/Ford	:15 (13)		
25. U.S. Steel	:15 (14)		
26. Special/electricity	4:00 (16)		
27. Autisitc children	2:00 (17)		

# News & Comment

The President's Daily News Summary



## Leading The News...

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<u>Carter Rumor</u>		
Greener Would Fire Rumor-Spreader from PFC	AP, UPI, Morning Shows	3, 4
Anderson Says Greener is Wrong on Carter Rumor	Good Morning, America	4
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Ford Meets with Ethnic Leaders	AP, UPI, Morning Shows	5
Ford Tries to Regain Lost Momentum	C. S. Monitor	6
<u>Ford Investigation</u>		
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*World-Wide*

**FORD OFFERED ISRAEL** new arms;  
Carter appeared with Chicago Mayor Daley.

President Ford promised Israeli-Foreign Minister Yigal Allon that the U.S. would provide certain weapons that Israel hadn't received before. Israeli and American sources told the Associated Press that the proposed sale includes a sophisticated missile mid-

Britain's Labor Party government won parliamentary backing for its economic pro-

**Markets—**

Stocks: Volume 14,620,000 shares. Dow

*Business and Finance*

**F**ORD MOTOR'S accord with the United Auto Workers appears in danger of being rejected by key skilled-trades workers, who have separate veto power. Ratification votes won't be completed until tonight, but skilled workers at the union's largest local, in Dearborn, rejected the pact.

(Story on Page 31)

**La Pointe Industries** faces a proxy fight over election of directors at the annual meeting Oct. 27. A group of six holders led by Albert M. Zlotnick, a self-employed financial consultant, plans to nominate its own slate.

(Story on Page 81)

Hua Named Mao's Successor

A Chinese Government spokesman announced that Premier Hua Kuo-Feng has been appointed to succeed the late Mao Tse-Tung as Chairman of the Chinese Community Party, Japan's Kyodo News Service reported today from Peking.

--AP (10/12/76)

Wall posters appeared in Peking last week reporting the succession of the 57-year-old Hua, but there had been no official announcement. The spokesman explained that the announcement had been delayed to allow the entire Communist Party organization to be informed in advance, Kyodo said.

The official Hsinhua news agency still had not reported the appointment. In a communique on the establishment of diplomatic relations with Papua New Guinea, Hua signed as premier, Hsinhua said.

However, in a story Saturday, Hsinhua referred to the party Central Committee "headed by Comrade Hua Kuo-fent."

There still was no confirmation of other unofficial reports from Peking that Mao's widow, Chiang Ching, and three other high ranking officials, all associated with the party's radical wing, had been arrested, accused of plotting a coup.

--AP, UPI, Morning Shows (10/12/76)

Carter Rumor

FORD/DOLE CAMPAIGN

Greener Would Fire Rumor Spreader from PFC

PFC spokesman Bill Greener says he will fire any staff member who tried to spread a false rumor that Democratic Jimmy Carter had an extramarital affair.

But first someone will have to name the person to be fired, Greener said.

The New York Times and the Los Angeles Times reported Monday that they had heard the rumors.

The New York Times said its reporters heard them from both Democratic and Republican sources. The paper published nothing about them because it could not find the source.

The Los Angeles Times said a Ford campaign aide passed the story to its Washington bureau, which checked and could not substantiate it.

No one named specific individuals in Ford's campaign. "If someone can step up and tell me who they are, I will fire them on the spot," Greener said.

Jack Anderson, in a telephone interview, said three of his four sources worked directly for Greener. But Greener said he had talked with members of his staff who deal with the press, and all of them denied talking to Anderson.

Greener acknowledged that a Ford supporter from Georgia recently sent to Washington a memo containing rumors about Carter. He said it was thrown away. Greener said campaign manager Jim Baker issued an order that "I don't want him (the memo sender) around anymore."

--AP, UPI, Morning Shows (10/12/76)

Anderson Says Greener is Wrong on Carter Rumor

Jack Anderson said Tuesday that William Greener's denial that PFC staffers gave Anderson the names of women Jimmy Carter had had affairs with is false.

Anderson said he checked out all five cases and found the sources had no evidence of the affairs.

Three of the names came from a member of Greener's own staff, Anderson said. "There are ways to prove this if Greener wants a showdown."

Anderson said he had no reason to believe that President Ford knew his aides were peddling sex rumors.

--Good Morning, America (10/12/76)

Ford Meets with Ethnic Leaders

President Ford, stung by the political backlash from his remark that Eastern Europe was not under Soviet domination, summoned ethnic leaders to the White House today to try to patch up relations.

Before leaving for a two-day campaign swing through New York and New Jersey, Ford invited the leaders of Polish American and Baltic groups to the White House "to make clear his long standing position on Eastern Europe," Ron Nessen told reporters. (UPI)

Among those attending today's meeting were Aloysious Mazewski, President of the Polish American Congress, and leaders of the Armenian, Hungarian, Latvian, Lithuanian, Estonian, Czech, Slovak and Ukranian communities across the nation.

The President was to leave before Noon for Brooklyn, N.Y., and a meeting with Jewish leaders, bolstered by the announcement of a new arms aid package for Israel.

Ford winds up today with a meeting with New York editors and publishers and a \$1,000 a plate Republican fundraising dinner.

After campaigning in New York and New Jersey Wednesday, he flies back to Washington to spend Thursday at the White House, and will leave again Friday on a two-day tour which includes stops in Iowa, a nine-hour "whistle stop" train trip in Illinois, from Joliet to Alton, followed by a rally at the airport in St. Louis Saturday night.

--AP, UPI, Morning Shows (10/12/76)

## Ford tries to regain lost momentum

By Godfrey Sperling Jr.

Staff correspondent of The Christian Science Monitor

With Ford campaign party

The Ford campaign clearly has hit a snag:

Ford people — like John Connally — call this only a brief interruption in the President's upswing surge.

But any traveler with the Ford entourage has to sense that the President and those close around him are wondering if they can recapture the momentum once again.

The crowds greeting the President, in California, Oklahoma, and Texas, remain large, just as they were before the last debate. But —

# Union Leader Testifies on Ford Finances

By Bob Woodward and Carl Bernstein

Washington Post Staff Writers

The Watergate special prosecutor questioned the head of an influential maritime union before a federal grand jury last Friday about financial dealings and personal encounters with President Ford, according to informed sources.

the contribution. Miller said he could not remember the staffer's name.

Miller said he was given the name of the Kent committee treasurer and the address to which the check should be sent. "All I did was stick the check in the mail," Miller said.

In 1972, according to the account of Calhoun's testimony, Ford or a member of his staff requested that MEBA's contribution be given to the Friends



## GERALD FORD FOR PRESIDENT

(Shreveport Journal, 10/5/76)

✓/America teetered at the brink of calamity on that last day of Richard Nixon's presidency. It was Aug. 8, 1974, and the people of this nation, indeed all of the people of the world, had to wonder if the United States would ever know normality again.

The great personal tragedy of Watergate had grown into national crisis and the final agonizing months of that crisis had produced a condition of historical ebb in the country.

Inflation and unemployment had staggered us and the energy crisis seemingly had left America powerless.

Into that hopeless vacuum stepped Gerald R. Ford, a quiet, strong-willed son of the Midwest. A man who didn't will to be president; a man whose ambition had never grown beyond Michigan's 5th Congressional District.

He stood tall in those critical hours as Americans agonized over their own destiny — not quite sure where we were going or how we would get there.

Gerald Ford did not speak loud with words in those days; he spoke with calm example and with actions that showed us the common strength of the ordinary American; he stood uncommonly high as a man.

It was that special brand of leadership that we needed, and it tipped the scales of history toward the side of America.

Two years of healing, two years of smooth, steady growth and two years of growing confidence in the nation have shown that Gerald Ford was the right man at the right time, and there is no question he is right for America today.

His strength, his dignity and his reliance on his Creator have carried us through these two years of great moment to the equanimity of today. Those have not always been easy days, but they have always been days of decision, and President Ford has been equal to those decisions.

Throughout his presidency, he has been the last line of defense against a Democratic Congress dedicated to spending the nation into bankruptcy. Through the wise use of the presidential veto, the President has been able to stem the inflationary rush and return the nation's economy to stability.

Throughout his distinguished congressional career, he has supported a strong national defense for America and, as President, showed his mettle as commander-in-chief as he ordered the rescue of the

The achievements of the Ford presidency are significant.

A summary of major accomplishments of the past two years:

1. Inflation has been cut by more than half.

When President Ford became President, the consumer price index was rising at a rate of 12.2 per cent per year, and during the first six months of this year, the rate of inflation was only 4.6 per cent.

2. Over three million persons have obtained jobs.

A year ago, total employment stood at 84.3 million and today there are 87.7 million Americans at work, an increase of 3.4 million.

3. The unemployment rate has been significantly reduced.

In early 1975, unemployment had reached 8.9 per cent but today has dipped to 7.5 per cent, and the President's economic advisers believe it will fall below 7 per cent by the end of the year.

4. Several key indicators are moving upward.

During the past year, housing starts have increased 40 per cent, the gross national product has risen by 10 per cent and real per capita disposable income — money left after taxes and inflation — has risen by nearly 5 per cent.

5. Farmers are enjoying economic gains.

Net farm income in 1976 reached \$26 billion, a record high, and farm exports reached \$22 billion, also a record high.

6. The growth of crime has been cut by more than 75 per cent.

When President Ford took office, crime was increasing at a rate of 18 per cent per year. In 1975, the rate of increase was cut to 9 per cent and during the first quarter of this year it had been cut to only 4 per cent.

✓. Dangerous downward trends in defense spending have been reversed.

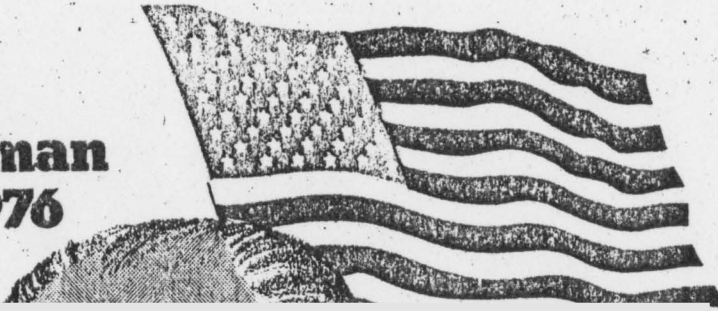
During the decade before President Ford took office, the Congress cut proposed defense budgets by almost \$50 billion. In 1976, President Ford reversed that trend and persuaded Congress to vote the first major increase in defense spending in years.

It is clear that if Mr. Carter is elected, he will join forces with the Democratic big spenders in Congress that will lead the nation to economic chaos. It is just as clear that the only way to fund such spending will be increased taxes for the country's already overtaxed middle class.

(Cartoon accompanying Shreveport Journal endorsement)



**The  
right man  
for 1976**



*"Two years of healing,  
two years of growing  
confidence in the nation  
have shown that  
Gerald Ford was the  
right man at the  
right time, and  
there is no question  
he is right for  
America today."*

## Carter Lashes Ford, Nixon

Jimmy Carter said Monday night that when Richard Nixon came to the White House the country changed and the American people lost faith in government.

Speaking to a State Democratic Party dinner and earlier at a state AFL-CIO convention in Eau Claire, Wis., Carter said that to restore people's faith "we have to have a government with compassion and openness."

"When Lyndon Johnson left the White House and Richard Nixon moved in, the country changed," Carter said. "It changed particularly for those who are black, for those who don't speak good English, for those who are poor.

"These are the people who felt the difference when the Kennedy-Johnson era was replaced with the Nixon-Ford era," he said.

"The people lost faith in government and that's what this campaign is all about."

Carter said that in the last eight years there has been "gross misconduct in our government" and that Nixon and President Ford have "built a wall around Washington with too much secrecy in government and too little privacy in our personal lives."

--UPI (10/11/76)

## Carter Rests in Plains Urges Higher Wheat Prices

Jimmy Carter returned home early Tuesday for a brief rest from his most aggressive attacks on President Ford since the start of their campaign for the White House.

Tuesday Carter urged Ford to take action immediately to give wheat farmers higher prices for their crops.

In the statement, he noted the administration has the authority to raise price support loan levels for wheat to 100 percent of parity and said farmers are now getting \$1.50 a bushel in contrast to an average of \$4.11 per bushel in September of 1975.

"The current loan level of \$1.50 a bushel for wheat is completely inadequate and unrealistic," Carter said. The President should use the authority Congress has given him to establish a realistic loan level immediately."

Unlike much of the 8-day swing, Carter's attacks on Ford over the last two days were softer -- apparently in response to advisers who felt Carter's own programs and policies should be stressed.

