#### The original documents are located in Box 33, folder "Carter - Clippings (3)" of the Ron Nessen Papers at the Gerald R. Ford Presidential Library.

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KENTUCKY

LOWELL REESE 502-459-4673

LOUISVILLE COURIER JOURNAL (A.K.)

Second lead, front page. Headline reads: Carter Tells of His Failings In Talk About Sexual Morality". Article by Robert G. Kaiser of L.A. Times Wash. News Service. Contains disclaimer which reads: "Portions of this statement may be considered objectional reading by some persons."

Lead paaragraph indicates Jimmy Carter has committed adultery in his mind . Other phrases used "self-acknowle ged wonderfing eye" "shack up" and "screws."

LEXINGTON HERALD (A.M.)

Second page, two columns, top left. "Carter Interview Highlights Religion Article by L. Frank Cicone, Chicago TRibune. Religious lead contains phrase "says he has been tempted before, tempted again:". Does not use "shack up" or "screws."

#### TENNESSEE

# TENNESSEEAN/ Nashville - A.M. 9/2/176

Heavily Democratic newspaper Tennesseean carried Carter article across top 1/3 of newspaper. Four photos of carter, one with each of the following cut lines "adultery in my heart", "I'm human, tempted", "we're saved by grace" and "not a packaged article." In medium dark headline across front page, "I've Lusted God has Forgiven," Carter Says. Lead contains statement "some of my strict standards of Baptist faith are almost impossible to maintain." Uses wording "shacks up" and "screws"

FRONT PAGE

#### ARKANSAS GAZETTE

Page one, very bottom, blocked off in black border. Headline "Carter Defends Religious Beliefs"--inch type. Lead discusses Carter's views of feligious beliefs and quotes "he's been tempted to commit sins." Also carries Rosalyn Carter's reaction and from Carter "I'm not concerned about it." Does not use "screws."

#### ARKANSAS DEMOCRAT

Page 8, blocked off in black border, bottom of page. "Carter Says He's Tempted But Bolstered by Religion." Uses word "screws."

#### ALABAMA

BIRMINGHAM POST HERALD 9/21 P. A-5 (opp. ed) "PLAYBOY ARTICLE QUOTES CARTER AS ADMITTING ADULTERY IN HEART" UPI story does not use the word "screw" goes on quoting Carter that his marriage is secure and happy

GEORGIA

ATLANTA JOURNAL 9/20/76 Front Page AP "CARTER BELIEVES GIVE PEACE, DISCUSSES RELIGION WITH PLAYBOY"

ATLANTA CONSTITUTION Page 1 Black boxed "GUILTY OF ADULTERY IN MY HEART, MANY TIMES, CARTER SAID" used with photograph

#### LOUISIANA

BATON ROUGE MORNING ADVOCATE 9/21 P 4A TOP RIGHT Large headline "BAPTIST IDEALS TOUGH" AP story uses the word "screw"

WJBD Radio - Baton Rouge Carried the story in full, but eliminated "screw" and "shack up"

NEW ORLEANS STATES ITEM 9/20 Front Page, 3 col Right Large Head "ROSSALYN NOT WORRIED THAT JIMMY'S EYES ROAM" Full AP story. Uses the words "screw" and "shack up"

Editorial Cartoon" shows a serious Carter with a halo slipping over his nose "Carter Admitting Mental Adultery in Playboy Interview "

#### MISSISSIPPI

CLARION LEDGER (Jackson) 9/21/76 Page 1, Bottom half of page "CARTER SAYS HE'S ONLY HUMAN" story uses the words "screws" and shack up. r044

R A

PM-CARTER 9-1

BY ROBERT KAYLOR

NEW YORK (UPI)-- JIMMY CARTER DOESN'T WANT TO LOSE THE COMMON TOUCH AND SAYS TO PROVE IT, HE WILL STAY AWAY FROM POLITICAL LEADERS AND INFLUENTIAL PARTY PERSONAGES AS MUCH AS POSSIBLE DURING THE CAMPAIGN.

BUT THAT CAN BE DIFFICULT WHEN IT IS THE RICH AND INFLUENTIAL WHO KEEP THE DEMOCRATIC PARTY SOLVENT, AS CARTER HIMSELF ADMITS.

CARTER, AT A MEETING WITH DEMOCRATIC STATE CHAIRMEN IN WASHINGTON TUESDAY, ASKED FOR THEIR HELP BETWEEN NOW AND THE ELECTION TO KEEP HIM AWAY FROM PEOPLE "WHO WANT TO BE SEEN WITH ME AND HAVE THEIR PICTURE TAKEN WITH ME.

"I'VE SPENT TOO MUCH OF MY TIME IN THE LAST FEW DAYS GOING TO RECEPTIONS WITH MAYBE 60 PEOPLE WHO COULD AFFORD TO GIVE \$1,000 EACH," CARTER TOLD THE CHAIRMEN.

"I DON'T WANT THE PEOPLE TO GET THE IDEA THAT THERE'S SOME BIG SHOT BETWEEN ME AND THE VOTER," CARTER SAID.

A LITTLE LATER, CARTER TOLD SOME OF HIS WORKERS HE WAS GOING TO KEEP THE CAMPAIGN AWAY FROM SUCH FOLK "AND KEEP IT IN THE FACTORIES, ASSEMBLY LINES, BARBER SHOPS, CATTLE YARDS. I FEEL MORE AT HOME THAT WAY."

IN\_THE LAST TWO DAYS, CARTER HAS MADE THREE APPEARANCES IN ATLANTA, WASHINGTON AND NEW YORK THAT WERE STRICTLY FUND RAISING FUNCTIONS. HIS OWN CAMPAIGN IS FEDERALLY FINANCED, BUT THE MONEY WAS FOR THE PARTY.

THE ATLANTA FUNCTION, FOR VOTER REGISTRATION PROGRAMS, WAS ATTENDED BY MANY BLACKS OF MODERATE MEANS AS WELL AS AFFLUENT WHITES. THE WASHINGTON ONE, SCHEDULED AT THE LAST MOMENT, SAW DEMOCRATIC NATIONAL CHAIRMAN ROBERT STRAUSS PUT THE ARM ON WEALTHY BUSINESSWEN FOR CONTRIBUTIONS AS SOON AS CARTER LEFT THE ROOM.

NEW YORK WAS THE JACKPOT. IT MAY WELL HAVE BEEN THE MAJOR REASON WHY CARTER MADE A FIVE-HOUR STOP IN THE BIG APPLE. IT WAS A FUND-RAISING DINNER FOR ABOUT 150 PERSONS AT THE LUXURIOUS TOUNHOUSE OF ENTERTAINMENT EXECUTIVE ARTHUR KRIM.

THE COST WAS \$5,000 PER COUPLE. THE CARTER SMILE, A FEW HANDSHAKES AND AN OFF-THE-CUFF TALK OF LESS THAN 15 MINUTES NETTED THE DEMOCRATIC NATIONAL COMMITTEE APROXIMATELY \$750,000.

