

The original documents are located in Box 28, folder “Third Debate, 10/22/76: Key Points for the President” of the Michael Raoul-Duval Papers at the Gerald R. Ford Presidential Library.

Copyright Notice

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 Michael Raoul-Duval donated to the United States of America his copyrights in all of his unpublished writings in National Archives collections.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

KEY POINTS - LAST DEBATE

Opening answer:



- . One minute direct answer to question.
- . Carter hasn't answered questions - only 10 days left to election day.
- . He has no record and no experience.
- . The moment of truth has come.
- . We need specifics on: reorganization of government, defense cuts, spending and tax reform.
- . My record: peace, lower inflation, new jobs, tax cuts.

Key themes:

- . Peace - strength, no fighting, no draft, my experience.

- . Tax-cuts - cuts for all families, Carter's statements on taxing over median income level, eliminating mortgage interest deduction and closing loopholes on rich; Carter for higher spending, Ford for lower taxes.

- . Employment - 4 million new jobs in 17 months is a peacetime record, Carter's answer is Humphrey-Hawkins, new jobs without jeopardizing existing ones.

- . Experience (foreign policy) - Carter for cutting defense budget, withdrawing U.S. forces abroad, waffling on the B-1 and friendly hand to Communists in Western Europe.

- . Experience (Georgia) - employment up 25%, government spending up 50%, debt up 20%, crime up in three of seven serious crime categories.

- . Comeback (feeling good) - in two years Ford has restored trust, peace, 4 million jobs, cut inflation in half.

Closing statement.

- . Thank League of Women Voters.
- . First time incumbent President has debated his opponent.
- . Stakes are high.
- . In August of 1974, people had lost trust, no faith in the economy and no spirit of optimism.
- . Have comeback: inflation cut, new jobs, country at peace, honor restored to White House.
- . Question is whether to keep on steady course to greater prosperity or to pursue uncertain future with untested leadership.
- . I need your help. I need your vote.

The Economy

Carter will take the position that "the economy is in a downward slide". He will cite a whole series of negative statistics allegedly to prove his point. He may call for an immediate tax cut to spur the economy during the debate.

I would suggest that the response be that:

The Governor has worked hard to find all of the negative statistics he can find. The difficulty with his conclusion is that the experts, including many of those who advise the Governor, looking at all the facts about the economy conclude that the economy will be accelerating in months ahead.

Most forecasters are forecasting an increase in real GNP of between 5% and 6% for the fourth quarter (current quarter) and 6% to 7.5% in the first quarter of 1977. That is scarcely support of the Governor's view of the economic outlook.

The reasons behind this more optimistic outlook of the experts are:

- 1) A recovery in capital goods. Merrill Lynch just released a survey that shows business plans to increase capital expenditures by 14% in 1977 versus 5% this year. Today the Commerce Department released capital goods orders for September which show a 1.8% increase.
- 2) Housing starts rose 18% and building permits 11% in September. These presage a strong recovery in residential building in the months ahead.
- 3) Inflation continues to unwind with the consumer price index showing a less than 5% annual rate of increase last month and only 5.5% during the past year. We expect further improvement.

If Carter comes forth with a recommended tax cut, "to get the economy going again," you might wish to respond:

1) If the Governor is also recommending a cut in Federal spending to go along with his tax cut, I commend him on his sound judgement.

2) If the Governor is saying we should increase the deficit (which will, of course, be his position) then I think he's panicking. He is responding in much the same stop-go policy fashion that got us into our inflationary mess of recent years. What we need is a steady hand on economic policy, not one which is inclined to push the panic button.

Miscellaneous Points

- 1) Inflation destroys jobs.
- 2) You can't cure deficits and regain a balanced budget through more deficit spending.

The Economy

Carter will take the position that "the economy is in a downward slide". He will cite a whole series of negative statistics allegedly to prove his point. He may call for an immediate tax cut to spur the economy during the debate.



I would suggest that the response be that:

The Governor has worked hard to find all of the negative statistics he can find. The difficulty with his conclusion is that the experts, including many of those who advise the Governor, looking at all the facts about the economy conclude that the economy will be accelerating in months ahead.

Most forecasters are forecasting an increase in real GNP of between 5% and 6% for the fourth quarter (current quarter) and 6% to 7.5% in the first quarter of 1977. That is scarcely support of the Governor's view of the economic outlook.

The reasons behind this more optimistic outlook of the experts are:

1) A recovery in capital goods. Merrill Lynch just released a survey that shows business plans to increase capital expenditures by 14% in 1977 versus 5% this year. Today the Commerce Department released capital goods orders for September which show a 1.8% increase.