Aboard his plane ride home, Carter was asked if the move was intentional.

"Almost everything I do, I do intentionally," Carter said. "Sometimes you may not believe it, but it is."

Carter said the thrust of his campaign in the last four or five days "was not to be antagonistic or personal in my attacks on Ford, but to point out to the news media, who are reluctant to accept the fact, that Ford is not meeting the public, being cross-examined and answering some of the questions that he himself has raised."  
--AP, UPI, Morning Shows (10/12/76)

#### Carter Offered Time on Religious Program

Jimmy Carter has been offered four minutes of time on a syndicated religious radio show for replying to criticism from the Rev. Jerry Falwell.

Betty Rainwater, a Carter press aide, said Monday that no decision had been made on whether Carter will accept the offer to appear on the "Old Time Gospel Hour" which is broadcast each week on more than 260 stations in 45 states.

The Rev. Mr. Falwell, pastor of the Lynchburg 15,000 member Thomas Road Baptist Church, is critical on the program of comments about sex and religion made by Carter in a Playboy magazine interview.

The program was taped here Sept. 26 for airing Oct. 24, but some stations will air it Oct. 17 or Oct. 21. The Rev. Mr. Falwell released tapes of the program prior to its broadcast.  
--AP (10/11/76)

# Carter's campaign: The images are confusing

ATLANTA — Jimmy Carter's campaign for the presidency has been designed as a campaign of images, not issues.

Sometimes, though, the images Carter and his staff have sought to project have become confused.

The man with the job of sorting out the images is Gerald Rafshoon, 42, an Atlanta advertising man and a long-time Carter adviser. He is in charge of packaging Carter for the nation's TV audience.

Rafshoon does not believe in many of the conventional, if unspoken rules of national politics.

He does not believe, for example, that the election will be decided by issues such as foreign policy or the economy, feeling instead that the public's impressions about the candidates will be decisive.

He does not believe that Jimmy Carter should, in response to critics, be "more specific" on where he stands.

He does not want his candidate to be put in a vest, placed behind a desk, and asked to look "presidential."

He would rather Carter pictured tramping through a peanut field, in blue jeans, with a somewhat haunted look, as though he is pondering the secrets of nature — as a man who, well, "cares."

Rafshoon does not even, necessarily, like the idea of his candidate running ahead in the polls. He would prefer that Carter appear to be an "outsider" and an "underdog," battling the Washington establishment.

In short, Rafshoon believes that the 1976 election marks a new era in national politics, and he has been tailoring Carter's campaign to conform to his interpretation of the new rules.

"The voters know that they've made some serious mistakes in recent elections, particularly with Nixon," Rafshoon says.

"They know they listened to what he said, and they bought him, but they overlooked his character and his personality.

"The result is that this year's election is different. This year they want to know whether the candidate is a good guy or a bad guy, and that's what it's all about."

With an advertising budget of \$8.1 million at his command, Rafshoon is attempting to tell the public, in the plainest possible terms, that Jimmy Carter is a good guy. Issues play only a minor role in Rafshoon's efforts.

In a very real way, Rafshoon's ideas are at the center of Carter's campaign for the presidency. They are the key elements in a nationwide campaign to sell Carter to the voters.

One of the contradictions of the Carter campaign is that Rafshoon has not always prevailed in staff disputes. The Carter of the campaign train has not always been the Carter of the TV advertisement.

As a result, Rafshoon feels that there have been mistakes and distractions that have obscured Carter's public image and confused the public about his nature.

In the early weeks of the fall campaign, for example, Carter presented himself as a traditional Democrat — in the mold of Franklin D. Roosevelt, Harry S. Truman, John F. Kennedy and Lyndon B. Johnson.

From Rafshoon's point of view, this characterization conflicted with his efforts to present Carter as an outsider fighting the established politicians.

"We need to go back to our old themes," Rafshoon says. "That is what got us where we are."

Many have puzzled over Carter's sudden ascension to the nomination from virtually nowhere, his surprising emergence from a pack of nearly a dozen primary contenders.

Rafshoon, who heads an Atlanta advertising agency with clients like Sears Roebuck and the State of Georgia's department of industry, is not one of them.

Rafshoon has managed Carter's advertising — and his image — for a decade, and is convinced that Carter correctly sensed the underlying concerns of Americans with the tragedies of Vietnam and of Watergate.

First, Carter sensed a deep suspicion of Washington and all its works, and a suspicion of established politicians.

Next, he sensed that the issue of 1976 would be, in its simplest sense, finding a man of competence who

could convince the public he could be trusted.

Thus the Carter campaign has been built on themes, not issues.

Sitting in his office on the eighth floor of an Atlanta high-rise, Rafshoon listed the themes:

"One, decency; two, leadership; three, trust; four, integrity; and five, competence."

There is also an underlying theme of betrayal — that the people of the country were betrayed by their leaders in Vietnam and Watergate.

In his successful primary campaigns, Carter played on all of these themes — winding up almost all of his speeches with a summary that Rafshoon considers the central theme of the Carter candidacy:

"I want what you want — to have a nation once again with a government that's as good and honest and decent and truthful and fair and competent, idealistic and compassionate, as filled with love as the American people."

The themes are also visible in the TV ads. In a five-minute "biography," Carter is portrayed, according to the announcer, as an "uncommon man" who rose from humble beginnings to the governorship of Georgia and thence to the Democratic nomination.

In another ad Carter is speaking seriously to a small group, repeating his now familiar promise: "I'll never tell a lie. I'll never make a misleading statement." The ad is intended to underline the themes of trust, integrity and decency.

Rafshoon does not deny his attempts to reach the public emotionally, rather than intellectually. "You can have intellectual appeal in newspaper advertising," he says, "but on TV you deal with emotions."

Some of Carter's advisers have told the candidate that his speech about the kind of nation he wants, winding up with a desire for an America "filled with love," has been overdone and is now counterproductive.

Rafshoon does not agree. He sees it as a continuing, basic theme — and plans more ads showing Carter de-

Carter Accepted Lockheed Trip  
Jordan's Home Burglarized

Jimmy Carter accepted a three-week Latin American junket from Lockheed while governor of Georgia, and returned the favor to Lockheed, Jack Anderson reported Tuesday.

A Carter spokesman said Carter had done no favor for Lockheed in return for the free trip but Anderson said he obtained a copy of the hand-written letter Carter wrote to R. D. Roach, Lockheed's Vice President, on May 5, 1972. In the letter Carter said he had praised Lockheed's controversial cargo plane, the C-130, to leaders in Washington. He promised furthermore to continue to do so. He wrote, "I want to help, in an active way and delayed writing to you until I could investigate ways to do so." He pledges he will assist Lockheed with "public and private promotion effort."

A Carter spokesman said Lockheed's C-130 is manufactured in Marietta, Georgia, and that Carter thought it was proper to push a Georgia product.

Anderson also reported that Hamilton Jordan's home was recently burglarized in Atlanta. The burglars stole a box of confidential campaign memos, concerning Carter's campaign strategy. The burglars also stole a television but passed up other valuables such as jewelry. Anderson said his sources suspect the burglars were after the campaign documents and that they stole the TV to make it look like a routine burglary. The incident has been kept out of the newspapers and Jordan would not comment on it.

--Good Morning, America (10/12/76)

## Governor Carter's Experiment

In the first presidential debate and again in television ads, Jimmy Carter has quite properly cited his introduction of "zero-base budgeting" in Georgia as evidence of his managerial skills. The former

Predictably, things didn't go that smoothly when the idea was put into practice in Georgia. Many lower level bureaucrats didn't catch on at first to the business of defining "decision packages," and

The mind boggles at the thought of rebuilding the federal budget this way. Even strong advocates of ZBB think the effort would require a new Cabinet-level department and would produce a



# Bad economic news buoys Carter drive

By John Dillin

Staff correspondent of The Christian Science Monitor

Atlanta

The gloom economic news piles up on election eve and threatens to hand Jimmy Carter the keys to the White House.

The embarrassing economic "pause" could hardly have come at a worse time for President Ford. And the next round of economic news this month promises to be just as bad.

High jobless-rates and high inflation have been the twin pillars of

## A Polish Reaction To Ford Comment

By ROBERT PRINSKY

WARSAW—Driving down the broad boulevards of Warsaw one night late last week, a U.S. journalist asks a Polish counterpart what he thinks of the Ford-Carter debate over whether his country is dominated by the Soviet Union.

It quickly becomes evident that the issue is a sensitive and complex one to Poles resident in their own country as they

privately owned. Most of them are free to travel abroad—East or West—and more of them seem to do so than residents of any other Eastern European nation.

But in each case there are limits. High government officials are barred from churchgoing. Increased state ownership of land is being pushed. People with dissenting political views can find their passport privileges withdrawn.

There are, of course, other well-known limits. Foreign policy is closely linked with Moscow's. Russian troops are stationed on Polish soil. There is considerable repression of rights such as free speech which are considered fundamental in the West.

Still, Poles here are encouraged by a process of liberalization that has begun fol-

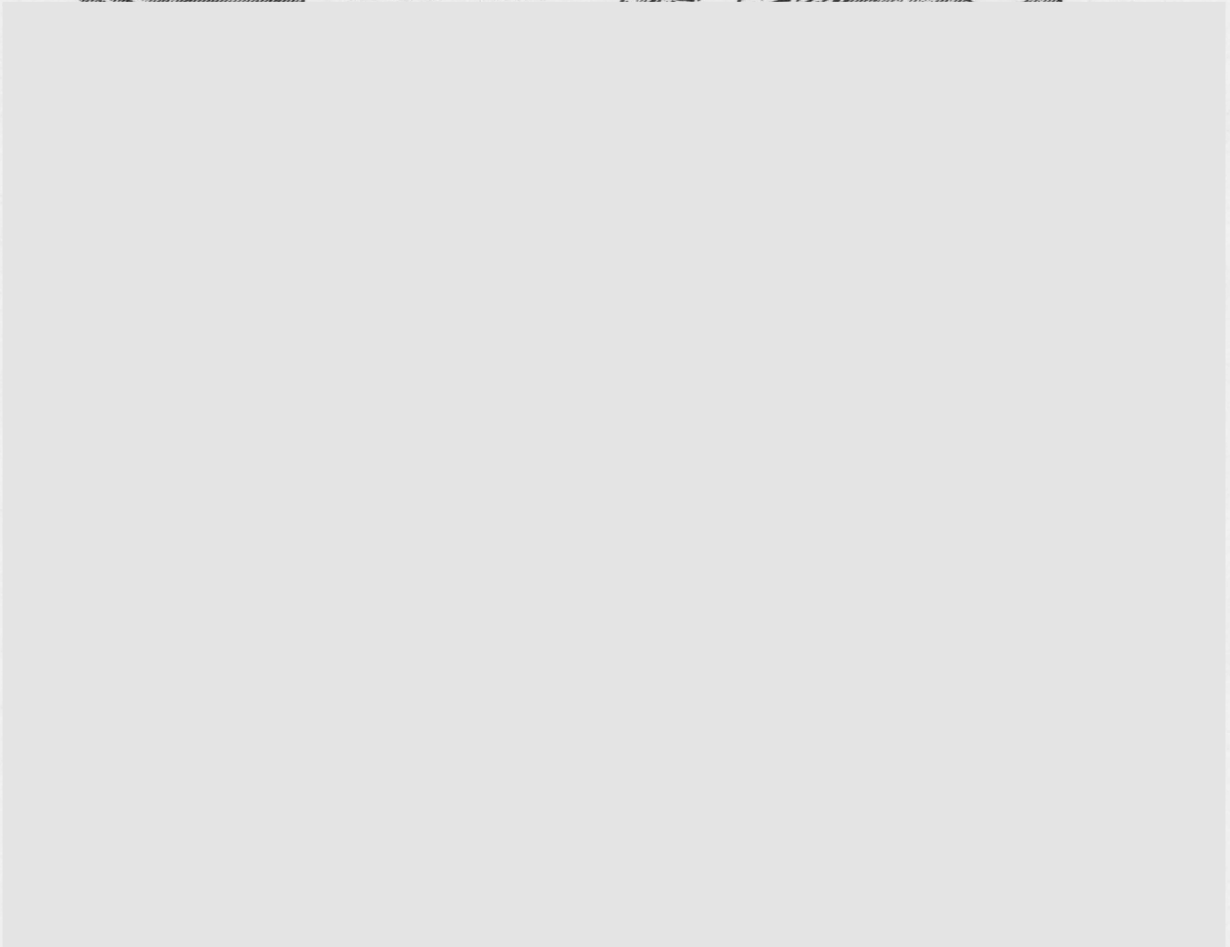
power.