AMONG THOSE ATTENDING WAS ARMAND HAMMER, THE OIL TYCOON WHO PLEADED GUILTY TO MAKING ILLEGAL POLITICAL CONTRIBUTIONS TO REPUBLICAN RICHARD H. NIKON. ALSO THERE WERE AVERILL HARRIMAN, LONGTIME PUBLIC SERVANT FOR DEMOCRATIC ADMINISTRATIONS, AND JAY ROCKEFELLER, RUNNING FOR GOVERNOR IN WEST VIRGINIA. ALL CAN BE CLASSED AS MILLIONAIRES.

THE WINE WAS GOOD, JEWELRY WORN BY THE LADIES WAS TASTEFUL AND EXPENSIVE AND THE CONVERSATION WAS WEALTHY.

CARTER MIGHT HAVE BEEN EXPECTED TO BE UNCOMFORTABLE. HE WASN'T. "I'M TRYING TO KEEP MY RELATIONSHIPS WITH AVERAGE WORKING AMERICANS, AT FACTORIES, ASSEMBLY LINES, BARBER SHOPPS -- AND AT ARTHUR KRIM'S HOME," HE TOLD THE GUESTS.

UPI 09-01 05:38 AED

THE WHITE HOUSE WASHINGTON RBG HAS SEEN





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U A BYLCZCUIV PM-Carter; 3rd Ld; A095; 180 URGENT PRECEDE NEW YORK By LAWRENCE L. KNUTSON Associated Press Writer

GROTON: Conn. (AP) - Jimmy Carter said today he would have fired FBI Director Clarence Kelley if he had been president and known the facts Behind recent allegations against him.

"KNOWING WHAT I KNOW NOW; YES; I WOULD HAVE FIRED HIM;" CARTER Declared.

NONETHELESS: CARTER'S PRESS SECRETARY: JODY PONELL: SAID THE CANDIDATE IS NOT AT THIS TIME CALLING FOR KELLEY'S RESIGNATION.

CARTER REPLIED TO QUESTIONS ABOARD HIS AIRCRAFT; PEANUT I; AS HE FLEW TO GROTON FROM A QUESTION-AND-ANSWER SESSION WITH STUDENTS AT BROOKLYN COLLEGE IN NEW YORK. HE TOLD THE STUDENTS:

"THE DIRECTOR OF THE FBI SHOULD BE PURER THAN CAESAR'S WIFE. . . . He shouldn't have federal funds being given to decorate his house."

THERE WAS NO IMMEDIATE REPLY FROM KELLEY OR FROM THE FORD CAMPAIGN. Carter made the statements as he pledged help for the cities and blamed unemployment during Republican administrations and bad example by public officials for rising crime among the young. He specifically cited "disgraceful actions of the FBI."

WHEN HE FIRST BECAME DIRECTOR OF THE FBI; KELLEY HAD DRAPERY VALANCES BUILT IN HIS LIVING ROOM BY BUREAU EMPLOYES.

<sup>∓</sup>Kelley has: 3rd graf 238pED 09-07 CARTER INTERVIEW ADVANCE FOR USE AT 6:30 P.M. EDT BY WALTER R. MEARS AND

LOUISE COOK

WASHINGTON (AP) -- JIMMY CARTER CONTENDS HIS DEBATE WITH PRESIDENT FORD THURSDAY WILL "ALLEVIATE A LOT OF THE CONCERNS ABOUT ME" AMONG VOTERS WHO THINK HIM TOO VAGUE ON ISSUES.

DISCUSSING THOSE ISSUES IN AN INTERVIEW WITH THE ASSOCIATED PRESS. THE DEMOCRATIC PRESIDENTIAL NOMINEE SAID:

--HE BELIEVES THAT AS PRESIDENT HE COULD SPEARHEAD AN UNPRECEDENTED TOTAL OVERHAUL OF U.S. TAX LAWS THROUGH CONGRESS. BUT HE CANNOT NOW PELL OUT WHAT WOULD BE IN HIS NEW TAX CODE. --HE WILL SEEK TO IMPLEMENT SUCH DEMOCRATIC PLATFORM PROMISES AS

WELFARE REFORM AND NATIONAL HEALTH INSURANCE ONLY WHEN A REVIVED ECONOMY PRODUCES THE REVENUES TO PAY FOR THEM WITHOUT TAX INCREASES. -HE ALREADY IS SIZING UP THE FOREIGN POLICY EXPERTS HE MEETS AND CONSULTS AS POSSIBLE CANDIDATES TO BECOME SECRETARY OF STATE IN A

CARTER ADMINISTRATION.

--HE THINKS HE CAN CURB UNEMPLOYMENT BY USING FEDERAL FUNDS TO STIMULATE PRIVATE INDUSTRY JOBS WITHOUT HEAVY RELIANCE ON PUBLIC EMPLOYMENT TO PUT PEOPLE BACK TO WORK. HE PUT NO PRICE ON HIS PLAN. CARTER AND FORD MEET THURSDAY NIGHT IN PHILADELPHIA IN THE FIRST OF THEIR THREE NATIONALLY TELEVISED CAMPAIGN DEBATES.

THEIR THREE NATIONALLY TELEVISED CAMPAIGN DEBATES. 'I THINK THE DEBATES, UNLESS PRESIDENT FORD OR I MAKE A SERIOUS MISTAKE, WILL PROBABLY SOLIDIFY SUPPORT AND, NATURALLY, LEANING VOTERS -- IT WOULD MAKE THEIR DEGREE OF COMMITMENT MORE SOLID,'' HE SAID. ''I THINK IT WOULD HELP TO ALLEVIATE A LOT OF THE CONCERNS ABOUT MÉ,'' CARTER SAID. 'PRESIDENT FORD IS MUCH BETTER KNOWN THAN I AM. HE IS MUCH MORE PREDICTABLE THAN I AM. AND I THINK THE JUXTAPOSITION OF MYSELF WITH HIM IN THE DEBATES WILL ACCRUE TO MY OWN BENEFIT IF I DO A GOOD JOB IN THE DEBATES -- WHICH I INTEND TO DO.'' CARTER SAID HE THINKS THE DEBATES WILL DEMONSTRATE HE IS NOT THE ADICAL CANDIDATE REPUBLICANS CLAIM HE IS, 'THAT I AM A SUBSTANTIAL PERSON'' WITH SOME KNOWLEDGE OF DEFENSE AND FOREIGN AFFAIRS. ''AND IF I CAN PROJECT THAT IMAGE IN THE DEBATES, IT WOULD BE A GREAT ASSET FOR ME, I THINK,'' CARTER SAID. HE BRISTLED AT QUESTIONS ABOUT A LOUIS HARRIS SURVEY, PUBLISHED THURSDAY, WHICH REPORTED A DROP IN HIS POSITIVE RATING. IT WAS BASED ON A SURVEY AMONG 2,844 LIKELY VOTERS OVER THE PAST THREE WEEKS. HARRIS SAID THE SURVEY FOUND THAT BY 49 PER CENT TO 34 PER CENT, A PLURALITY OF VOTERS BELIEVE THAT CARTER 'HAS DUCKED TAKING STANDS ON ISSUES TO AVOID OFFENDING ANYBODY, AND THAT IS WRONG.''