2) Housing starts rose 18% and building permits 11% in September. These presage a strong recovery in residential building in the months ahead.

3) Inflation continues to unwind with the consumer price index showing a less than 5% annual rate of increase last month and only 5.5% during the past year. We expect further improvement.

If Carter comes forth with a recommended tax cut, "to get the economy going again," you might wish to respond:

1) If the Governor is also recommending a cut in Federal spending to go along with his tax cut, I commend him on his sound judgement.

2) If the Governor is saying we should increase the deficit (which will, of course, be his position) then I think he's panicking. He is responding in much the same stop-go policy fashion that got us into our inflationary mess of recent years. What we need is a steady hand on economic policy, not one which is inclined to push the panic button.

Miscellaneous Points

- 1) Inflation destroys jobs.
- 2) You can't cure deficits and regain a balanced budget through more deficit spending.

ARAB BOYCOTT

[Suggested guidance: Do not raise Arab Boycott issue.
Respond or rebutt briefly only if directly asked or if
Carter raises it.]



In dealing with the Arab Boycott problem, I have been guided
by two principals:

First, I unalterably oppose it. It is morally and
and legally wrong.

Second, I want realistic action taken against the
boycott. I'm not interested in rhetoric and I
will not hold out the promise of more than we
can deliver.

Now, the facts are that the boycott has been in effect since
1952. As President, I have taken stronger action than any of
my predecessors:

- In November 1975, I acted to insure that American Citizens and firms would not be subject to boycott-related discrimination.

- In January of this year, for the first time, the Justice Department filed a civil anti-trust suit against an American company charging it with implementing a boycott agreement by refusing to deal with other American companies.

The week before Congress adjourned I sought a compromise in the Congress between those who wanted a piece of legislation which I did not believe would be in the national interest and those who suggested a different approach. Congress adjourned without accepting either of the two compromises I offered.

Nevertheless, on October 4, I signed the Tax Reform Act which includes provisions under which foreign source income attributable to certain boycott-related activity will lose its foreign tax credit, certain tax benefits, and its tax deferral.

I have also instructed the Secretary of Commerce to make public the reports filed with the Commerce Department regarding boycott-related requests received by American companies on or after October 7, 1976. Only certain business proprietary information will not be made available to the public (i.e., monetary value of transaction, quantity and type of goods, identity of consignee).

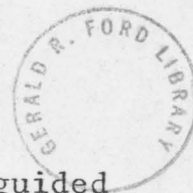
Disclosure of boycott-related reports will enable the American public to assess for itself the nature and impact of the Arab boycott and to monitor the conduct of American companies.

NOTE: It is important to keep in mind that the actions you have taken in regard to the boycott to date do basically three things: (1) ban any discriminatory effect against American firms or citizens that might arise from boycott practices; (2) charge an American company in a civil antitrust suit with implementing a boycott agreement to refuse to deal with other American companies; and (3) deny, under the Tax Reform Act, tax credits, benefits and deferrals for the foreign source income of companies that engage in certain boycott activity.

Compliance with the economic and political aspects of the boycott, as long as it does not involve a violation of the antitrust laws, or have a discriminatory impact in the U.S., is not illegal under present law.

ARAB BOYCOTT

[Suggested guidance: Do not raise Arab Boycott issue. Respond or rebutt briefly only if directly asked or if Carter raises it.]



In dealing with the Arab Boycott problem, I have been guided by two principals:

First, I unalterably oppose it. It is morally and and legally wrong.

Second, I want realistic action taken against the boycott. I'm not interested in rhetoric and I will not hold out the promise of more than we can deliver.

Now, the facts are that the boycott has been in effect since 1952. As President, I have taken stronger action than any of my predecessors:

- In November 1975, I acted to insure that American Citizens and firms would not be subject to boycott-related discrimination.

- In January of this year, for the first time, the Justice Department filed a civil anti-trust suit against an American company charging it with implementing a boycott agreement by refusing to deal with other American companies.

The week before Congress adjourned I sought a compromise in the Congress between those who wanted a piece of legislation which I did not believe would be in the national interest and those who suggested a different approach. Congress adjourned without accepting either of the two compromises I offered.

Nevertheless, on October 4, I signed the Tax Reform Act which includes provisions under which foreign source income attributable to certain boycott-related activity will lose its foreign tax credit, certain tax benefits, and its tax deferral.

I have also instructed the Secretary of Commerce to make public the reports filed with the Commerce Department regarding boycott-related requests received by American companies on or after October 7, 1976. Only certain business proprietary information will not be made available to the public (i.e., monetary value of transaction, quantity and type of goods, identity of consignee).