A leading dissident intellectual, much as he dislikes communism, also refuses to admit his country is completely under the Russian thumb. Like all the dozens of Poles encountered during the last two weeks, he is reluctant to talk about the Russians at all.

Instead, as is common in Eastern Europe with taboo subjects, Poles joke about the Russians. The stories they tell are like those known as Polish jokes in the U.S. (and not terribly appreciated as such here).

A key reason for Polish reticence about the Russians is that no one knows how far the liberalization process will lead, but no

Balloon crossing



# Carter victory not necessarily Ford's defeat

By Jon Margolis

Chicago Tribune Press Service

WARREN, Mich.—Jean Salera, who was leaning to President Ford before last week's debate, was leaning even more strongly after it, though she didn't think he won it.

Walter Secord, who was for Jimmy Carter, watched the first hour of the debate, then drove to his night job as a school janitor convinced his man had won.

PERHAPS MORE important was the psychological effect Carter's good showing will have on the ebb and flow of the campaign. A series of mistakes by Carter and a sloppy opening in the first debate hurt Democratic morale and helped the Ford campaign. Now, things seem to be moving the other way.

The second debate closely followed the flap over former Agriculture Secretary Earl Butz's obscene and racist remarks and investigations of Ford's campaign finances while in Congress. Just after the debate it was announced that the inflation rate was up again in September.

Ford's assertion that "there is no Soviet domination of eastern Europe," enraged Americans of Eastern European ancestry, some 700,000 of whom live in the Detroit area.

WHETHER IT WILL cost him many votes, however, remains open to question.

"I think it will hurt him to the extent that some Democrats who were going to swing over will swing back" said a Polish-born man.

Mississippi Could Go to Carter

Jimmy Carter's chances of being the first Democrat in two decades to carry this conservative deep south state may hinge on his ability to convince white voters he isn't too liberal.

State GOP leaders concede Carter was running slightly ahead last month, but say President Ford has made steady gains--especially in the past few weeks--and will carry Mississippi in November.

"It will be relatively close--but I feel confident President Ford will carry the state," said state GOP Chairman Charles Pickering. "He has done a good job of campaigning and emphasizing the issues.

"He is perceived as a good and honest man. He restored confidence in the White House, improved the economy, and, perhaps most important, his positions and ability are known."

Danny Cupit, a young Jackson attorney who serves as state co-manager of the Carter effort, said it is obvious the GOP is trying to pin a liberal label on his man. "But I don't think that dog will hunt any more," Cupit said. "It will be relatively close, but I think we'll win by a reasonable margin."

--UPI (10/12/76)

Minnesota Will Go to Mondale

Both sides are going through the formalities, but if anything is sure in politics, Carter and Mondale have Minnesota nailed down.

"There is no way we can lose the state," says Rick Scott, chairman of the Democratic farmer labor party.

His views are shared by most political observers. The respected Minnesota poll, conducted by the Minneapolis Tribune shows Jimmy Carter ahead, 50 to 33.

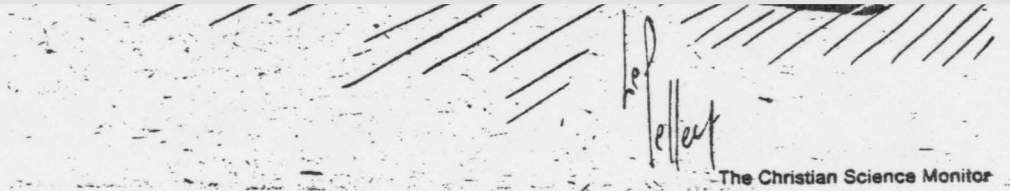
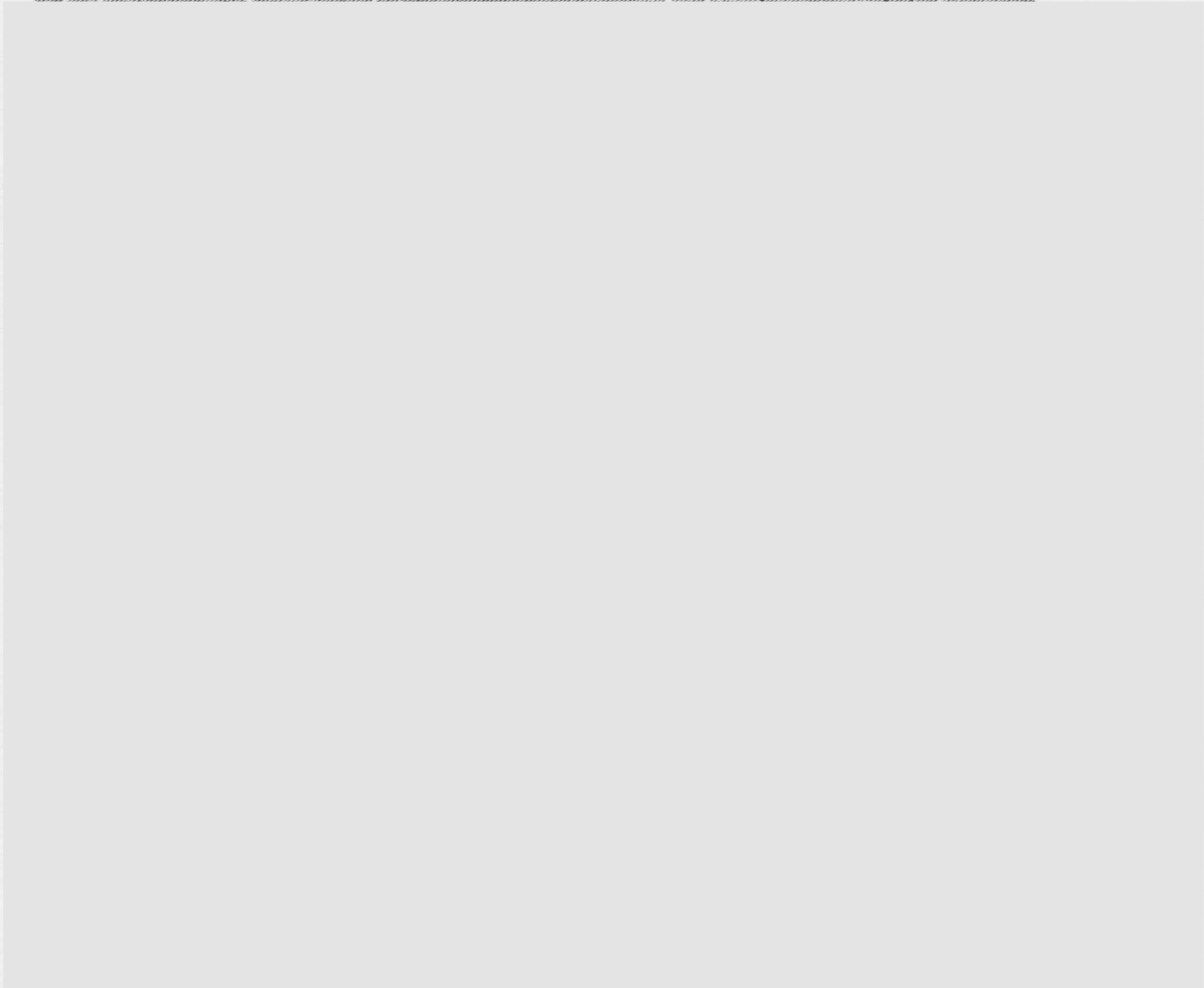
Republicans--in Minnesota they actually are called independent Republicans--are not giving up. But many leaders concede privately this is likely to be a bad year. "We think there is a fair chance that President Ford can carry the state," says Chuck Slocum, state chairman.

He feels the big question in Minnesota is how many votes will go to former Minnesota Senator Eugene McCarthy. He could well get around 9 percent and this could well throw the election to President Ford as most of his vote will come from DFLers," Slocum said. Scott sees McCarthy getting less than 5 percent and he insists it will have no affect on the outcome.

Scott and other DFL officials are aware the party never has had it so good in an election year: its two all-time top votegetters, Senators Hubert Humphrey and Walter Mondale, will be on the ticket at the same time. "This is a dream ticket for us," said one party worker. "This should help us right down the line."

-- UPI (10/12/76)

'Psst, I'll tell what I meant to say about Eastern Europe if  
you tell what you meant to say about the Mideast'



# Why abolish the electoral college?

WASHINGTON — With changing odds in the Ford-Carter Presidential race, the nation may face the greatest threat in this century that the antiquated electoral college system will choose a President who lost the popular vote.

The prospect—known to be a real concern of campaign strategists on both sides—is that Jimmy Carter, bolstered by strong majorities in his native South, could lead by as much as 1,000,000 to 2,500,000 votes in the national popular vote, but still lose in the electoral college because of narrow margins for President Ford in big Northern states with heavy electoral vote blocks.

Given such an outcome, Gerald Ford, already laboring under the uncertain mandate of being the nation's first nonelected President, suddenly would find himself the first Chief Executive of the 20th Century trying to assert the authority of the presidency after losing in a vote of the people. A Democratic Congress and indeed many average Americans might challenge the legitimacy of his leadership.

In the wake of Watergate and sky-high public disillusionment with government, one can scarcely imagine a worse outcome of this election year. Carter and Ford partisans alike should hope for a clear verdict — no matter which man wins.

Yet political analyst Kevin Phillips shows how easily the elector-popular vote split could occur, given three plausible assumptions:

- Carter's support remains over-concentrated in the South.
- Eugene McCarthy, who's likely to end up on the ballot in close to 40 states, wins 5 percent or more of the national vote—mostly otherwise Carter-voting Northern Democrats.
- President Ford, scoring the hairbreadth pluralities that are enough to deliver all of a state's electoral votes, wins narrowly in such big Northern states as Illinois, Ohio, California, New Jersey, Michigan and Pennsylvania. Added to Ford's base of support in farm and mountain states, that could add up to a narrow electoral college majority.

Ford might, for instance, win 311 electoral votes, 41 more than the required majority of 270, even though Carter led him by 3 percentage points (48 to 45 percent), or more than 2 million votes, in the national popular count. (This assumes that 7 percent of the vote might go to minor party candidates.) Carter, in that projection, would carry the South 54 to 42 percent, but lose in the electoral college because Ford edged him, 47 to 45 percent, in the North.

Any such scenario, of course, is hypothetical. A Southern surge by Ford could whittle down Carter's lead in Dixie. Either Ford or Carter could gain such nationwide momentum in the final weeks of the campaign that there'd be a clear-cut victor, both in electoral and popular votes.

But should the electoral college not elect the man who won the most popular votes, how could the outcome be explained or justified? That some hocus-pocus of an 18th-century counting device is more important than the popular will? That the popular votes of Southerners, because they happen to be geographically concentrated, are less important than the votes of other Americans?

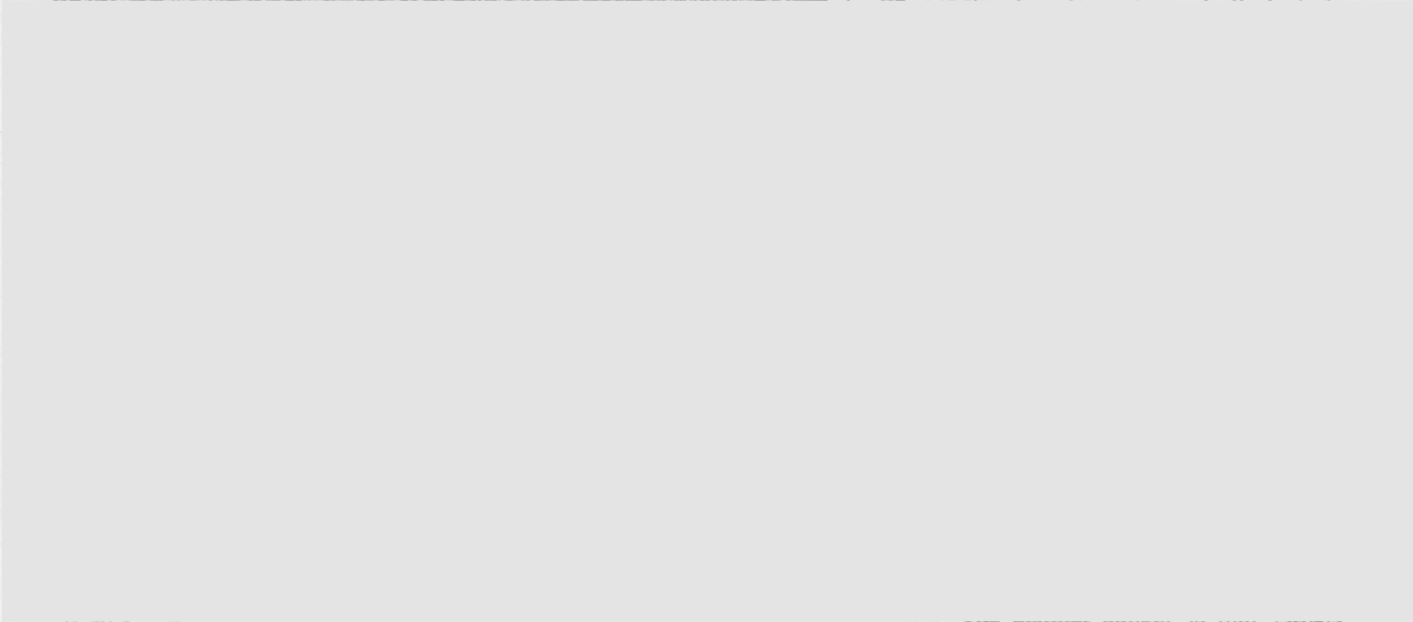
The prospect goes far beyond the bitter blow that would be dealt the South in the first year since 1848 that it has produced a major party Presidential nominee. The mystery is why, 200 years after independence, we still have not created an understandable, fair, direct vote system to choose the President of the United States.