ISSUES TO AVOID OFFENDING ANYBODY, AND THAT IS WRONG." CARTER SAID HE HADN'T SEEN THE HARRIS POLL. 'I THINK THAT TO STRIKE

ONE ELEMENT OUT OF A POLL IS A SUBSTANTIAL AND, I MIGHT SAY, UNWARRANTED DISTORTION,'' HE SAID. ''I WISH EVERYBODY HAD COMPLETE TRUST IN ME, AND I BELIEVE THAT THOUE RATES HIGHER THAN FORD SAID THAT IN HIS OWN CAMPAIGN POLLS, HE -= RATES HIGHERTHAN FORD ON QUESTIONS OF TRUST AND ABILITY TO SOLVE MAJOR PROBLEMS.

8-70E/) 2

AS HE HAS IN CAMPAIGN SPEECHES, CARTER DESCRIBED HIS TAX OVERHAUL PLANS IN BROAD TERMS, SAYING THE LAW WOULD BE ''DRASTICALLY REFORMED AND SIMPLIFIED. "

09-18-75 12:55EDT

NO28 RW WASHN-1ST ADD CARTER INTERVIEW

CARTER SAID ALL INCOME WOULD BE TAXED THE SAME AND SAID HE WOULD SEEK ''TO GUARANTEE A TRULY PROGRESSIVE TAX RATE SO THAT THE HIGHER AN INCOME ONE HAS, THE HIGHER PERCENTAGE OF INCOME ONE PAYS." CARTER SAID TAX EXEMPTIONS AND DEDUCTIONS "WOULD BE SEVERELY

CURTAILED, '' BUT HE DID NOT SAY WHICH ONES. CARTER SAID HE WOULD TRY TO LOWER THE RATE OF TAXATION, KEEP THE

SAME REVENUES, AND SUBSTANTIALLY INCREASE THE TAXES ON . THOSE WHO HAVE THE HIGHER INCOMES. "

"WHAT ARE YOU THINKING OF AS HIGHER?" CARTER WAS ASKED. "I DON'T KNOW, " HE REPLIED. "I WOULD TAKE THE MEDIAN LEVEL OF

INCOME. " Q: "THE MEDIAN FAMILY INCOME TODAY IS SOMEWHERE AROUND \$12,000 . SOMEBODY EARNING \$15,000 A YEAR IS NOT WHAT PEOPLE COMMONLY THINK OF AS RICH. " AS RICH.

A: 'I UNDERSTAND. I CAN'T ANSWER THE QUESTION, BECAUSE I HAVEN'T GONE INTO IT. I DON'T KNOW HOW TO WRITE THE TAX CODE IN SPECIFIC TERMS. IT IS JUST NOT POSSIBLE TO DO THAT ON THE CAMPAIGN TRAIL."

TERMS. IT IS JUST NOT POSSIBLE TO DO THAT ON THE CAMPAIGN TRAIL." CARTER SAID HE SAW NO PROBLEM FOR THE VOTER IN JUDGING HIS PROGRAM BECAUSE "THE PRINCIPLES THAT I HAVE SPELLED OUT TO YOU WOULD IN EVERY INSTANCE CONVINCE THE AVERAGE AMERICAN FAMILY THAT THEIR TAXES ARE GOING TO BE NO HIGHER, OR PERHAPS EVEN LOWER ... AND THAT THEIR TAXES AS LEVIED WILL BE FAIR."

HE ALSO SAID THE \$10 BILLION TO \$11 BILLION IN TAX BREAKS NOW PROVIDED TO HOMEOWNERS REPRESENTS ABOUT THE RIGHT LEVEL 'OF ENCOURAGEMENT FOR HOME CONSTRUCTION AND HOME OWNERSHIP.''

THAT INCLUDES TAX DEDUCTIONS FOR MORTGAGE INTEREST -- WHICH HE ONCE SAID HE WOULD LIKE TO ELIMINATE -- AND FOR PROPERTY TAX PAYMENTS. HE SAID THOSE ADVANTAGES SHOULD NOT APPLY TO SECOND HOMES OR SIMILAR PROPERTY, BUT THAT WITH SUCH REVISION ''I WOULD GUESS THAT IT WOULD STAY IN THE TAX CODE.''

CARTER SAID HE IS CONFIDENT HE CAN SPEARHEAD THE BILL THROUGH CONGRESS, WHERE PAST EFFORTS AT TAX REFORM OFTEN HAVE FOUNDERED. HE SAID THAT FROM THE WHITE HOUSE 'I BELIEVE THAT I COULD SPEAK CLEARLY ENOUGH TO THE AMERICAN PEOPLE TO AROUSE THEIR SUPPORT, ' AND THAT CONGRESS WOULD PASS THE PROGRAM.

CARTER SAID HE FAVORS FEDERAL INVESTMENT IN EFFORT TO STIMULATE PRIVATE EMPLOYMENT AS A WAY TO CUT THE 7.9 PER CENT UNEMPLOYMENT RATE TO THE 5 OR 5.5 PER CENT MAXIMUM WHICH HIS BUDGET PLANNING IS PREDICATED.

"WITH THE REASONABLE EXPECTATION OF ECONOMIC GROWTH" AND BY 1981. WITH UNEMPLOYMENT CURTAILED, 'WE WILL HAVE, THAT YEAR, ABOUT \$60 BILLION MORE IN INCOME THAN WE HAVE NOW.

WITHIN THAT FRAMEWORK, ASSUMING A BALANCED BUDGET FOR FISCAL YEAR 1981, THE PROGRAMS THAT WE HAVE ADVOCATED WILL BE IMPLEMENTED, ' CARTER SAID. HE SAID SUCH ITEMS AS WELFARE REFORM AND HEALTH INSURANCE "WILL BE PHASED IN TO ACCOMMODATE THE INCREASED MONEY AVAILABLE TO US."'

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09-18-76 13:03EDT

BC-CARTER INTERVIEW, 2ND ADD, 490

WASHINGTON: TO US. ' WHILE HE DISPUTED REPUBLICAN CLAIMS THAT PROGRAMS HE AND THE DEMOCRATIC PLATFORM PROPOSE WOULD COST \$100 BILLION A YEAR, WHEN HE

WAS ASKED FOR THE CORRECT FIGURE, CARTER REPLIED: "WELL, IT IS HARD TO SAY. WE WILL FULFILL ALL OF THE PROMISES THAT ARE MADE TO THE AMERICAN PEOPLE."