Disclosure of boycott-related reports will enable the American public to assess for itself the nature and impact of the Arab boycott and to monitor the conduct of American companies.

NOTE: It is important to keep in mind that the actions you have taken in regard to the boycott to date do basically three things: (1) ban any discriminatory effect against American firms or citizens that might arise from boycott practices; (2) charge an American company in a civil antitrust suit with implementing a boycott agreement to refuse to deal with other American companies; and (3) deny, under the Tax Reform Act, tax credits, benefits and deferrals for the foreign source income of companies that engage in certain boycott activity.

Compliance with the economic and political aspects of the boycott, as long as it does not involve a violation of the antitrust laws, or have a discriminatory impact in the U.S., is not illegal under present law.

KEY POINTS - LAST DEBATE

Opening answer:

- . One minute direct answer to question.
- . Carter hasn't answered questions - only 10 days left to election day.
- . He has no record and no experience.
- . The moment of truth has come.
- . We need specifics on: reorganization of government, defense cuts, spending and tax reform.
- . My record: peace, lower inflation, new jobs, tax cuts.



Key themes:

- . Peace - strength, no fighting, no draft, my experience.

- . Tax-cuts - cuts for all families, Carter's statements on taxing over median income level, eliminating mortgage interest deduction and closing loopholes on rich; Carter for higher spending, Ford for lower taxes.

- . Employment - 4 million new jobs in 17 months is a peacetime record, Carter's answer is Humphrey-Hawkins, new jobs without jeopardizing existing ones.

- . Experience (foreign policy) - Carter for cutting defense budget, withdrawing U.S. forces abroad, waffling on the B-1 and friendly hand to Communists in Western Europe.

- . Experience (Georgia) - employment up 25%, government spending up 50%, debt up 20%, crime up in three of seven serious crime categories.

- . Comeback (feeling good) - in two years Ford has restored trust, peace, 4 million jobs, cut inflation in half.

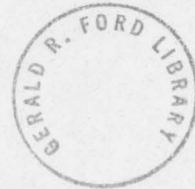
Closing statement.

- . Thank League of Women Voters.
- . First time incumbent President has debated his opponent.
- . Stakes are high.
- . In August of 1974, people had lost trust, no faith in the economy and no spirit of optimism.
- . Have comeback: inflation cut, new jobs, country at peace, honor restored to White House.
- . Question is whether to keep on steady course to greater prosperity or to pursue uncertain future with untested leadership.
- . I need your help. I need your vote.

CARTER'S STATEMENT ON USE OF U.S. TROOPS IN EASTERN EUROPE

Carter was quoted by the Associated Press on Saturday, October 16 in Kansas City, Missouri as follows:

Carter said he would not send troops to Eastern Europe if nations in the Soviet bloc revolted against Soviet domination. "I don't know what I'd do, but I wouldn't send American troops in," he declared. "I would not go to war in Yugoslavia" even if the Soviet Union sent in troops after President Tito leaves power.



We recommend the following for rebuttal purposes:

I read about Governor Carter's comments last Saturday in Kansas City, Missouri. He was asked if he would send U.S. troops to Eastern Europe if one of these nations revolted against Soviet domination. According to the press dispatches, the Governor said, "I don't know what I'd do, but I wouldn't send American troops in."

I was asked essentially the same question in my press conference last week and I declined to say what I would do as President if such an event occurred.

There is an important lesson here. The President of the United States should not tell a potential adversary what this country will do or what our options are in the event of hostilities.

Mr. Carter's serious error in Kansas City goes beyond the Eastern European issue. He does not understand the sensitivity of such remarks.

He has made the same dangerous mistake in his comments on removing U.S. troops from South Korea. I have seen over six press reports starting in February 1975 and as recently as May of this year where Governor Carter is quoted to the effect that he would remove atomic weapons from Korea and U.S. troops. In some of these interviews he talks about a 5-year phased withdrawal of troops.

We must remember, as many historians have pointed out, that one of the commonly accepted reasons why North Korea attacked South Korea was because the United States officially indicated in 1950 that it would not defend South Korea if attacked.

Page 3

According to reports, this was viewed as an open invitation to the North Koreans.

I do not know how the North Koreans or the Soviets will interpret the specific comments made by Mr. Carter.

That is not the issue. The issue is that Presidents and serious candidates for that office should never make such statements. They do not serve the interests of the United States and they do not serve the interests of world peace.

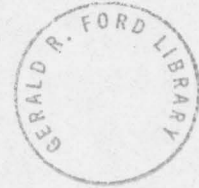
NOTE: ONE OF YOUR LARGEST ADVANTAGES OVER CARTER IS THE PERCEPTION THAT YOU ARE EXPERIENCED IN FOREIGN POLICY AND THAT YOU WILL KEEP AMERICA STRONG ENOUGH TO MAINTAIN PEACE.