No one can blame the American people. The Gallup poll has reported 81 percent of them in favor of a direct national vote for President. The villains of the story—and it has many—are politicians, advocates of regional, racial or ideological causes. They've long claimed, without credible evidence, that the electoral college bolsters American federalism or the two-party system. But their real motivation in blocking reform has been a desire to protect some perceived advantages for themselves.

The last of many attempts to abolish the electoral college occurred in the wake of the 1968 election, so rightly contested in electoral votes that George Wallace was almost able

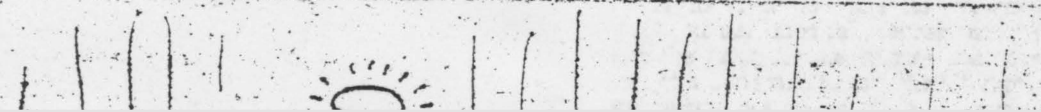


to use his 46 electors to bargain for concessions from Richard Nixon or Hubert Humphrey.  
The reform effort came tantaliz-



the year the pistol goes off.

The Philadelphia Inquirer, 10/12/76



STAYSKAL  
'76 CHICAGO  
TRIBUNE



"I'm beginning to think it's done with lights somehow!"

The Chicago Tribune, 10/12/76

# Ford, Carter get A's in health tests

NEW YORK—Physicians who have examined President Ford and Jimmy Carter have declared the candidates in good health for men of their age.

Doctors who examined their vice presidential running mates, Senators Robert Dole [R. Kan.] and Walter Mondale [D., Minn.] have termed those two men also in good health although each has a medical problem to which he has adjusted and does not stand in the way of service as Vice President. or

Dr. Ralph A. Murphy, a specialist in internal medicine in Atlanta, said he found Carter in "excellent" health after an annual check-up Aug. 30. Results of that examination were released by Carter's staff last weekend.

Carter has had several minor medical problems such as treatment for hemorrhoids, skin blemishes called heratoses, and a fungal infection under toenails.

Carter has had "choking spells" due to an allergy to certain foods such as hops, beans,

## Politicians or leaders?

Enough mistakes have been made by both presidential candidates to confirm what Americans have known all along: politicians are fallible. Neither man has escaped the temptation of hyperbole and misstatement in his quest for votes. But as the contenders move into the last weeks of campaigning, is it asking too much of

Such extravagances are spilling more and more into his campaign rhetoric. To state that "Gerald Ford has hidden himself from the public even more than Richard Nixon at the depths of Watergate" or that the President was "brainwashed" in Eastern Europe is sheer nonsense and even demagoguery.

Libertarian Candidate on Today Show

The Libertarian Party is the fastest growing party in the country, Roger McBride, Libertarian presidential candidate said on the Today Show Tuesday.

If elected, McBride would start to dismantle the bureaucracy, but would not abolish all agencies. There are some agencies that could be disposed of overnight, he said, such as the Civil Aeronautics Board.

Why should there be an elite that tells us what to do with our personal life, McBride asked? McBride said the society would not be chaotic because the society that resulted after the American Revolution was libertarian.

On the economy, McBride said the real reason for inflation is the increase in the money supply which is controlled by the government.

McBride said he thinks the Libertarian Party will rise although he admitted the American people are not used to new parties emerging. "We are in the beginning stages," McBride said.

On foreign policy, McBride said his party is not isolationist as some critics have charged but would remove troops from many countries around the world.

The Libertarian Party is on 30 ballots throughout the country.

--Today Show (10/12/76)

Allied Envoys Scared by Ford, Carter

Some key allied envoys are saying both President Ford and Democrat Jimmy Carter have jolted the already-weakened North Atlantic Treaty Organization with controversial statements that have left Europeans unsure of their future.

Allied officials offering such opinions insist on anonymity, saying they do not want to intrude in American electoral arguments.

Allied diplomats say Carter's rejection of the idea of a limited use of tactical nuclear weapons strikes at the heart of existing NATO strategy. As for reaching a deal with Russia to bar the use of nuclear weapons, they say this is a fine ideal and a long-term one, but ask what he would do in the meantime.

About Ford's claim that "there is no Soviet domination of Eastern Europe," senior allied sources outlined this picture, citing what they said was NATO's intelligence data:

- In East Germany there are at least 20 crack Soviet divisions, most armored.
- In Poland, the headquarters state of the Warsaw Pact alliance, up to four Soviet divisions are based.
- In Hungary, four Soviet divisions remain for the purpose, among other things, of keeping open Soviet lines of communications from westernmost Russia to the central and northern salients of non-Communist Europe.
- In Czechoslovakia, invaded by a Warsaw Pact force under Soviet leadership in 1968, five Soviet divisions still stand guard.
- In other East European communist countries like Romania, Bulgaria, Albania, which is Peking-oriented, and middle-road Yugoslavia, no Soviet troops are known to be deployed.

But few NATO authorities doubt pro-Soviet elements function in those countries in a variety of ways.

--AP (10/12/76)

Simon, Schultze Discuss Economy

The economy is not heading for a slump despite certain indications it may, Secretary Simon said Tuesday.

Interviewed on the Today Show, Simon said the underlying trends of the economy must be analyzed, not just one or two month's statistics. The underlying trend is that we are in the midst of a healthy and balanced expansion that compares very favorably with four previous expansions.

"We keep expecting more and more good news each month and that's unreasonable. We're going to get disappointment from time to time, Simon remarked.

Charles Schultze, who is an economic consultant to Carter, also appeared with Simon and said he agreed with Simon that one can't say we're heading into a slump, but the on the other hand, the pause is more than just a couple of months. The unemployment rate has either remained stable or risen for the last five months, the rate of growth of the economy has slackened substantially and the stock market has plummeted Schultze said.

Almost no one is talking about this important economic factor, Schultze said: That is in the last 6 or 7 months, the rate of Federal expenditures has fallen about \$20 to \$25 billion below target. The amount of support the Federal government is giving the economy, for reasons unknown to anybody in Washington, has fallen massively from where it should have been and has therefore offset the benefits of the tax cut that Congress has given.

Asked if less government spending is favorable to combating inflation, Schultze said no, not at the present.

Simon said it is impossible to predict Federal expenditures in a six month period and what was not spent in the last six months is going to be spent in the future.

These policies of adding stimulus to the economy have caused our touch-and-go economic problems in the past, Simon noted.

We're on the right track with inflation, Simon said. "If we just think back for a minute to March 1975 when this double digit inflation started, something over 12 percent, now the base rate of inflation is 5 to 6 percent. That is progress," Simon remarked.

--Today Show (10/12/76)

# The farmer's friend departs

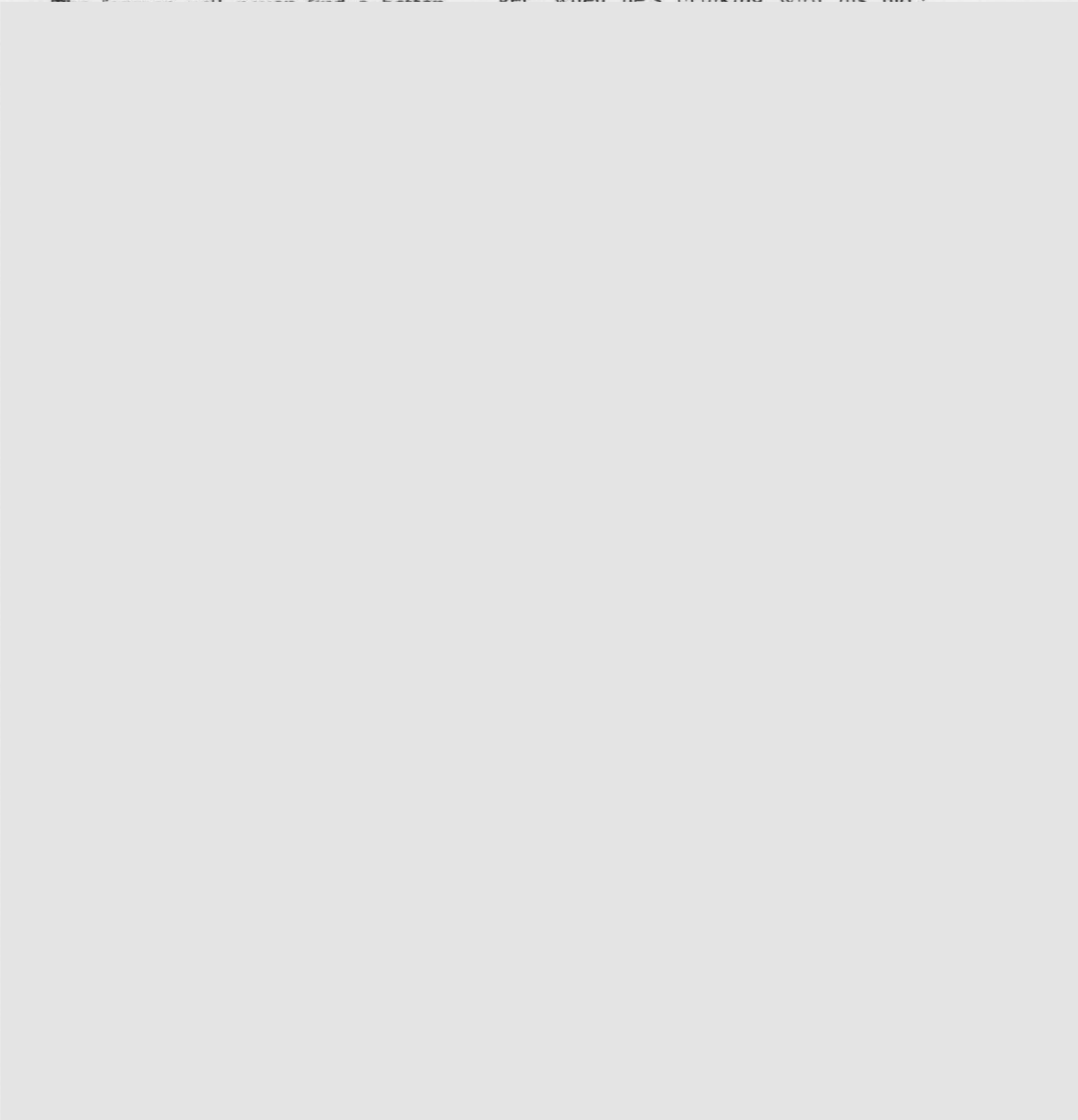
WASHINGTON—"Pound for pound," said the Wall Street Journal a year ago, "the best man in the Cabinet." The Journal was talking of Earl L. Butz. A persuasive case can be made that Uncle Earl was the best secretary of agriculture this country ever had.

In his tenure, farm income doubled; exports tripled; 60 million new acres were opened up for cultivation; the cost of farm programs to the taxpayer fell by 75 per cent.

compassion, love, and forgiveness, kicked him as he fell. Rather than allow his old loyal friend to resign in dignity, Ford should have fired him in disgrace, Carter howled. That's Carter's idea of "leadership."

by Patrick Buchanan

VERY WELL, let us be consistent. The man who manages Carter's multi-million-dollar peanut empire is Brother Billy. Carter's favorite magazine, Playboy, this coming month describes Brother Billy as an "incorrigible cracker who still uses the word 'nigger' when he's drinking with his old



# News & Comment

The President's Daily News Summary



FOR TUESDAY, OCTOBER 12, 1976

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NOTE: Because of the holiday, several magazines were not received Monday. they will be compiled in another supplement Wednesday.