HE THEN SAID THAT HIS PROJECTION OF INCREASED FEDERAL REVENUES WAS BASED ON COMPUTER ANALYSIS.

Q: 'YOUR RESPONSE TO THE \$100 BILLION FIGURE IS THAT IT IS TOO HIGH? ''

A:

'YES, IT IS.'' 'DO YOU HAVE ANOTHER FIGURE OR NOT?'' Q:

A: 'WELL, AS I SAID, WE WILL FIT THE RAPIDITY OF IMVLEMENTATION OF THESE PROGRAMS IN TO ACCOMMODATE THE REVENUES THAT I HAVE JUST DESCRIBED TO YOU. ..

"WITHOUT TAX INCREASES?" Q:

"THAT IS CORRECT, YES SIR." A:

ON OTHER POINTS:

--CARTER SAID THAT WHILE HE SUPPORTS THE HUMPHREY-HAWKINS BILL. WHICH SEEKS TO REDUCE ADULT UNEMPLOYMENT TO 3 PER CENT OVER THE NEXT FOUR YEARS, 'I AM NOT TRYING TO PUSH THE PASSAGE OF TH BILL THROUGH THE HOUSE AND SENATE. '' HE SAID IT IS COMPATIBLE WITH HIS GOALS

--HE HAS PEOPLE AT WORK ON AMENDMENTS HE WOULD PROPOSE TO A FORD-PREPARED BUDGET IF ELECTED PRESIDENT. BUT DECLINED TO DISCUSS FIGURES. 'I DON'T THINK IT WOULD BE REASONABLE TO EXPECT THAT THE PRESENT BUDGET WOULD BE REDUCED, ' HE SAID. THE REVISED FORD BUDGET ESTIMATE FOR THE CURRENT YEAR IS JUST UNDER \$400 BILLION.

--HE FAVORS AN EVENTUAL FEDERAL TAKEOVER OF ALL WELFARE COSTS, BUT FIRST WOULD MOVE TO REMOVE THAT EXPENSE BURDEN FROM LOCAL GOVERNMENTS AND HAVE THE STATES SHARE IT WITH WASHINGTON.

BUT HE SAID STATES WILL HAVE TO CONTINUE PAYING FOR THE FORESEEABLE FUTURE. CARTER SAID THERE SHOULD BE A SIMPLE, FAIRLY UNIFORM WELFARE PAYMENT THROUGHOUT THE COUNTRY. HE SAID THE STATE SHARE OF THE COST 'WOULD PROBABLY BE BASED ON THE ABILITY OF THE STATE TO PAY.'' --CARTER SAID HE WOULD CHOOSE A STRONG, CAPABLE SECRETARY OF STATE, AND WOULD NOT TRY TO RUN THE STATE DEPARTMENT THROUGH THE WHITE HOUSE

STAFF.

BUT HE SAID THAT AS PRESIDENT HE WOULD MAKE THE DECISIONS AND BE THE

BUT HE SAID THAT AS PRESIDENT HE WOULD MAKE THE DECISIONS AND BE THE SPOKESMAN. HE SAID THERE IS A FEELING AMONG AMERICANS NOW THAT SECRETARY OF STATE HENRY A. KISSINGER SHAPES FOREIGN POLICY "AND THAT PRESIDENT FORD IS ONLY PERIPHERALLY INVOLVED IN THE PROCESS." --HE SAID HE INTENDS TO MAINTAIN CURRENT U.S. TROOP LEVELS IN EUROPE "FOR THE FORESEEABLE FUTURE," CARTER SAID IF THE UNITED STATES AND THE SOVIET UNION REACH AGREEMENT TO CURTAIL NUCLEAR ARMS "I WOULD BE WILLING TO INCREASE GROUND FORCES, OR CONVENTIONAL FORCES, IF NECESSARY, IF THAT WAS WHAT IT TOOK TO GIVE US EQUIVALENT STRENGTH." NECESSARY, IF THAT WAS WHAT I END REPEAT FOR ALL NEEDING

09-18-76 13:18EDT

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CARTER INTERVIEW CORRECTION (N58)TO FIX GARBLE SUB 15TH GRAF: 'I WISH EVERYBODY HAD COMPLETE TRUST IN ME, AND I BELIEVE THAT THE DEBATES WILL HELP TO ALLEVIATE CONCERN THAT HAS BEEN POINTED OUT, ' CARTER SAID.

HE SAID THAT IN HIS OWN CAMPAIGN POLLS, HE RATES HIGHER THAN FORD ON QUESTIONS OF TRUST AND ABILITY TO SOLVE MAJOR PROBLEMS.

AS HE HAS: 16TH GRAF

09-18-76 13:19EDT

A262

#### DA

AM-CARTER-LIBERAL 9-13 BIRMINGHAM, ALA. (UPI) -- JIMMY CARTER MONDAY SIGNED A DOCUMENT ACCEPTING THE PRESIDENTIAL NOMINATION OF THE NEW YORK LIBERAL PARTY, PLACING HIM ON THE BALLOT IN THAT STATE. STUART SCHEFTEL, A MEMBER OF A POLICY COMMITTEE OF THE PARTY WHICH HAS 150,000 MEMBERS IN NEW YORK, WAS WITH CARTER ABOARD HIS CHARTERED JET FOR THE SIGNING. HE TOLD REPORTERS HE WAS CONFIDENT CARTER WOULD CARRY NEW YORK BUT SAID, "I THINK THERE IS A LOT OF WORK TO BE DONE." "I NOTICE HE'S MOVING A LITTLE" TOWARDS A MORE CONSERVATIVE STANCE, SCHEFTEL ACKNOWLEDGED, "BUT ON THE BASIC PRINCIPLES, WE ARE IN 100 PER CENT ACCORD WITH HIM." DUPLICATE TO B-WIRE POINTS UPI 09-13 06:17 PED

#### EXCEPRT FROM CARTER INTERVIEW WITH AP

#### September 18, 1976

The overall fect would be to shift substantial increases toward those who have the higher incomes and reduce the taxes on lower and middle income taxpayers.

Q. What do you mean when you say shift the burden?

A. That means people who have a higher income would pay more taxes at a certain level.

Q. In dollar figures, what are you thinking of as higher?

A. I don't know. I would take the mean or median level of income and anything about this would be higher, and anything below that would be lower.

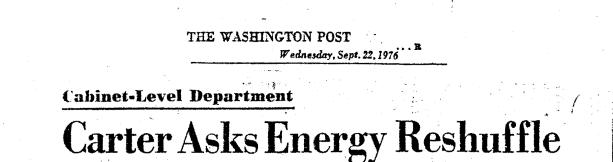
Q. The median family income today is somewhere around \$12,000. Somebody eaching \$15,00 a year is not what people commonly think of as rich...