THE ABOVE STATEMENT INVOLVES GREAT RISK. YOU MUST BE VERY CAREFUL NOT TO GIVE CARTER OR THE PRESS ANY OPENING TO CHARGE THAT YOUR STATEMENT CAN BE INTERPRETED AS AN INDICATION THAT YOU WOULD USE TROOPS.

CARTER'S STATEMENT ON USE OF U.S. TROOPS IN EASTERN EUROPE

Carter was quoted by the Associated Press on Saturday, October 16 in Kansas City, Missouri as follows:

Carter said he would not send troops to Eastern Europe if nations in the Soviet bloc revolted against Soviet domination. "I don't know what I'd do, but I wouldn't send American troops in," he declared. "I would not go to war in Yugoslavia" even if the Soviet Union sent in troops after President Tito leaves power.



We recommend the following for rebuttal purposes:

I read about Governor Carter's comments last Saturday in Kansas City, Missouri. He was asked if he would send U.S. troops to Eastern Europe if one of these nations revolted against Soviet domination. According to the press dispatches, the Governor said, "I don't know what I'd do, but I wouldn't send American troops in."

I was asked essentially the same question in my press conference last week and I declined to say what I would do as President if such an event occurred.

There is an important lesson here. The President of the United States should not tell a potential adversary what this country will do or what our options are in the event of hostilities.

Mr. Carter's serious error in Kansas City goes beyond the Eastern European issue. He does not understand the sensitivity of such remarks.

He has made the same dangerous mistake in his comments on removing U.S. troops from South Korea. I have seen over six press reports starting in February 1975 and as recently as May of this year where Governor Carter is quoted to the effect that he would remove atomic weapons from Korea and U.S. troops. In some of these interviews he talks about a 5-year phased withdrawal of troops.

We must remember, as many historians have pointed out, that one of the commonly accepted reasons why North Korea attacked South Korea was because the United States officially indicated in 1950 that it would not defend South Korea if attacked.

Page 3

According to reports, this was viewed as an open invitation to the North Koreans.

I do not know how the North Koreans or the Soviets will interpret the specific comments made by Mr. Carter.

That is not the issue. The issue is that Presidents and serious candidates for that office should never make such statements. They do not serve the interests of the United States and they do not serve the interests of world peace.

NOTE: ONE OF YOUR LARGEST ADVANTAGES OVER CARTER IS THE PERCEPTION THAT YOU ARE EXPERIENCED IN FOREIGN POLICY AND THAT YOU WILL KEEP AMERICA STRONG ENOUGH TO MAINTAIN PEACE.

THE ABOVE STATEMENT INVOLVES GREAT RISK. YOU MUST BE VERY CAREFUL NOT TO GIVE CARTER OR THE PRESS ANY OPENING TO CHARGE THAT YOUR STATEMENT CAN BE INTERPRETED AS AN INDICATION THAT YOU WOULD USE TROOPS.

HOMEOWNERSHIP



CARTER ATTACK (Appeared in their advertising):

"It took 70 years to build up homeownership in the United States. Up through 1969 we had over 50% of all the homes in America owned by the families that lived in them. It took only 8 years under Nixon and Ford to tear that down and in only 8 years we now have only 32%, less than one third of the homes in this country owned by families."

THE FACTS:

Homeownership has never been higher than at the present time. The percentage of homes which are owned by their occupant went up only slightly during the Kennedy/Johnson years but have increased sharply during the Republican years.

65% of American families own their own homes now, as compared to only 55% in 1950, and the trend toward homeownership has been increasing much faster in the 70's than it did in the 60's.

Even for young families, homeownership is increasing. Now 56% of families under 35 years old own their own homes compared to 49% in 1970 and 48% in 1960.

HOMEOWNERSHIP



CARTER ATTACK (Appeared in their advertising):

"It took 70 years to build up homeownership in the United States. Up through 1969 we had over 50% of all the homes in America owned by the families that lived in them. It took only 8 years under Nixon and Ford to tear that down and in only 8 years we now have only 32%, less than one third of the homes in this country owned by families."

THE FACTS:

Homeownership has never been higher than at the present time. The percentage of homes which are owned by their occupant went up only slightly during the Kennedy/Johnson years but have increased sharply during the Republican years.

65% of American families own their own homes now, as compared to only 55% in 1950, and the trend toward homeownership has been increasing much faster in the 70's than it did in the 60's.