# HOW GOOD

**G**erald Rudolph Ford may be, in the words of one aide, "the closest thing to a Middle American ever to be President of the United States." He likes pot roast for dinner and pro football on Sunday afternoons. He goes to sleep when his wife drags him to the ballet or the opera. He seeks solace in prayer and ease in a two-olive Martini. He does his homework in a turtleneck and an easy chair, one eye straying to a TV set tuned to "Kojak" or "Columbo." He still calls strangers "sir" on first meeting. He loves Betty and the kids, and lusts in his heart after nothing more sinful than butter-pecan ice cream—a passion to which he surrenders frequently. He never hungered after the job he now holds. He discovered only after he got it that he could handle it—and that he liked it well enough to ask America for a full term all his own.

Ford is, in short, the quintessential commoner President—a man distinguished, like Harry Truman or Calvin Coolidge, for the very plainness of his mind and bearing. It is a truism among admirers and adversaries alike that what one sees in Gerald Ford is precisely what one gets: a Main Street Republican of square tastes, decent heart, homely speech, modest vision, great industry, and most of the Boy Scout virtues of trustworthiness to reverence. A surprisingly wide body of opinion counts America lucky to have had him after the traumata of Vietnam and Watergate; his two years in office thus far might rate him only a paragraph or so in history, says LBJ's old brain-truster George Reedy, "but they will be good paragraphs." The question remaining to be settled is whether the books ought to close there—or whether Ford's

politics of ordinariness is right for four years more.

The jury is out, and the evidence is mixed. Ford came to office by circumstance, not popular choice, and with so-so notices as a minority partisan in Congress. His own son Jack confesses that he "wasn't very impressed" with the Old Man before then, professionally speaking; his onetime Congressional chum Charles Goodell concedes even now that Ford is not the sort of thinker one would put "in charge of the Department of Creation." His 26 months of on-the-job training have had some memorably bumpy moments—the abrupt pardon of Richard Nixon, the losing WIN campaign, the snub to Aleksandr Solzhenitsyn; the clumsy exorcisms of Nelson Rockefeller, James Schlesinger and, only last week, Earl Butz. Ford's choice of talent has been spotty, his staffing weak, his domestic record largely negative, and his political judgment suspect; no sitting President in this century has sought nomination and come quite so breathlessly close to being denied it.

Yet Ford has managed some considerable achievements as well—not least among them his own surprisingly swift acclimation to the job and his growing self-assurance in it. History dealt him a bad hand two summers ago: a Presidency in disgrace, a double-digit inflation, the beginnings of the worst recession since the 1930s, the final collapse of the U.S. misadventure in Vietnam. Now, he can reasonably argue that America is at peace in the world; that its alliances are in good order; that its initiatives have bought time if nothing more in the Middle East and now Southern Africa; that the economy has got going again, despite the current sputtering in the



Photos from the White House

# A PRESIDENT?

recovery—and most of all that the White House has been largely cleansed of Caesarism and scandal. Ford presides today, he told *NEWSWEEK*, over “a healed society, and an optimistic one.” His paragraphs—or pages—in history are unlikely to dispute that claim, or to deny him due credit for bringing it about.

What he has not offered yet, and does not promise now, is a great deal of vision, or inspiration, or innovative leadership. He argues that he has been constrained by the manner of his coming to power, and that he would feel “much freer, more assured” given the electoral mandate he now seeks. But one senior staffer predicts, without serious quarrel from the boss, that a second Ford Administration would rather closely resemble the first—“four more years of quiet and consolidation.” His people readily stipulate that there is nothing very exciting or inspiring about Just Plain Jerry Ford; they offer only that his simpler virtues are right for the times. If he is a plodder, says his counselor Robert Hartmann, that is only “a derogatory form of ‘steady worker’ . . . The plow horse has accomplished a lot more for the world than the race horse.”

**T**he heroic Presidency sorts badly in any case with who Ford is and where he comes from; it is in fact arguable that he has not so much grown in the office as reduced it to something refreshingly nearer human size. He is an utterly unpretentious man, the sort who once sent out for steak and potatoes amid the culinary wonders of Peking and who remains capable of taking a half hour out of a Presidential day to chat long-distance with a schoolteacher friend back home

## An appraisal of the Middle American in the White House, his record in office and his plans for four more years

in Michigan. He is a deep-dyed, ledger-book conservative as well. His political habits of mind were formed in the heartland Republicanism of Grand Rapids and hardened in years of opposition to Democratic Presidents and Democratic programs in Congress. “If he saw a schoolkid in front of the White House who needed clothing,” says Jerald terHorst, Ford’s biographer and briefly his press secretary, “he’d give him the shirt off his back, literally. Then he’d go right in the White House and veto a school-lunch bill.”

Neither does he have the public brilliance of a Roosevelt, say, or a John Kennedy. He carries an unfair reputation for being a bit thick—a caricature aggravated by such Ford habits as making a three-syllable word out of “judgment” and an obstacle out of a helicopter door. He is in fact neither wit nor intellectual; one friend doubts that he has read two dozen books for pleasure since college, and another readily grants that Ford is not good at “conceptualizing”—thinking abstract thoughts or playing with pure ideas. His intelligence, like his speech, belongs instead to the meat-and-potatoes school—dogged, common-sensical and geared to solving particular problems. “He doesn’t have a vast mental scheme of things and how he wants to get from here to there,” a senior aide

## The Pro

Whether justifiable or not, White equated with the President's ac ability to deal with his own staff point when he said, in response L. Butz's resignation Oct. 4, "T sing and disgusting episode wa shows a continuation of lack of his decision on what was right very carefully waited and assess what was right politically, and v so great on him from his own pe Earl Butz's resignation."

**Agonizing period:** Carter obviot political capital out of the furo marks. Yet, the fact remains th ing advice from his White House part of three days before allow much dignity as possible.

The delay provoked suspicion taking prompt and forceful actio ies of his staff to wait and test dent. With the campaign at fev acutely aware that Ford needs th and that Butz, an advocate of hi ally popular with the nation's fa iency took precedence over any became clear that Butz clearly w

By that time, however, For where he appeared to be hesit that hardly befit a President, particularly one whose leader- ship constantly is being questioned by his opponent.

**No surprise:** Yet, perhaps we should not be surprised by the White House scenario in the Butz affair.

During his tenure as President, Ford never has exercised tight control over his office staff—notably those senior aides who are supposed to provide him with reliable information on which to base presidential decisions. Most of our recent Presi- dents, including Ford, entered the White House by way of the legislative branch, where their administrative experience was limited to office staffs and campaign operations.

One of the anomalies of the presidency is that, while the occupant of the office may comfortably handle issues like war and peace and the nation's economy, he invariably becomes uneasy when coping with the more personal and immediate problems of his staff. Thus, he appoints a chief of staff to over- see that highly important function of his office.

Political scientists generally agree that the last President to act as his own chief of staff was Harry S Truman.

**Image missing:** Today, after more than two years in the White House, it cannot be said that the White House is entirely in Ford's image. Part of this can be attributed to the manner in which he assumed the presidency and part to his personality.

Ford was exceedingly slow in replacing Nixon appointees, many of whom are still sprinkled throughout the Administra- tion (including Butz until his resignation); he made an unreal-

marks of a blatant charade, and anybody who believes it has an inordinate amount of faith in the Tooth Fairy.

**Question of size:** With good reason, the White House is sensi- tive to charges involving the size of the White House staff and the federal bureaucracy since Ford became President.

During the Sept. 23 debate in Philadelphia, Ford declared, "The first order that I issued after I became President was to cut or eliminate the prospective 40,000 increase in federal em- ployees that had been scheduled by my predecessor. And in the term that I've been President—some two years—we have reduced federal employment by 11,000.

"In the White House staff itself, when I became President we had roughly 540 employees. We now have about 485 em- ployees, so we've made a rather significant reduction in the number of employees on the White House staff working for the President."

The President may well have been correct in quoting figures then available to him. However, the latest statistics, as sup- plied by the U.S. Civil Service Commission, put the total number of federal civilian personnel for July at 2,900,055. This compares with 2,900,767 in August 1974, the month Ford became President. Hence, the size of the federal bureau- cracy is as big as it was when Ford became President, not- withstanding Administration claims.

Figures for the White House Office reflects a small drop ov- er the same two-year period, from 583 to 530 aides. □

# FORD'S TOUGHEST WEEK

Suddenly Gerald Ford ran into his toughest week of the presidential campaign—and perhaps of his entire political career. For a month Ford has been closing fast on Jimmy Carter. But now the President was struck by a series of setbacks that were remarkable even in this mercurial year, marked by flip-flops at the podiums and in the polls. Amid the flood of blunders and bad news, there were also reports that revived questions about the President's probity in the past. Some of the charges were both old and minor, but even his supporters feared that unless Ford was able to make a clear and quick refutation, he would be seriously damaged.

**A**s Ford was besieged on every side, Carter's camp worked overtime to take advantage of the situation. Nobody has ever accused Carter of lacking an instinct for the jugular, and he displayed it clearly throughout the week. For the first time since Labor Day, the Democratic candidate was scoring points with the voters, as he crisscrossed the country and hit hard at Ford at every stop. In his attacks, Carter was so aggressive that it was possible he would provoke a sympathetic backlash for Ford—if the allegations about him were shown to be untrue or grossly overblown. But for the moment, the President gave the Democrats plenty to criticize:

- ▶ Ford's grasp of foreign policy and even his mere competence were called into question during his debate with Carter when he insisted that the Soviet Union does not dominate Eastern Europe.

- ▶ His ability to manage economic policy—and his hopes of going into the election with a nicely improving economy—were challenged by the news that in September wholesale prices jumped at about an 11% annual rate, the steepest rise in eleven months, and that unemployment declined only a hair, to 7.8% (see *ECONOMY & BUSINESS*).

- ▶ His leadership capacity was again being debated because of his hesitation in firing Agriculture Secretary Earl Butz for making an obscene, racist remark.

- ▶ His straight-arrow reputation

came under suspicion because of reports, confirmed by the White House, that in 1972 he had drawn on his political campaign funds to pay for clothing and plane tickets. The amounts were relatively small and, in the case of the plane tickets, quickly paid back to his campaign fund. But Ford had violated Congress's Code of Official Conduct, which states that "a member shall keep his campaign funds separate from his personal funds" and "shall expend no funds from his campaign account not attributable to bona fide campaign purpose." Such separations can be difficult and ambiguous, as any taxpayer knows who has dealt with (and perhaps fudged) the line between personal and business expenses.

Further, Watergate Special Prosecutor Charles Ruff, who is investigating Ford's use of his congressional campaign money, last week brought a witness to testify before a Washington grand jury. The witness was Jesse Calhoun, president of the National Marine Engineers Beneficial Association, one of the two maritime unions that contributed to Ford's campaign funds when he was a Congressman but more recently broke with him.

Democrats were euphoric about the President's mounting political misfortunes. Crowded Carter's issues coordinator, Stuart Eizenstat: "If there is to be a turning point in this election, I think this week may very well have been just that." Carter has lately seemed more at ease after revising his scheduling system so that he works shorter hours and suffers less from fatigue. He has also become more forceful on the stump. According to a survey by *TIME* correspondents, Carter already holds a comfortable lead in electoral votes, with 273 v. Ford's 113.

**S**ensing Ford's vulnerability, Carter kept up the offensive. To the cheers of delighted audiences, he slashed at Ford for his failure to replace some old-line Nixon officials ("Ford has not changed the Nixon Administration"). Most of all, Carter challenged Ford to explain his income tax "discrepancies" and what he meant by saying that the people of Eastern Europe are not under Soviet domination. "Mr. Ford is hiding from the American people," charged Carter. "I call upon the American people to force Ford to tell the

truth." "My God," moaned one newsman, "Ford is bleeding from every pore and Carter is going after more blood."

Of all Ford's problems, Republicans in Washington were particularly depressed over the whiff of possible scandal in his handling of campaign finances as a Congressman. Earlier this year, acting on the orders of Special Prosecutor Ruff, teams of FBI agents had combed through Ford's campaign financial records in Grand Rapids from 1964 through the present time, and reportedly found nothing. But last week, an informer in Washington slipped a confidential and highly sensitive document to two pairs of investigative reporters: the *Wall*

*Street Journal's* Jerry Landauer and Christopher A. Evans and the *Washington Post's* Carl Bernstein and Bob Woodward.