A. I understand....

I don't think most of them want to see their taxes lowered.

#### The New York <u>Times</u> September 30, <u>1976</u>

The Weirdness Factor



CARTER/MONDALE CAMPAIG 21 174 4.41 ALL R 3 9 0 С B THE REAL - N 1 a 5

National Journal - September 4, 1976 Getting Cozy with Carter

From the desk of -HORACE WEBB September 15, 1976

NOTE TO BILL RHATICAN

FROM: Horace Webb

FYI.

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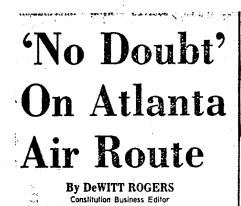


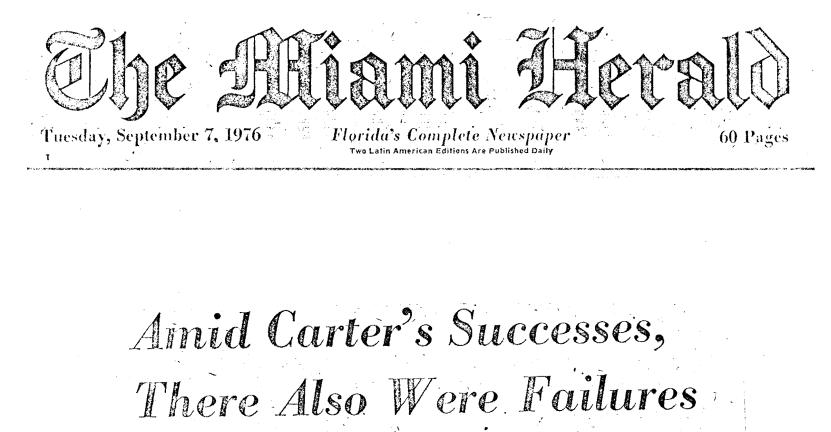




#### The ATLANTA CONSTITUTION

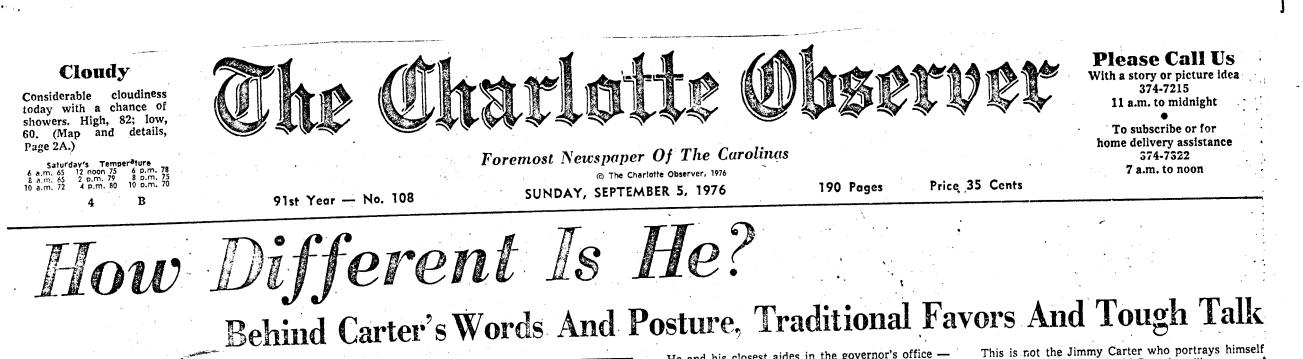
#### September 10, 1976







The Record: Enemies 'A Man Should Have'



# Michtgan Milk Messenieel

### VOLUME 58

NUMBERIA SEPTEMBER 1976





### LBJ And The '76 Candidates

#### correspondence with Carter

Office of the Governor 12-18-72 u the deak of To hesident lyndon Tohnson I have long admired you personally and days Jimmy Carter you personally freenan low and unprecedented actions Appreciate yo ments as lisendent. Ments as recent speach to Afran recent speach to The Byon position at Ste How to alex wing . your opti-Claivers to 8 I don't there your off. mistic assessment of the Nixenie societ attitude about societ programs, it was cartainly time by and aschal for your

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"I have never met a Democratic President," Jimmy Carter said in accepting his nomination July 15.

Carter and Lyndon Johnson did, however, correspond in LBJ's retirement years. Carter's last letter to Johnson came after the former President's address to the Civil Rights symposium at the Library on December 11, 1972.

Governor Carter's comment about LBJ's "optimistic assessment of Mr. Nixon's secret attitude about social programs" was presumably stimulated by these Johnsonian remarks on that occasion:

"... I've heard how we're going to wipe out our poverty program, how we're going to destroy our educational program, how we're going to cripple our medical program, and dilute our enforcement, and a lot of our Civil Rights programs. I hope that's not true. I don't believe it is true. But if it is true, the horsepower is in this room to bring it to the attention of the American people... And to bring it to the attention of the President... "... There's not a thing in the world wrong — as a matter of fact, there's everything right — about a group saying, 'Mr. President, we would like you to set aside an hour to let us talk.' And you don't need to start off by saying he's terrible, because he doesn't think he's terrible. None of us did, although we might have been. Start talking about how you believe that he wants to do what's right and how you believe this is right...

"Let's watch what's been done and see that it's preserved, but let's say we have just begun, and let's go on.

"While I can't provide much go-go at this period of my life, I can provide a lot of hope and dreams and encouragement, and I'll sell a few calves now and then and contribute..."

#### and Ford



my gratitude for your several most thought and thought the several most thought and the several most challenging responsibility I had a wonderful opportunity to work with you on a number of our Nation's most perplexing problems. I can honestly say I enjoyed every minute of our association, even those when we had our disagreements.

even those when we not out thoughdness, and willingness to stand Your courage, ruggedness, and willingness to stand firm despite criticism from all sides I have greatly admired. Your many outstanding accomplishments in a career dedicated to public service are a challenge and an inspiration to all of us.

As one who was privileged to see in part some of the vital decisions involving the transition from your Administration to its successor, I want to congratulate, but more importantly, thank you for seeing that the best interests of our Nation were paramount. Page 2

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Lyndon B. Johnson

Because they served together in Congress for many years, Lyndon Johnson and Gerald Ford had a long and more personal relationship. Ford was elected to the House of Representatives in 1948, the same year LBJ moved to the Senate. After Johnson became President, and Ford was selected by his party as the House Minority Leader, the two men frequently conferred on legislation and matters of national security.

In his farewell address to the Congress, President Johnson reflected on his years in the Capital City and on the men he had known and with whom he had worked. In referring to his association with the members of the rival political party, he remarked: "I have always received the most generous cooperation from the leaders of the Republican Party in the Congress of the United States, Senator Dirksen and Congressman Gerald Ford, the Minority Leader.