Even for young families, homeownership is increasing. Now 56% of families under 35 years old own their own homes compared to 49% in 1970 and 48% in 1960.

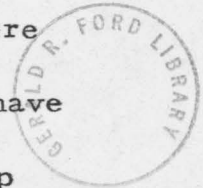
ENERGY

(In response to a Carter charge or a question to the effect that your statements during Wednesday's press conference concerning the unlikely possibility of an Arab oil embargo would undercut the premise of your energy program designed to achieve U. S. energy independence.)

The likelihood of an Arab oil embargo has been reduced to almost zero possibility in the near term because of the efforts of my Administration to bring peace to the Middle East. We aren't there yet and indeed there's a long and dangerous road ahead, but we have made extraordinary progress and under my continued leadership we will ultimately achieve a lasting peace in this area of the world; thus virtually eliminating the possibility of an oil embargo.

Nevertheless, regardless of the near-term likelihood of an embargo, this Nation should be independent of foreign suppliers for its energy needs. I said that that was the policy of the United States in my State of the Union address in 1975 and I say it again now. There is absolutely no question about it.

We have made a lot of progress. Last year I set a goal for this Nation that by 1985 we would only be importing 6 million barrels of oil a day. Which is exactly half of the 12 million barrels that had been projected absent strong action by our country to conserve energy



and produce more domestically. By pushing and pulling the Congress and appealing directly to the common sense of the people, we have been able to implement about half of my energy program already. As a result, projections now show that we will be importing 8 million barrels by 1985 which isn't as low as I want, but nevertheless shows substantial progress.

When the Congress comes back next year, I am going to go to them once again, but this time with the mandate of the people and demand a tougher energy program. What I will ask is very simple and direct: All they have to do is totally implement the comprehensive energy program I sent to them nearly two years ago.

There is another important point I want to make. In my 1975 State of the Union address, I pointed out that the United States had an energy crisis because of over 20 years of not dealing with the energy problem which grew steadily more serious. I also pointed out that it would take at least a decade for us to reverse the mistakes of the past two decades in a manner that would not severely damage the growing prosperity of Americans as we made the changes. I committed this Nation to a goal of energy independence. I also said that we should regain a great power we had as a country, which is to control the world price of energy. In the past, we had

this ability because we had more energy here at home than we needed and we also had the capability of selling our excess oil abroad. Now obviously we can't go back to that condition, because our current and future needs for energy will exceed the amount of oil we can produce here.

But we can, by doubling our coal reserves, producing much more nuclear energy and tapping other sources such as solar, end up once again with significant control over world energy. That is a goal I set for this country over two years ago, knowing that it would not become a reality before the end of this century. But knowing it would benefit the generation of my children and generations of Americans well into the third century.

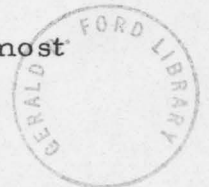
ENERGY

(In response to a Carter charge or a question to the effect that your statements during Wednesday's press conference concerning the unlikely possibility of an Arab oil embargo would undercut the premise of your energy program designed to achieve U.S. energy independence.)

The likelihood of an Arab oil embargo has been reduced to almost zero possibility in the near term because of the efforts of my Administration to bring peace to the Middle East. We aren't there yet and indeed there's a long and dangerous road ahead, but we have made extraordinary progress and under my continued leadership we will ultimately achieve a lasting peace in this area of the world; thus virtually eliminating the possibility of an oil embargo.

Nevertheless, regardless of the near-term likelihood of an embargo, this Nation should be independent of foreign suppliers for its energy needs. I said that that was the policy of the United States in my State of the Union address in 1975 and I say it again now. There is absolutely no question about it.

We have made a lot of progress. Last year I set a goal for this Nation that by 1985 we would only be importing 6 million barrels of oil a day. Which is exactly half of the 12 million barrels that had been projected absent strong action by our country to conserve energy



and produce more domestically. By pushing and pulling the Congress and appealing directly to the common sense of the people, we have been able to implement about half of my energy program already. As a result, projections now show that we will be importing 8 million barrels by 1985 which isn't as low as I want, but nevertheless shows substantial progress.

When the Congress comes back next year, I am going to go to them once again, but this time with the mandate of the people and demand a tougher energy program. What I will ask is very simple and direct: All they have to do is totally implement the comprehensive energy program I sent to them nearly two years ago.