The document was a 13-page Internal Revenue Service summary of its audit of Ford's personal and political finances from 1967 through 1972; the audit was made as part of the Senate's confirmation hearings after Ford was selected by Richard Nixon to succeed Spiro Agnew. The identity of the informer still is not known (to disclose audit information is a misdemeanor). According to the *Washington Post*, he is a Carter supporter who gained access to the audit during Ford's vice-presidential confirmation hearings. The *Post* said that the man insisted he was acting on his own and without prompting from the Democratic camp.

Shortly before the confirmation hearings in November 1973, the audit was made available to the Senate Rules Committee, and his finances were also intensively investigated by the FBI. Ford was given a completely clean bill of fiscal health in the hearings. Speaking of last week's publication of the audit and the debate over Ford's finances, Michigan Republican Senator Robert Griffin, a member of the Rules Committee, said: "If that's all there is, I'll be pleased." But the audit does show that Ford on at least two occasions dipped into campaign funds for personal use.

The first occurred on Nov. 30, 1972, when he wrote a check for \$1,167 against his Gerald R. Ford Fifth District Account at the Union Bank and Trust Co.

# Round Two to Carter

With just four weeks to go before Election Day, Jimmy Carter seized the offensive. From the moment the second Presidential debate began last week, a newly assertive Carter was on the attack. Self-confident and acerbic, he fired aggressive and sometimes pointed charges at Gerald Ford. Foreign policy was supposed to be the incumbent President's strong suit, but Ford was forced to defend himself and his record—and in the process he committed a startling gaffe by declaring, "There is no Soviet domination of Eastern Europe." The debate revealed few areas of substantive difference between the candidates, but the post-debate polls—including a survey taken for NEWSWEEK by The Gallup Organization that gave Carter a strong 50-27 margin—showed that Carter had scored an impressive victory with the viewers. In 90 minutes, the Democratic challenger had drawn blood for the first time in the 1976 campaign—and he promptly sought to capitalize on his newfound gains with a round of relentless and stinging jabs at Gerald Ford.

Buoyed by the debate and a sense that he was finally closing quarters with the elusive President, Carter toughened his stumping style. Gone was his appeal to love and trust. At two rallies in New Mexico, he savaged the President as a weak leader and a dissembler. He accused Ford of having been "brain-washed" about the extent of Soviet influence in Eastern Europe and demanded in prosecutorial language that he "tell the truth, the whole truth and nothing but the truth" about his personal finances. He maintained that Ford was hiding in the White House instead of confronting the voters and challenged him to come out and tell the electorate "who he is, what he stands for and what he means when he makes these conflicting statements."

**Haunting:** Ford tried to mount a counterattack, issuing an eight-page single-spaced list of Carter's "fundamental contradictions and inconsistencies" during the debate. But everywhere he went, his Eastern European slip haunted him as ethnic voters reacted with astonishment and anger (page 24). Despite repeated efforts to clarify his remarks—without actually admitting his mistake—during a series of campaign stops in southern California, he only seemed to make matters worse. Finally, chief of staff Richard B. Cheney took Ford aside and convinced his boss to rectify the mistake. Shortly afterward, Ford summoned reporters, told them he recognized there were Soviet troops in Poland, called the situation "tragic"—and

hoped that he had cleared up his "misunderstanding" from the debate.

Throughout the week, the President seemed dogged by bad news. Although unemployment dropped by the slimmest fraction, other economic developments were downbeat. The stock market continued to slide, wholesale prices shot up at the highest rate since last October and the business community expressed the fear that America's economic recovery was going to take longer than had been anticipated (page 91). An audit of Ford's tax returns from 1967 to 1972 showed that he had got by with an improbably low \$5 a week in pocket money. And Agriculture Secretary Earl Butz's obscene racist slur caused the White House to force his resignation, a move that could hurt Ford in farm states.

Jimmy Carter's camp was ecstatic at the change in the course of political events. His advisers confidently predicted that the polls, which had shown him slipping in a number of key states, would soon reflect a Carter upswing. "This is far more decisive than the first Kennedy-Nixon debate," glowed Carter's polling specialist Patrick Caddell, and a second Carter aide went so far as to exult: "He's got the thing won now." That boast may have been premature, but Ford's advisers were plainly worried. "It was a net loss, and I'd be less than honest if I didn't tell you we're in a stall," said one.

Carter's strident new assault on the President was not without risk. Though voters may see other shortcomings, most do not believe Jerry Ford is dishonest. Some Carter advisers worried that their man was courting a sympathy-for-the-President backlash by his slashing attacks on Ford's probity. But in the view of his inner circle, the only way the challenger could unseat the incumbent was to go on the offensive, force Ford to defend himself and deny him the sanctuary of the White House where he could remain aloof and Presidential.

The strategy seemed to be working for the moment. But whether Carter's new aggressive mode would turn out to be his final surge toward the Presidency or simply another twist in a roller-coaster campaign remained to be seen. It was still far from certain whether Carter had sufficiently shored up the soft edges of his support or picked up enough voters to be certain of carrying the day. In a race largely devoid of substantive issues, the public has been more apathetic than excited about the candidates—doubtful of

Ford's leadership ability and unsure of Carter's judgment and personality.

Carter did score impressive gains as a result of his debate performance, however. In NEWSWEEK's Gallup survey of more than 500 voters, 40 per cent said they were more likely to vote for Carter after the debate, as against 29 per cent who were more likely to vote against him. And among uncommitted voters, Carter scored even stronger gains. Paradoxically, the President was rated better than his challenger on most of the debate issues tested (chart), and Ford continued to get higher scores than Carter in his ability to handle foreign affairs. But, significantly, Carter did better in three areas: the voters saw him as better prepared and better informed in the debate, less nervous and unsure of himself and

more likely to be honest and open with the public in conducting foreign policy.

The second debate, like the first, was hardly distinguished. Both candidates sounded at times as though they were delivering—and often redelivering—memorized statements, and the debaters occasionally turned testy. Sidestepping the questions put to him, Carter repeatedly put forth his litany of charges against Ford: his foreign policy was naive and immoral, it was obsessed with secrecy and it so lacked leadership that the world had lost much of its respect for America. "This wasn't a debate about foreign policy," one of Carter's advisers explained. "It was a debate about leadership in the world." Thrust on the defensive, Ford had to counterattack while justifying his track record. He accused

Carter of calling for defense budget cuts that would imperil American security and contended that his opponent's Middle East policy could mean imposing a damaging settlement on Israel. He concluded with an appeal to judge his foreign policy by its fruits: "Not a single American today is fighting or dying on any foreign battlefield. America is at peace with freedom."

**Gasp:** But Ford's performance was marred by two missteps. In concluding his answer to a question by Max Frankel of The New York Times, the President declared: "There is no Soviet domination of Eastern Europe and there never will be under a Ford Administration." There was an audible gasp from among the 572 journalists and official guests in the audience at San Francisco's Palace of

# HOW THE CANDIDATES ARE GOING AFTER THE SPECIAL VOTER BLOCS

The old, the young, blacks, Indians, ethnics—just about every conceivable group is the target of Ford and Carter tacticians in the hunt for votes.

Special-interest voting groups are taking on new importance in the wake of the furor over President Ford's remarks about Eastern Europe and the resignation of Agriculture Secretary Earl Butz after a racial slur against blacks.

Even before the latest round of controversy, Gerald Ford and Jimmy Carter were drawing sharper beads on sections of the electorate whose support could hold the key in the presidential contest.

Each of these voting interests—ranging from blacks to Catholics to Jews to old people—has its own concerns. The candidates are trying to satisfy them all.

**Battle over ethnics.** Much of the battle is being fought for the so-called ethnic vote. Mostly Catholic, some apparently skeptical of a Protestant Southerner, these urban-dwelling Americans are concentrated in States with big electoral-vote totals.

Usually, the ethnics lean Democratic. But they supported Richard Nixon in 1972. Strategies of both candidates depend on winning a big majority of them.

Ford campaign workers said the President has been encountering problems in attracting ethnics of Eastern European origin because of Secretary of State Henry Kissinger's policy of détente with the Soviet Union. This situation was magnified when Ford, during his second debate with Carter, declared that "there is no Soviet domination of Eastern Europe."

Carter sharply disagreed with Ford's assertion that such countries as Yugoslavia, Poland and Rumania are "independent, autonomous" and not under Soviet domination.

After the debate, the chairman of the National Captive Nations Committee expressed shock at Ford's statement. Carter seized upon the President's remarks in appearances after the debate, calling them "a cruel hoax upon millions... who have lived under Soviet domination for their entire lives."

The battle for votes of key blocs ranges far and wide. The Carter campaign, for example, has organized special appeals or "desks" for virtually ev-

ery major voting interest. There are desks for American Indians, Asian-Americans, Hispano-Americans, urban ethnics, conservationists and women, among others.

Ford has been no less methodical. He has brought all such interests under a single umbrella organization—"People for Ford"—which seeks to co-ordinate his efforts among some 20 groups.

In charge of Carter's urban-ethnic desk in Atlanta is a nun, a symbol of the importance of the Catholic vote in a nation where more than 1 of 5 potential voters are Catholic.

While Carter has campaigned through Italian, Polish, German, Slovak and Irish neighborhoods, Ford has courted ethnics mostly at the White House. A seemingly endless procession of ethnic lead-

ers has been summoned to the Rose Garden to be honored by the President for one accomplishment or another.

Carter, who speaks Spanish, is hoping to do especially well among 6 million Hispanic people of voting age. He is beaming radio and TV spots in Spanish to such voters concentrated in 17 States.

Carter also is expected to make a strong showing with blacks. Even before the flap over Butz's racial remarks, blacks were reported to be leaning overwhelmingly toward the Georgia Democrat.

Nationwide, 1 in 10 potential voters is black. But throughout the South and in the big Northern industrial States, blacks are even more important politically.

Ford's strategists aren't conceding this—or any other—key segment to



## The Story Statistics Tell

### ABOUT YOUNG AND OLD VOTERS

#### YOUNG ADULTS

Nearly 1 in 5 potential voters is under 25 years old.

States where the young make up 20% or more of the voting-age population—

		Electoral Votes
Alaska	28.4%	3
Utah	24.3%	4
Hawaii	23.6%	4
New Mexico	21.6%	4
Colorado	21.4%	7
South Carolina	21.3%	8
Virginia	20.9%	12
Delaware	20.7%	3
Louisiana	20.6%	10
Michigan	20.1%	21
North Dakota	20.0%	3
Texas	20.0%	26

**U.S. TOTAL 18.7%**

#### ELDERLY

More than 1 in 7 potential voters are 65 or older.

States with largest shares of elderly in voting-age population—

		Electoral Votes
Florida	22.7%	17
Arkansas	18.5%	6
South Dakota	18.4%	4
Iowa	18.2%	8
Missouri	18.2%	12
Nebraska	18.2%	5
Kansas	17.8%	7
Rhode Island	17.8%	4
Oklahoma	17.5%	8
Maine	17.2%	4
North Dakota	17.2%	3
Mississippi	16.8%	7

**U.S. TOTAL 15.3%**

Source: U.S. Bureau of the Census

# THE BLOOPER HEARD ROUND THE WORLD

Chopping the air with his right hand, Gerald Ford boldly declared: "There is no Soviet domination of Eastern Europe, and there never will be under a Ford Administration."

Incredulous, New York Times Associate Editor Max Frankel asked a follow-up question that offered Ford a chance to retreat, but Ford lowered his head and charged into a trap of his own making. By his reckoning, Yugoslavia, Rumania and even Poland were not under the Soviet thumb. "Each of these countries is independent, autonomous; it has its own territorial integrity."

Thus, in his second debate with Jimmy Carter, Gerald Ford made what could well be the most damaging statement of his career. For any politician, calling Eastern Europe free would be an amazing gaffe. For a President, especially one who is running partly on a campaign theme of experience in foreign policy, the mistake reawakened many voters' suspicions that Ford is a bumbler. In fact, while Yugoslavia is largely free of Soviet domination and Rumania has achieved a measure of autonomy, Poland and several other countries of Eastern Europe are very much in thrall to the Russians.\*

Ford got into the jam in the course of answering Frankel's question about whether the Soviets had the better of the U.S. in the grain sales and the 1975 Helsinki agreement, which confirmed the postwar boundaries of Eastern Europe. The President easily came up with justification for the grain deals but ran into trouble trying to defend the Helsinki pact. He has clearly demonstrated in the past that he understands the realities of Eastern Europe, and he apparently meant to say, as he did several sentences later, that the U.S. "does not concede that those countries are under the domination of the Soviet Union." Ford even had studied lines to this effect in the briefing book. But somehow he truncated and garbled the lines, carried away by rhetoric. Then, instead of retracting his misstatement—and only running the risk of appearing tongue-tied—he bullheadedly stuck to what he had said.