"No President should ask for more, although I did on occasion, but few Presidents have ever been blessed with so much."

Shortly following his farewell address and return to Texas, President Johnson received the above letter from then Minority Leader Ford.

#### NATIONAL FEDERATION OF INDEPENDENT BUSINESS

September, 1976



LARGEST INDIVIDUAL MEMBERSHIP OF ANY BUSINESS ORGANIZATION IN THE UNITED STATES

# SPECIAL HOW CONGRESS VOTED

In This Mandate This special edition of the Mandate includes a summary of votes cast by Members of Congress on key small business issues considered during the 94th Congress. You will find each Member listed with a percentage behind his or her name. The percentage reflects the frequency he or she voted in favor of NFIB small business positions as established through your Mandate votes.

Also in this Mandate, the Presidential nominees of both major political parties express their views on a number of small business issues. NFIB is pleased both nominees have demonstrated sufficient interest in small business to have made this presentation specifically for the Mandate. Hopefully, you will take the time to carefully read what they have to say on issues directly affecting you,

Mandate votes in this issue are somewhat different than usual, but no less important. The NFIB Washington office is already planning legislative initiatives in fine with previous Mandate votes and needs to know your priorities as well as the most troublesome federal activities. They also need your assessment of gencies - the Small Business two Administration and the United States Postal Service-both of which directly impact small business. Due to the nature of these votes, "pro's" and "con's" are not presented; your business experience is the important factor.

ARE YOU A VICTIM OF ERISA?

(Employees' Retirement Income Security Act

NFIB CAN SAVE YOU HOURS OF FRUSTRATION AND HUNDREDS OF DOLLARS!!!

HOW MEN "NFIB Has Developed for You Prototype Pension / Profit Sharing Plans to Fit Your Every Need WHAT TO DO\*

READ the Article on page 8, entitled ERISA'S

Guardian of Small Business Award The following results of How Congress Voted on Small Business issues has been compiled to include those issues voted on during the 94th Congress, up to and including August 22, 1976. Those Congressmen appearing in blue scored above 70 per cent and will receive NFIB's "Guardian of Small Business Award," to be presented in September by NFIB President Wilson S. Johnson.

84%

80%

76%

72%

52%

82% 84%

64%

82%

42%

76%

72%

78%

54%

78%

70%

40%

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44%

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84%

66%

80%

92%

84%

38%

86%

54%

32%

32%

88%

#### HOUSE

#### ALABAMA Jack Edwards William L. Dickinson **Bill Nichols** Tom Bevill Robert E. Jones John Buchanan Walter Flowers ALASKA Don Young ARIZONA John J. Rhodes Morris K. Udall Sam Steiger John B. Conlan ARKANSAS Bill Alexander Wilbur D. Mills John Paul Hammerschmidt **Ray Thornton** CALIFORNIA Harold T. Johnson Don H. Clausen John E. Moss Robert L. Leggett John L. Burton Phillip Burton George Miller Ronald V. Dellums Fortney H. (Pete) Stark Don Edwards Leo J. Ryan Paul N. McCloskey Jr. Norman Y. Mineta John J. McFall B. F. Sisk Burt L. Talcott John Krebs William M. Ketchum Robert J. Lagomarsino Barry M. Goldwater Jr. James C. Corman Carlos J. Moorhead Thomas M. Rees Henry A. Waxman Edward R. Roybal John H. Rousselot

| 1 | Alphonzo Bell            | 82% |
|---|--------------------------|-----|
|   | Yvonne Brathwaite Burke  | 34% |
|   | Augustus F. Hawkins      | 40% |
|   | George E. Danielson      | 40% |
|   | Charles H. Wilson        | 56% |
|   | Glenn M. Anderson        | 42% |
|   | Del Clawson              | 72% |
|   | Mark W. Hannaford        | 54% |
|   | Jim Lloyd                | 48% |
|   | George E. Brown Jr.      | 40% |
|   | Shirley N. Pettis        | 86% |
|   | Jerry M. Patterson       | 48% |
|   | Charles E. Wiggins       | 78% |
|   | †Andrew J. Hinshaw       | 66% |
|   | Bob Wilson               | 84% |
|   | Lionel Van Deerlin       | 42% |
|   | Clair W. Burgener        | 94% |
|   | COLORADO                 |     |
|   | Patricia Schroeder       | 58% |
|   | Timothy E. Wirth         | 62% |
|   | Frank E. Evans           | 58% |
|   | James P. (Jim) Johnson   | 86% |
|   | William L. Armstrong     | 88% |
|   | CONNECTICUT              |     |
|   | William R. Cotter        | 44% |
|   | Christopher J. Dodd      | 58% |
|   | Robert N. Giaimo         | 50% |
|   | Stewart B. McKinney      | 72% |
|   | Ronald A. Sarasin        | 84% |
|   | Anthony Toby Moffett     | 48% |
|   | DELAWARE                 |     |
|   | Pierre S. (Pete) du Pont | 70% |
|   | FLORIDA                  |     |
|   | Robert L. F. Sikes       | 74% |
|   | Don Fuqua                | 82% |
|   | Charles E. Bennett       | 60% |
|   | Bill Chappell Jr.        | 82% |
| 1 | Richard Kelly            | 88% |
|   | C. W. Bill Young         | 86% |
| - | Sam Gibbons              | 70% |
|   | James A. Haley           | 86% |
| 1 | Louis Frey Jr.           | 96% |
|   | L. A. (Skip) Bafalis     | 88% |
|   | Paul G. Rogers           | 72% |
|   | J. Herbert Burke         | 88% |
|   | William Lehman           | 46% |
|   | Claude Pepper            | 48% |
|   | Dante B. Fascell         | 42% |
|   |                          |     |



| GEORGIA                           |            |
|-----------------------------------|------------|
| Bo Ginn                           | 84%        |
| Dawson Mathis                     | 80%        |
| Jack Brinkley                     | 80%        |
| Elliott H. Levitas                | 78%        |
| Andrew Young                      | 34%        |
| John J. Flynt Jr.                 | 70%        |
| Larry McDonald                    | 78%        |
| W. S. (Bill) Stuckey Jr.          | 75%        |
| Phil M. Landrum                   | 74%        |
| Robert G. Stephens Jr.            | 86%        |
| HAWAII                            |            |
| Spark M. Matsunaga                | 45%        |
| Patsy T. Mink                     | 34%        |
| IDAHO                             |            |
| Steven D. Symms                   | 80%        |
| George Hansen                     | 72%        |
| ILLINOIS                          |            |
| Ralph H. Metcalfe                 | 42%        |
| Morgan F. Murphy                  | 40%        |
| Martin A. Russo                   | 62%        |
| Edward J. Derwinski               | 82%        |
| *John G. Fary                     | 42%        |
| Henry J. Hyde                     | 82%        |
| Cardiss Collins                   | 38%        |
| Dan Rostenkowski                  | 34%        |
| Sidney R. Yates                   | 32%        |
| Abner J. Mikva                    | 36%        |
| Frank Annunzio                    | 44%        |
| Philip M. Crane                   | 86%        |
| Robert McClory                    | 76%        |
| John N. Erlenborn                 | 74%        |
| Tim L. Hall                       | 46%        |
| John B. Anderson                  | 76%        |
| George M. O'Brien                 | 92%        |
| Robert H. Michel                  | 88%        |
| Tom Railsback                     | 86%        |
| Paul Findley                      | 86%        |
| Edward R. Madigan                 | 82%        |
| George E. Shipley<br>Melvin Price | 62%<br>32% |
| Paul Simon                        | 46%        |
| INDIANA                           | 40 /0      |
|                                   | 100/       |
| Ray J. Madden                     | 40%        |
| Floyd J. Fithian                  | 64%        |
| John Brademas<br>J. Edward Roush  | 40%        |
| Elwood Hillis                     | 84%        |
| LINGOU MINIS                      | 04 /0      |