There is another important point I want to make. In my 1975 State of the Union address, I pointed out that the United States had an energy crisis because of over 20 years of not dealing with the energy problem which grew steadily more serious. I also pointed out that it would take at least a decade for us to reverse the mistakes of the past two decades in a manner that would not severely damage the growing prosperity of Americans as we made the changes. I committed this Nation to a goal of energy independence. I also said that we should regain a great power we had as a country, which is to control the world price of energy. In the past, we had

this ability because we had more energy here at home than we needed and we also had the capability of selling our excess oil abroad. Now obviously we can't go back to that condition, because our current and future needs for energy will exceed the amount of oil we can produce here.

But we can, by doubling our coal reserves, producing much more nuclear energy and tapping other sources such as solar, end up once again with significant control over world energy. That is a goal I set for this country over two years ago, knowing that it would not become a reality before the end of this century. But knowing it would benefit the generation of my children and generations of Americans well into the third century.

Question: Governor Carter has accused your Administration of suppressing a report critical of the aluminum industry. He says this action shows you favor the special interests. What is your reply?

Answer: Statements issued by both Governor Carter and Senator Mondale have mis-stated the facts regarding the aluminum report of the Council on Wage and Price Stability. First, this is not a suppressed report, as claimed by Senator Mondale on "Face the Nation." The report was published and widely disseminated on September 27 and a press conference was held by CWPS on September 24. Second, the report was by no means a whitewash of the industry--indeed, it was quite critical of the industry. Third, the report never contained any policy recommendations, as Governor Carter has contended. I think that it is inexcusable to distort the facts with respect to matters such as this which vitally affect the state of the economy, and therefore, the American people.

(As is the case with all CWPS studies, this one was widely circulated for comments and analytical assessments by experts in and out of the government, and revisions were made by the CWPS staff, without any interference whatsoever from the White House, in response to these comments.)



Question: Governor Carter has accused your Administration of suppressing a report critical of the aluminum industry. He says this action shows you favor the special interests. What is your reply?

Answer: Statements issued by both Governor Carter and Senator Mondale have mis-stated the facts regarding the aluminum report of the Council on Wage and Price Stability. First, this is not a suppressed report, as claimed by Senator Mondale on "Face the Nation." The report was published and widely disseminated on September 27 and a press conference was held by CWPS on September 24. Second, the report was by no means a whitewash of the industry--indeed, it was quite critical of the industry. Third, the report never contained any policy recommendations, as Governor Carter has contended. I think that it is inexcusable to distort the facts with respect to matters such as this which vitally affect the state of the economy, and therefore, the American people.

(As is the case with all CWPS studies, this one was widely circulated for comments and analytical assessments by experts in and out of the government, and revisions were made by the CWPS staff, without any interference whatsoever from the White House, in response to these comments.)



Q: Mr. President, you recently stated that Governor Carter slandered the good name of the United States when he said that we have lost respect throughout the world. However, a recent overseas poll by the U. S. I. A. now reveals that respect for the United States among the people of Western Europe has sunk to its lowest point in 22 years. Don't you owe Mr. Carter an apology?



A: I did indeed state that Mr. Carter slandered the good name of the United States and I repeat that statement now.

Let me remind you what Mr. Carter said about his own country - speaking to all the world by satellite television: he not only said that we are "not strong any more", that we are not "respected any more" - listen to what else he says: he made the grave charge that we overthrew the elected government in Chile. He even said this was a "typical example" and there "may be many others".

He even charged that we "tried to start a new Viet Nam in Angola", - those were his words.

A: (cont'd.)

These allegations against his own country are absolutely false and Mr. Carter knew they were false when he made them.

Tonight he will again be speaking to a world wide audience and I call upon him now to either prove those charges or to retract them here on this podium tonight.

* * * *

(The above might be a good place to end and let Carter worry about an instant reply. If there is a follow-up question or if the President would like to end on a more affirmative note, I suggest something like the following.)

* * * *

It would be easy for a President to win Gallup Polls in a foreign country if that's what he cares about: all he has to do is say yes to everything they ask for.

But the policies of this administration are determined by the best interests of the United States, both domestically and as the recognized leader of the free world. Our policies- our strength - our morality have maintained peace in a very

troubled world and peace will continue to be our objective regardless of any Gallup Polls in other countries.

ITEM: It is ironic that Carter made his derogatory remarks just before the United States made the first clean sweep in the 75 year history of the Nobel prizes: Chemistry, Physics, Medicine, Economics and Literature. I think this tells us more about the United States' position in the world than any opinion poll.

ADDITIONAL CARTER REBUTTAL MATERIAL

[Suggested for use only if Carter stresses his record as Governor of Georgia.]



As I said during the first debate, during Mr. Carter's one-term as Governor of Georgia, State spending went up over 50% and the number of State employees increased over 25%.