Next day Ford struggled to disentangle himself, telling a large crowd of students at the University of Southern California: "It is our policy to use every peaceful means to assist countries in Eastern Europe in their efforts to become less dependent on the Soviet

\*The Soviet Union maintains 31 divisions in top combat readiness, consisting of 400,000 men and 9,000 tanks, plus a veritable army of secret agents. Eastern Europe's police forces, not to mention its economies, are also under Moscow control.

Union and to establish closer and closer ties with the West." Shouted an unimpressed student: "Good try, Jerry." Two days later, Ford tried again, telling California businessmen that citizens of Poland "don't believe they are going to be forever dominated—if they are—by the Soviet Union." That only made the situation worse.

The gaffe injured Ford's chances of winning what he must: the crucial northern states of Illinois, Michigan, Ohio, New York, New Jersey and Pennsylvania. All probably will be decided by the shift of a few percentage points, and in those states live millions of voters of Eastern European—and German—origin. The Eastern Europeans are largely Catholic, urban and blue collar, and they traditionally vote Democratic. Ford had seemed to be wooing them with some success by emphasizing his rigid opposition to abortion and by playing on fears of Carter's born-again Baptist evangelicalism.

Carter largely failed to exploit Ford's slip during the debate. But next day he called Ford's remarks "absolutely ridiculous," and his staff considered preparing a series of radio commercials to be beamed primarily at ethnic communities. Chortled Carter Political Director Landon Butler: "We couldn't have picked a better ethnic coordinator than Ford."

## THE "ETHNIC" REACTION

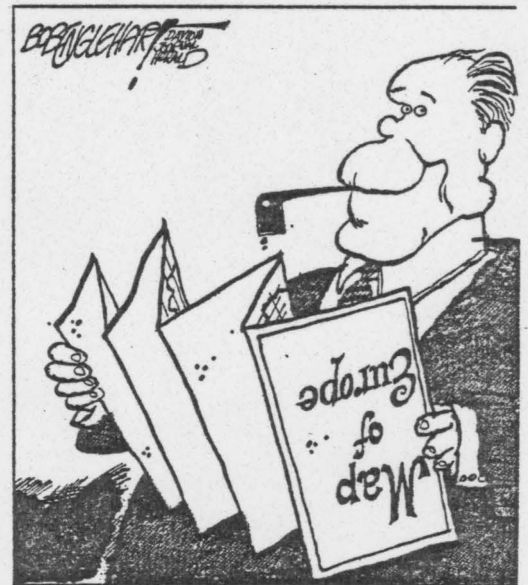
Ford's statement dumbfounded and dismayed "ethnic" groups. So far, at least, only a minority echoed the charitable view of Boleslaw Wierzbanski, of the *Polish Daily News* in Jersey City, N.J., that the remark was "a lapse of lingua—a slip of the tongue." Added Feliks Gadowski, general secretary of the Assembly of Captive European Nations: "I was shocked by what he said, but you have to judge him on the whole American Government policy."

More common was the view of Aloysius Mazewski, president of the Polish American Congress and the Polish National Alliance: "People can't understand it. They know the President knows better." (After a phone call from Ford, Mazewski said he felt "satisfied" by the President's explanation.) Said Wisconsin State Representative Joseph Czerwinski: "It's something out of *Alice in Wonderland*. Voters are going to question why the fellow sitting in the Oval Office has such an unclear picture of what's going on in Eastern Europe." Casimir Bielen, director of the Ohio division of the Polish American Congress, said: "He has minimized the hopes of people who want freedom." Said Janet

Branden, president of Polanki, the Polish women's cultural organization in Milwaukee: "I was going to vote for Ford. Now I don't know. I feel I can't vote for either one."

## THE EXPERTS' VIEW

The Eastern European blooper aside, Ford gave an adequate performance (see following story). The whole debate was a 90-min. slugfest, in which both candidates threw roundhouse punches—a sharp contrast to the first dreary confrontation. But last week's encounter was more style than substance. Both candidates showed something of a box-score mentality, with Carter ticking off the names of the countries he has visited and Ford listing the names of the foreign leaders he has met. Carter greatly overstated America's weaknesses in the world. Ford's inability to put across his Administration's successes or clearly explain its policies dismayed Secretary of State Henry Kissinger, who had



spent hours briefing him. Yet Carter had a hard time criticizing those policies, since he agrees basically with most of them, differing largely on style and emphasis.

Many experts gave both candidates low marks. Said Soviet Expert Adam Ulam of Harvard: "Neither one had any feeling for the terribly complex problems we have in dealing with Russia and the Communist countries. Much of the debate was nothing more than posturing." Added Vanderbilt Chancellor Alexander Heard: "Both candidates tended to make debating points in a way that raised doubts about the political-education value of these debates."

Several of the experts were particularly disappointed with Carter. Said Sovietologist Paul Zinner of the University of California at Davis: "He was terribly evasive, terribly moralistic in vague, evangelical terms. His strategy was to go on the offensive against the President, rather than to discuss his own pro-



By George F. Will

## Carter and 'The People'



Jimmy Carter has done well, if not necessarily good, by telling the American people that they are wise and wonderful. But he was not strenuously correct when he said in the debate: "Every time we've made a serious mistake in foreign affairs, it's been because the American people have been excluded."

it" that he means just what he says. He says the first thing he would do to involve "the people" in foreign policy would be to "quit conducting the decision-making process in secret."

Political principles are like spilt needles. They make it risky to step or sit. And it is fun to imagine how Carter

its opinion on commodity agreements, the capitalization of the World Bank and the correct negotiating position regarding the Soviet SS-20 missile? What is the

# IT'S ABOUT TIME

BY HOWARD FLIEGER

In the partisan afterglow of the Ford-Carter debate on foreign policy—naturally, both sides claim pluses—this may be escaping notice outside Washington:

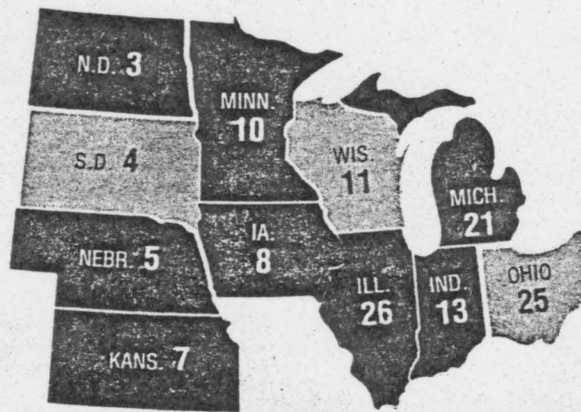
There are some signs that the United States is throwing off its timidity about doing or

may seem a small thing, but the U.S. defiance of Kremlin objections to the memorial is significant.

Item. October 23 marks the 20th anniversary of the Hungarian revolt against Communist dictatorship—a revolt crushed by Soviet tanks

# THE MIDDLE WEST—

## A Region Where Ford Holds The Edge



**LEANING TO FORD** 6 States, With 75 Electoral Votes

**LEANING TO CARTER** 2 States, With 18 Electoral Votes

**IN DOUBT** 3 States, With 40 Electoral Votes

He is far from nailing it down, but Ford has a clear lead in a region crucial to his hopes. Things could change quickly, though.

Gerald Ford is beating Jimmy Carter in the Midwest, the traditional heartland of the Republican Party and home territory of its presidential nominee.

If the election were held now, the Midwest would show this electoral-vote count:

Ford, 75 votes; Carter, 18 votes; too close to call, 40 votes.

Yet the area is so riddled by indecision and apathy that few States are beyond the reach of either man. Some shifting from one column to another is quite possible by Election Day.

Those are the chief findings of the third in a series of regional surveys by members of the staff of *U.S. News & World Report* on the nationwide political outlook. In early October, the team sounded out the sentiment of leaders in both parties and the opinions of political analysts, then rechecked the experts after the second television debate.

They found that the debate did not alter the over-all pattern in the States but appeared to make Ford's lead in a number of them more shaky.

Capturing the bulk of the Midwest's 133 electoral votes is vital to the President's strategy. If he cannot win in that region, his aides admit, he will not get the 270 votes needed to hold the White House.

At this stage of the campaign:

- Ford leads in six States—Illinois, Indiana, Kansas, Nebraska, North Dakota and his native Michigan.

- Carter is ahead in two States—Minnesota and Iowa.

- Three States—Ohio, Wisconsin and South Dakota—are rated as in doubt.

**Much indecision.** Coming through clearly in the survey is that many Midwestern voters are not enthusiastic over either major presidential candidate. Large segments of the public, up to a third in some States, say they cannot decide whom to support. Many may not vote.

In the economic field, Carter's forces are hammering away in urban areas on continued high unemployment.

Ford's camp is warning voters that if Carter were to win, it would mean runaway federal spending, with resulting renewed inflation and higher taxes on the middle class.

Although increasingly industrialized, the Midwest still relies heavily on agriculture for income and jobs, even in the larger cities. That makes farm prosperity a prime campaign issue.

The region's farmers ordinarily can be

counted firmly Republican. But this year their income has dropped sharply because of drought and lower prices for grain and beef. Many growers are trying to hold on to their grain until prices rise, and they blame the depressed market on President Ford's 1975 embargo on grain sales to the Soviet Union.

The resignation of Agriculture Secretary Earl Butz over a racial joke he told stirred mixed reactions in the Midwest, where the native Indianan has long been regarded as the farmer's champion.

An Ohio newspaper editor said that Butz had become a "liability" to the Administration and predicted that his departure would help Ford.

But a marketing expert in South Dakota reported: "Farmers and ranchers around here think well of Butz. Some are saying Ford should not have tied a can to his tail."

**Foggy assessment.** To many voters, however, it is their perceptions of the candidates as individuals that count most. Here again, the assessment got a foggy picture.

Although Ford forged strong Midwestern ties during 25 years as a Michigan Congressman, he still is regarded by many in the region as a lackluster national leader. The President's backers insist that any shortage of charisma is more than offset by his honesty and steadiness.

Carter, with all his appeal as a new reformer, remains an enigma to many Midwesterners unaccustomed to dealing with Southern politicians. The Democratic candidate's outspoken remarks on extramarital sex to *Playboy* magazine did not go down well in religion-conscious small towns, either.

What is striking is that all this wavering comes in a region that normally stands solidly Republican. Many of these States have voted Republican in every Presidential election since 1948, except for the Johnson landslide in 1964.

As each State lines up today:

**OHIO**—By all odds, the State and its 25 electoral votes should go to Ford. Republicans are credited with having the strongest party organization of any big electoral-vote State in the North, and Ohio usually votes Republican.

But unusual currents are at work.

A poll released on October 3 by the *Columbus Dispatch*, which has a good record of accuracy, showed Carter with a lead of 53 per cent to 41 per cent.

President Ford, the poll indicated, is not doing as well as expected among independents and conservatives, particularly in rural areas and small towns in the southern part of the State.