#### President Gerald R. Ford



Would you propose a National Health Insurance Program? If so, what would be the effect on small business?

#### Ford:

I have proposed health insurance to cover any catastrophic illnesses suffered by anyone covered by Medicare....

While we must help those who need it most—and in the United States in this category there are roughly 3 million—we cannot realistically afford federally-dictated national health insurance providing full coverage for all 215 million Americans. It is not only the cost, but, as we look around the world, the experience of other countries raises questions about the quality as well as the cost of such plans.

#### Carter:

Skyrocketing per capita health costs – up 40 per cent from 1971–have convinced me that eventually a comprehensive program must be adopted to meet preventive and acute, short-term and catastrophic medical needs of our citizens. Moreover, the cost and administration of the numerous government sponsored programs has also become quite cumbersome, further illustrating the value of a consolidated National Health Insurance Program. Such a program will have to be "phased in" over a period of years and must include strict cost controls.

Small businesses are continuously plagued by the excessive paperwork dedands imposed on them by all three levels of government. By eliminating duplicative and overlapping public and private medical insurance programs, a single national program would substantially reduce small business enterprises' administrative costs. Do you favor creation of an Agency for Consumer Protection?

#### Ford:

I do not believe that we need another federal bureaucracy in Washington, with its attendant cost of \$60 million for the first three years and hundreds of additional federal employees, in order to achieve better consumer representation and protection in Government. At a time when we are trying to cut down on both the size and the cost of Government, it would be unsound to add another layer of bureaucracy, instead of improving on the underlying structure.

#### Carter:

It is remarkable that of the innumerable federal departments, bureaus and commissions, no agency presently exists to protect basic consumer rights. Recent studies have revealed that 10 to 15 per cent of consumer spending power is squandered because of the unavailability of pricing information. Other analyses have shown that unsafe products account for 30,000 deaths, 110,000 permanent disabilities and over 20 million injuries a year. Still we have no institutionalized consumer advocate.

The idea of a Consumer Protection Agency should not be automatically considered detrimental to business. A Consumer Protection Agency operated on a modest budget under sensible guidelines would, I believe, insure open market competition and foster the kind of consumer confidence that would be good for business.

Would you propose any changes in the structure or functions of the Small Business Administration?

#### Ford:

The SBA is the primary instrument of the Federal Government in promoting the important interests of the small business community. I supported the creation of SBA in 1953 and strongly support it today. As evidence of this commitment, my fiscal year 1977 budget requests an increase of 33 per cent in the SBA's major loan guarantee program. This will increase the ability of the SBA to assist in financing the many small businesses which cannot obtain needed financing in commercial areas.

The Administrator of the Small Business Administration has been named to serve on the Economic Policy Board, which oversees the formulation, coordination and implementation of the Administration's economic policy. It is the first time small business has been represented at such a high level of government.

#### Carter:

Since the present economic climate in America has impeded small business growth, it is difficult at present to evaluate the effectiveness of the Small Business Administration. Economic expansion and its accompanying relaxation of credit policy and money flow are prerequisites for the revival of the small business community.

It is apparent that the SBA as presently administered has been unable to meet the needs of America's small business concerns. The fiscal and manpower needs of the SBA will be given extensive consideration in my efforts to streamline and build a more responsive and effective government. You can be assured that the voice of the small business community will be heard in a Carter administration.

Do you favor the Full Employment and Balanced Growth Act, also known as "Humphrey-Hawkins"?

#### Ford:

Putting America back to work is not a job for the President alone or for the Congress alone, though sometimes Senators and Congressmen seem to think they can abolish unemployment by passing new laws such as the dangerously deceptive Humphrey-Hawkins bill now pending in Congress.

This vast election-year boondoggle would decree that unemployment must be no higher than 3 per cent at the end of 4 years. If not enough private jobs are available, the Federal Government will be required by law to conjure up make-work jobs.

How much would all this cost? How long would such public payroll jobs continue? What the added inflationary impact would be really defies rational calculation. Never mind that the law would get the Federal Government deeper and deeper into social and economic planning on a national scale unprecedented in all our history.

#### Carter:

As I review the unprecedented economic crisis that has plagued our nation during the tenure of the present administration unemployment with inflation—I have become convinced that different approaches to our economic difficulties must be tried. Legislation similar to "Humphrey-Hawkins" is one possible, though by no means exclusive, alternative to restoring economic equilibrium.

I agree with the basic goals and concept of this Full Employment and Balanced Growth Act—the establishment of a partnership between all three levels of government and the private sector to lower unemployment. There are, in addition, other initiatives that can be taken to reduce unemployment and eliminate inflation.

The private sector, in particular the small business segment, must be recruited in our effort to spur economic growth. Small business — the cornerstone of our free enterprise system—has too often been ignored in this effort. The cost of creating jobs in small business establishments has been shown to be only a fraction of that of creating jobs in the public and corporate sectors. In our effort to fight inflation and unemployment simultaneously, we must avail ourselves of the unique advantages offered us for economic growth by small business expansion.

Do you favor enactment of OSHA On-Site Consultation Legislation?

#### Ford:

The federal government, working with the states, must provide leadership in promoting safe and healthful working places. I favor the concept of On-Site Consultation and believe that OSHA should assist in identifying problems and suggesting solutions on-site, while continuing to fulfill its responsibilities to penalize flagrant violators of the OSHA regulations.

#### Carter:

Along with the responsibility of ensuring a job for every American, the government has the additional obligation of ensuring that everyone with a job enjoys safe working conditions. To this end, I support the goals of the OSHA act.

I am, however, especially sensitive to the plight of the small businessman who lacks the resources necessary to hire legal experts to interpret OSHA regulations and safety engineers to devise cost-effective means of compliance.

Consequently, I support the simplification and increased availability of OSHA guidelines. I am also currently evaluating several options to determine whether On-Site Consultation provides the most effective means of safety monitoring and accident prevention for the small businessman.