If he were to become President and run the Federal Government the same way for the next four years, he would add 500,000 more Federal employees compared to no increase if I remain as President. His increased spending would amount to over \$1000 per taxpayer.

ADDITIONAL CARTER REBUTTAL MATERIAL

[Suggested for use only if Carter stresses his record as Governor of Georgia.]



As I said during the first debate, during Mr. Carter's one-term as Governor of Georgia, State spending went up over 50% and the number of State employees increased over 25%.

If he were to become President and run the Federal Government the same way for the next four years, he would add 500,000 more Federal employees compared to no increase if I remain as President. His increased spending would amount to over \$1000 per taxpayer.

ENVIRONMENTAL CONCERNS



Q. Today a coalition of 250 environmental leaders assailed your record on conservation issues, stating that you were insensitive to environmental concerns, especially with respect to the air quality, water and land usage. What is your reaction to this accusation?

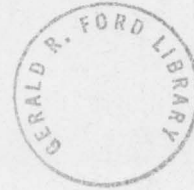
A. I am committed to the Nation's effort to clean up the environment. At the same time, I am concerned about the costs and impact on the economy. We can't do it tomorrow. I think there is realization now in and out of the government that we can't make up in a few years for all the environmental evils we perpetrated on the country over a period of a hundred years.

In trying to balance between these goals I have:

- Supported the enactment of toxic substances legislation that would control the introduction of toxic substances into the environment;
- Proposed a 60 percent increase in outlays for waste-water treatment plant grants during fiscal year 1977;
- Signed the Safe Drinking Water Act to enhance the safety of public drinking water supplies through the establishment and enforcement of national drinking water standards;
- Proposed a 38 percent increase in funding for implementation of the Safe Drinking Water Act for fiscal year 1977;
- Signed a wetlands loan advance to facilitate public ownership of rapidly disappearing wetlands;
- Proposed the Alaska Conservation Act dedicating 80 million acres to conservation purposes;
- Provided for full funding of the Land and Water Conservation Fund for fiscal year 1977;

- Increased appropriations for National Park Service maintenance and operations. This added 400 more park rangers and other National Park Service employees;
- Announced a \$1.5 billion National Park Program which would double the National Park system; and,
- Provided in my Bicentennial Land Heritage Program for visitors centers, sewers, trails and other developments along with increased personnel to service the existing park and refuse systems.

ENVIRONMENTAL CONCERNS



Q. Today a coalition of 250 environmental leaders assailed your record on conservation issues, stating that you were insensitive to environmental concerns, especially with respect to the air quality, water and land usage. What is your reaction to this accusation?

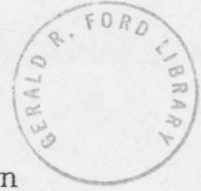
A. I am committed to the Nation's effort to clean up the environment. At the same time, I am concerned about the costs and impact on the economy. We can't do it tomorrow. I think there is realization now in and out of the government that we can't make up in a few years for all the environmental evils we perpetrated on the country over a period of a hundred years.

In trying to balance between these goals I have:

- Supported the enactment of toxic substances legislation that would control the introduction of toxic substances into the environment;
- Proposed a 60 percent increase in outlays for waste-water treatment plant grants during fiscal year 1977;
- Signed the Safe Drinking Water Act to enhance the safety of public drinking water supplies through the establishment and enforcement of national drinking water standards;
- Proposed a 38 percent increase in funding for implementation of the Safe Drinking Water Act for fiscal year 1977;
- Signed a wetlands loan advance to facilitate public ownership of rapidly disappearing wetlands;
- Proposed the Alaska Conservation Act dedicating 80 million acres to conservation purposes;
- Provided for full funding of the Land and Water Conservation Fund for fiscal year 1977;

- Increased appropriations for National Park Service maintenance and operations. This added 400 more park rangers and other National Park Service employees;
- Announced a \$1.5 billion National Park Program which would double the National Park system; and,
- Provided in my Bicentennial Land Heritage Program for visitors centers, sewers, trails and other developments along with increased personnel to service the existing park and refuse systems.

CARTER'S RECORD - CRIME



[This can be used in response to a Carter attack on your efforts to deal with the crime problem.]

During three years while Mr. Carter was Governor of Georgia, (1971, 1973, and 1974), the growth in Georgia crime rate exceeded that of the United States as a whole in three of the seven "serious crime" categories: murder, forcible rape, and aggravated assault.

CARTER'S RECORD - CRIME

[This can be used in response to a Carter attack on your efforts to deal with the crime problem.]



During three years while Mr. Carter was Governor of Georgia, (1971, 1973, and 1974), the growth in Georgia crime rate exceeded that of the United States as a whole in three of the seven "serious crime" categories: murder, forcible rape, and aggravated assault.