Yet Carter is running far behind



Sven Simon—Katherine Young

The Chancellor: It's no longer 'in' to be one of the ins

### SCHMIDT: 'I LIKE FORD'

*Late last week Chancellor Helmut Schmidt held his first post-election interview with a foreign journalist, NEWSWEEK's Anthony Collings. Schmidt discussed his own political*

*one we had in 1969, and normally a small majority leads to greater discipline of the majority party . . . We will follow the course of our platform and the platform of the [Free Democratic*

## GRAND RAPIDS AS CHARACTER WITNESS

*As the Democrats are attempting to make an issue of Gerald Ford's probity, the community that helped shape him stands as a kind of character witness. Just as Plains, Ga. (pop. 683), is typical of the Deep South, small-town style, Grand Rapids, Mich. (pop. 195,000), epitomizes many of the enduring qualities that typify the Midwest. TIME Detroit Bureau Chief Edwin Reingold visited Grand Rapids, while White House Correspondent Strobe Talbott talked with Ford's*

*friends from his home town on the White House staff. Their report:*

The staff at Grand Rapids' solid old Pantlind hotel is buzzing with excitement because the Secret Service agents are coming to check it out for Jerry Ford's visit. He plans to stay there when he returns to vote on Election Day. In the hotel coffee shop, a visitor can buy a religious record or a book of Bible stories—or a tumbler emblazoned with Ford's

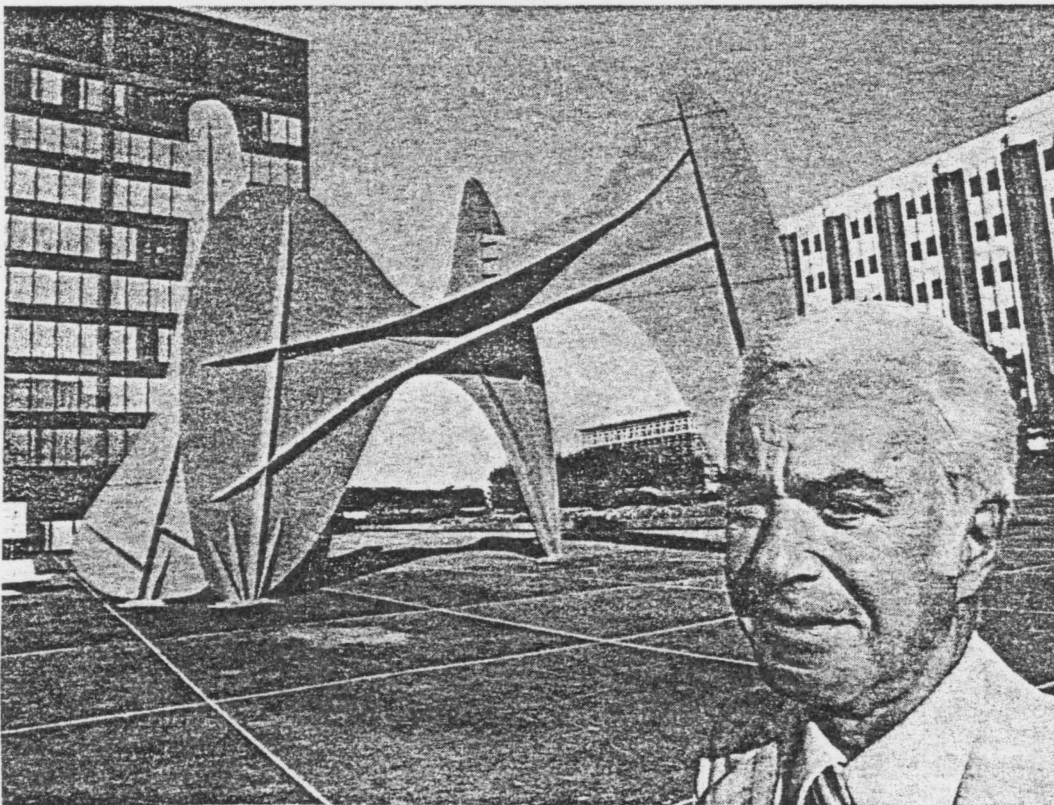
image. Route 131, which cuts through downtown was christened the Gera

R. Ford Freeway in 1975, and the President's name also adorns the gym at Grand Rapids Community College. Despite the uproar over Ford's alleged campaign fund manipulations, his supporters in Grand Rapids shrugged off the charges and were hanging tough with their hero. In the heart of the city, Republican women work a phone bank— they expect to make 50,000 calls on Election Day—under a banner identifying them as "Jerry's Angels." Croone: "We don't have any trouble getting volunteers. People walk in off the street. Everybody knows Jerry Ford."

Indeed everybody does, although and Betty have not lived in Michigan's second city in almost 28 years. Some timers remember him as the tow-headed youngster who played center on the South High football team. Others recall him as the industrious fellow earning a week plus lunches waiting on tab during the Depression. Mrs. Ella K. Weed, an early supporter of Ford's, calls his boldness; he dared to impertune her with the risqué wolf whistle used to think, "Well, that big kid in dirty coveralls has a nerve—whistle at me like that!"

During his 25 years in Congress representing western Michigan's Fifth District, which includes Grand Rapids, Ford kept in close touch through frequent trips home. "Sometimes he would give a breakfast speech and then fly to Washington for a crucial vote and turn for an evening meeting," recalls Maury DeJonge, a newspaperman who has covered Ford for many years. Most summers Ford spent two weeks crossing his district in a trailer to

MAYOR ABE DRASIN & CALDER STABILE, IN VANDENBERG CENTER



# Carter Team Aiming to Put His Budget in Place Immediately

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If elected, Carter would have only a few weeks between his inauguration and the budget's due date. But his advisers are working to make that budget his.

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BY JOEL HAVEMANN

Jimmy Carter's transition advisers have begun to study the initiatives a President Carter could put into the fiscal 1978 budget, which he would have to submit to Congress just weeks after his inauguration.

"We want to have an impact on the fiscal year 1978 budget if we're elected," said Jack H. Watson Jr., the Atlanta attorney directing Carter's transition team.

Watson and his staff have turned to experts with the House and Senate Budget Committees and the Brookings Institution for advice on how to make their mark on a budget currently under preparation in the Ford Administration. In particular, they are looking at the long-term spending consequences of various proposals for welfare reform and national health insurance. They believe they will be able to recommend spending increases above Ford's budget for a few major initiatives and spending cuts in several broad areas, possibly including defense.

They do not expect to include proposals for tax reform—another of Carter's campaign promises—in the 1978 budget. "The major questions about tax reform cannot be answered in a short period of time," Watson said. "It's a complicated subject and not one that we're plumbing the depths of right now."

**Timing:** The biggest problem facing the Carter staff is timing. The President must submit his budget proposal to Congress 15 days after Congress convenes; in recent years, budgets have been submitted in late January or early February. Inauguration day is Jan. 20.

Ford's Office of Management and Budget (OMB) has been working since

spring on the budget for fiscal 1978, which will begin next Oct. 1. It will be impossible for Carter to throw out Ford's budget and start from scratch. "There's no way to turn a \$400 billion budget around overnight," an OMB official said.

Watson said Carter, if he is elected, will have to submit a fiscal 1978 budget largely in the form in which Ford prepares it. He said the transition team has not tried to get OMB to prepare an alternative budget in case Carter is elected. "We don't even know what the OMB is working on in specific detail," he said.

Instead, Carter's advisers are relying on the congressional budget process to provide them with an opportunity to have an influence on the fiscal 1978 budget. Watson said Carter wants to be ready to go to Congress by Feb. 15 with his own recommendations.

That should give congressional committees time to analyze Carter's recommendations by March 15, when they must report to the House and Senate Budget Committees on their plans for spending and tax legislation. The March 15 reports will provide the basis for the first congressional budget resolution, which will set spending and revenue targets for fiscal 1978.

**Seeking advice:** Watson began looking for advice on the fiscal 1978 budget in early August. He and Bowman Cutter, the transition staff's coordinator for economic issues, spent a day in Washington being briefed by the staff of the Senate Budget Committee.

"We told them that if they didn't want to wait until fiscal 1979 to see the fruits of their election in 1976, they'd have to get their budget amendments to us by the middle of February," said Douglas J. Bennet Jr., director of the Senate committee's staff.

Watson said he instructed his staff of about a dozen persons, each of them concentrating on a particular program area, to analyze the budget implications of the programs in their domain. He put Cutter in charge of coordinating the budget analysis, and later appointed a new member of his staff, Bruce Kirschenbaum to work with Cutter. Kirschenbaum, 31, had been director of New York City's Washington office. (For a report on Carter's transition staff, see Vol. 8, No. 34, p. 1166.)

For advice on budget issues, the transition staff went to Arnold H. Packer and Nancy H. Teeters, the staff economists for the Senate and House Budget Committees. They also turned to the Brookings Institution, which recently had published *Setting National Priorities*, a book examining the shape of the federal budget over the next 10 years.

**The long term:** The Brookings book was particularly appropriate. All the advisers sought out by the Carter staff said most of the questions they were asked dealt with the outlook for the federal budget through a full four years of a Carter Administration.

"It doesn't make sense to look at the expenditures and revenue of the federal government just for next year," Watson said. "We think there ought to be planning on a multi-year basis."

Carter has promised to balance the budget by the end of his first term—fiscal 1981. Watson said Carter will have to tailor his budget for each of the years leading to 1981 to make his goal attainable. "You've got to reach out and see where you want to be in four years and then work back and figure out how to get there," he said.

The goal of a balanced budget means Carter cannot start programs early in his Administration whose costs might



Mrs. Ford tours a museum in Indianapolis.



Mrs. Carter, black leaders in Washington.

## BETTY vs. ROSALYNN

### Life on the Campaign Trail

**A**S THE PRESIDENTIAL RACE enters its final weeks, it is not only the candidates who will be running a fast campaign course. Their wives will be, too.

There are differences in the ways that Betty Ford and Rosalynn Carter go about trying to garner votes for their husbands. They touch on different subjects, travel at different paces.

Yet, in a tight race it could well be the wives who will swing the election one way or another.

**Betty's role: First Lady.** Mrs. Ford, as wife of a President, is more likely to lean toward ceremonial appearances than old-fashioned campaigning.

She frequently accompanies her husband on campaign jaunts, as well as going off on her own. But she says she will step up personal appearances in the campaign's home stretch.

On a recent tour, there was a brass band in Houston, a steel band in Indianapolis, throngs of children, a luncheon with ethnic voters in Pennsylvania. But the event of most personal significance to Mrs. Ford was her participation in the dedication of expanded facilities for a cancer center which is part of the University of Texas.

In Pittsburgh, Mrs. Ford—now known widely by her citizen's-band call word of "First Mama"—paid a surprise visit to a working-class neighborhood on the city's South Side to participate in a Republican voter-registration drive in one heavily Democratic precinct.

Mrs. Ford's motorcade drew up on an empty street under rainy skies. Trailed by a busload of local TV crews, reporters and some traveling press, she went door to door, and things started to happen.

Telling startled residents that "every vote counts" and that she was "out cam-

paigned for her favorite candidate," she moved slowly down the block. People leaned out of windows, popped out of doors, wound in among the TV crews, spilled over the sidewalks.

Wherever she goes campaigning, Mrs. Ford meets briefly with the local press and handles a few tough questions. For example, on her husband's golf invitations: "It was something between old friends; I don't consider it anything. They were guests of ours many times."

On the road, it is not a leisurely pace for Mrs. Ford, but she does limit the number of her daily engagements.

Formal speeches are rare; typically, her appearances involve chats with small groups.

One observer's summing up: "Mrs. Ford is First Lady first and partisan advocate second."

**Mrs. Carter: a whirlwind.** Rosalynn Carter is one political wife who can match her husband's hectic pace on the campaign trail. Take a typical three-day swing:

Visits to 8 cities, 7 news conferences, addresses before 14 audiences, a dozen newspaper and magazine interviews, at least 10 TV appearances. In addition, there were meetings with Democratic and labor leaders and the usual ceremonial appearances.

On her trips, Mrs. Carter averages a 13-hour day. In one week, the Carter family showed up in 97 cities in 25 States.

Even more than other Democratic campaigners in the past, Rosalynn Carter is her husband's premier representative—and frequently his most fluent advocate.

Many political observers credit her above all others as being virtually an

extension of Carter-the-candidate. On the stump, she echoes his dominant campaign themes:

- The people "have lost trust in the Government in Washington" and "Jimmy Carter can restore that trust."

- Carter is a "fiscal conservative," one who "managed a complex governmental structure and left a 116-million-dollar surplus in the Georgia treasury."

But Rosalynn Carter has her own campaign themes.

Her top priorities are increased financial aid and attention for the elderly and the mentally afflicted. If her husband is elected, she would work directly with these groups.

While campaigning, Mrs. Carter is dogged everywhere by questions on her husband's remarks about lust in his interview with *Playboy* magazine.

Her reply: "Jimmy was explaining to a readership of 40 million what the Baptist religion, what Christianity means to him." The point he was making, she maintains, is: "Judge not lest ye be judged." And, finally, she argues that "his remarks need to be put in context."

Just how effective is Mrs. Carter's campaigning?

The Carter camp is sufficiently confident of her effectiveness to charter, from its limited funds, two six-seater jets to keep her show on the road practically all the time.

It is remembered that she, along with other members of the Carter family, played a major role in winning Carter the nomination in the first place. One observer sums up:

"In the beginning, it seemed that her audiences were reserved. But they warmed up to her remarks. Her belief in Jimmy Carter is coming across."

By Paul A. Samuelson

## Economic Jitters



**F**or one year the U.S. economic recovery rebounded vigorously. Production accelerated. Jobs expanded. The rate of unemployment dropped steadily and vigorously. Profits swelled.

President Ford glowed in the realization that the Presidential election would

deal of uncertainty about short-term prospects. And still no signs of action or even of concern on the part of official Washington.

Suddenly a note of panic began to creep into the autumn financial commentaries. The leading indicator index

ward: Otto Eckstein at DRI, Michael Evans at Chase Econometrics, Albert Sommers at the Conference Board, David Grove at IBM. Ironi-



# Worry for Ford in His Strong Suit

The pause that descended on the nation's economy last spring is hanging on much longer than almost anyone expected. Though most economists and businessmen are still confident that the recovery will soon regain its momentum after six months of quietly marking time,