ARMS SALES

[Carter scored best against you during the second debate with his attack on your policies on foreign arms sales. Carter has the position which is most popular with the public on this issue. Therefore, we suggest that you answer very simply and quickly moving on to another subject as fast as you can. The following is a suggested response.]

Once again the Governor has attacked our policy of arms sales to our allies and friends around the world. He continues to imply that somehow my Administration has reduced U.S. support and assistance to Israel. That is absolutely untrue.

The fact is that in the years 1964 through 1968 Israel received under 60% (58%) of arms sales to the Middle East compared to over 60% (61%) during the two years of my Presidency.

But let me put the question of foreign arms sales into its proper perspective.

As far as I am concerned as a Nation we've learned a good lesson from our involvement in South Vietnam. We cannot be the world's policeman.

Our friends and allies must protect themselves and the United States should only be involved militarily as an absolute last resort



to protect and defend the essential interests of this country.

Now having said that, I don't think any American would suggest that we have no responsibilities to our friends and allies. They must have the ability to defend themselves and that means they have to buy weapons.

We live in a real world with real threats and real dangers and other nations whose interests are hostile to the United States and are more than willing to sell weapons to nations which are now allied with us.

So in order to help these friendly countries defend themselves we sell them arms which are made here at home. This helps maintain world peace and thus protects the U.S. interest without having to commit U.S. troops. Now if we lived in an Alice-in-Wonderland world, we could do much of what Mr. Carter has suggested, which is stop arms sales. But like it or not we live in a real world and as President, I have had to face up to the real threats and problems. My foreign arms sales policy is the right policy and nothing Mr. Carter has suggested will work.

ARMS SALES



[Carter scored best against you during the second debate with his attack on your policies on foreign arms sales. Carter has the position which is most popular with the public on this issue. Therefore, we suggest that you answer very simply and quickly moving on to another subject as fast as you can. The following is a suggested response.]

Once again the Governor has attacked our policy of arms sales to our allies and friends around the world. He continues to imply that somehow my Administration has reduced U.S. support and assistance to Israel. That is absolutely untrue.

The fact is that in the years 1964 through 1968 Israel received under 60% (58%) of arms sales to the Middle East compared to over 60% (61%) during the two years of my Presidency.

But let me put the question of foreign arms sales into its proper perspective.

As far as I am concerned as a Nation we've learned a good lesson from our involvement in South Vietnam. We cannot be the world's policeman.

Our friends and allies must protect themselves and the United States should only be involved militarily as an absolute last resort

to protect and defend the essential interests of this country.

Now having said that, I don't think any American would suggest that we have no responsibilities to our friends and allies. They must have the ability to defend themselves and that means they have to buy weapons.

We live in a real world with real threats and real dangers and other nations whose interests are hostile to the United States and are more than willing to sell weapons to nations which are now allied with us.

So in order to help these friendly countries defend themselves we sell them arms which are made here at home. This helps maintain world peace and thus protects the U. S. interest without having to commit U. S. troops. Now if we lived in an Alice-in-Wonderland world, we could do much of what Mr. Carter has suggested, which is stop arms sales. But like it or not we live in a real world and as President, I have had to face up to the real threats and problems. My foreign arms sales policy is the right policy and nothing Mr. Carter has suggested will work.

FEDERAL BUDGET - HUMAN RESOURCES



[Governor Carter may be asked in the last debate to state specifically how much additional funds should be spent on human resource programs. You may find it useful to use the following in rebuttal.]

FY 77

HUMAN RESOURCES \$205.3 billion

Education, Training, Employment and Social Services -----	16.6 billion
Health -----	34.4 billion
Income Security -----	137.1 billion
Veterans Benefits and Services -----	17.2 billion

Housing is not part of the Human Resources classification.

Proposed spending for HUD is \$7.2 billion.

Since 1969, federal spending for human resources programs has increased from \$63.6 billion to \$205.3 billion.

FEDERAL BUDGET - HUMAN RESOURCES

[Governor Carter may be asked in the last debate to state specifically how much additonal funds should be spent on human resource programs. You may find it useful to use the following in rebuttal.]

FY 77

HUMAN RESOURCES	<u>\$205.3 billion</u>
Education, Training, Employment and Social Services -----	16.6 billion
Health -----	34.4 billion
Income Security -----	137.1 billion
Veterans Benefits and Services -----	17.2 billion

Housing is not part of the Human Resources classification.

Proposed spending for HUD is \$7.2 billion.

Since 1969, federal spending for human resources programs has increased from \$63.6 billion to \$205.3 billion.