Do you favor a graduated corporate income tax? Would you propose any other changes in the tax structure to benefit small business?

#### Ford:

Budget reductions for Fiscal Year 1977 allow permanent tax cuts for the American people – tax reductions firmly tied to budget reductions.

The permanent program has the following major features: A reduction in individual income tax rates.

A permanent 10 per cent investment tax credit.

A reduction in the maximum corporate income tax rate from 48 per cent to 46 per cent, and making permanent the current temporary tax cuts on the first \$50,000 of corporate income.

An increase in the personal exemption from \$750 to \$1,000.

Also proposed is a change in the Federal estate tax laws to make it easier to continue the family ownership of a small farm or business. The proposed changes would stretch out the estate tax payment period so that Federal estate taxes can be paid out of the income of the farm or business.

#### Carter:

In my opinion, the two basic precepts of any tax system must be equity and simplicity.

Neither equity nor simplicity exists in a system that all too often enables the nation's giant corporations—through using an intricate series of loopholes—to be taxed at only half the rate levied against the small and unincorporated entrepreneur.

Certainly the small business mortality rate of the past few years reflects the inherent unfairness of our present tax system. The nation's small businesses will continue to suffer if we continue to tax away their earnings—funds necessary for reinvestment and growth—at disproportionately high rates.

If elected President, I would seek a less complex tax system which would distribute the tax burden more evenly. Terminating the special tax privileges currently accorded multinational firms and enacting an estate tax law that would support rather than discourage small business, would be an example of the type of reform I would consider.

What other issues do you consider of significance to small business, and what would you propose to do about them?

#### Ford:

Last fall, I directed the Departments and Agencies of the Federal Government to reduce the number of repetitive federal reports by 10 per cent no later than July 1 of this year.

As of October 31, 1975, the Departments and Agencies of the executive branch subject to the Federal Reports Act were employing 5,148 reports to collect information from the public. Today, there are a total of 4,504 forms in use. That reduction of over 600 forms represents a net cut of 12.5 per cent and a very impor-

#### **Governor Jimmy Carter**



tant first step toward reducing the federal burden on the American people.

First, I am directing the Departments and Agencies subject to the Federal Reports Acts to cut their total reporting requirements by 7 million hours by the end of fiscal year 1977, a 5 per cent reduction.

Second, I am asking for the recommendations of those Departments and Agencies for ways that we can cut the reporting requirement by an additional 20 million hours by the end of fiscal year 1978, an additional 15 per cent cut.

#### Carter:

Small business has suffered from neglect: the failure of the federal government to enforce antitrust legislation, the failure of the federal government to monitor the lobbying tactics employed by big business, and the failure of the federal government to overhaul an archaic tax system that benefits the nation's major corporations at the expense of the struggling independent entrepreneur.

On the other hand, the nation's small businesses have been hopelessly burdened with the overweening administrative demands of an ever-burgeoning bureaucracy.

The improved health of small business, which still accounts for 55 per cent of both private industry employment and the Gross Business Product, is dependent primarily on the reestablishment of a favorable economic climate period. Such an environment, however, cannot be created by the continuance of tight-credit and fiscal policies.

#### NFIB NOTE:

Additional remarks were edited because of word limitations.



# **President Cites Need For Energy Independence**

#### By GERALD R. FORD President

In 1973, the oil embargo reminded us that our security and well being are endangered by our growing dependence on foreign ail. In early 1975, I proposed a comprehensive energy program to the Congress — one designed to make America invulnerable by 1985 to economic disruption by another oil embargo. Briefly, the program called for: 1. Cutting the growth in our energy consumption by reducing waste: 2. Increasing domestic production; 3. developing technology to produce energy from new sources and 4. for establishing adequate standby reserves.

We have made some progress since early 1975but we have a long way to go. Our energy needs are steadily increasing to meet the needs of an expanded economy and our domestic oil and natural gas production is declining.

By the end of 1975, domestic oil production had declined to 8.4 million barrels per day, about 13 per cent below 1970.

Petroleum Imports now exceed 6 million barreis per day and are increasing. Last year, the U.S. paid \$27 billion for foreign oil, or approximately \$125 for each American. Unless we take additional action, we may be importing more than 10 million barrels of oil per day by 1985. We need Congressional cooperation to prevent this from

Ford, Carter Speak Out On Energy Issues

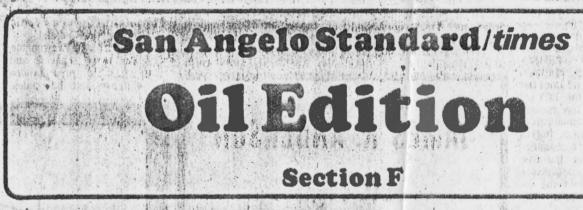
I am glad to give my views on the specific issues which you have raised: Divestiture, decontrol of natural gas and oil prices, Outer Continental Shelf oil and the Alaskan pipeline.

There are some who argue that lower price increases, more secure supplies of all will result from breaking up the major all companies. But there is no convincing evidence that divestiture either vertical or horizontal — will accomplish either of these worthy goals, and there is a good chance that it would actually retard domestic production.

My January 1975 State of the Union message pointed out that the best way to increase domestic oil and gas production is to allow market forces to encourage increased exploration and production by private companies, large and small.

Congress still has not passed my proposal to remove federal price regulations from wellhead prices of new natural gas, an action which could increase gas production 25 per cent by 1985. Action by the FPC to raise the controlled price of new interstate natural gas is a move in the right direction, but not as good as decontrol.

We are moving chead with crude oil decontrol but unfortunately, the Congress insisted that this



be stretched out over a period of 40 months. The recent action to remove price controls immediately from crude oil recovered from stripper wells and through enhanced recovery was another step toward providing necessary incentives to producers.

We also have moved as fast as allowed to remove price and allocation controls from petroleum products such as heating and fuel oil and diesel fuel, which accounts for elmost half of the petroleum products produced in this country. Our Outer Continental Shelf oil and gas deposits hold great promise for increasing domestic energy supplies during the next 10 to 15 years. In November 1974, I directed the Secretary of the

Interior to begin leasing as much Outer Continental Shelf oil and gas acreage as could be done safely and at a fair market price. Since then he has held several major sales including sales in frontier areas. I'm particularly pleased with the great interest in the recent Atlantic OCS sale, which shows clearly the willingness of industry to proceed vigorously.

As for the Alaskar pipeline, the Departments of Interior and Transportation have informed me that oil will not be allowed to flow until the integrity of the pipeline is assured, and further, that chances are still very good that oil will be flowing by the third quarter of 1977, with 1,200,000 barrels per day expected in early 1978. We will continue to watch this matter closely to see whether additional actions are needed to achieve these goals.

With the cooperation of industry and the U.S. Congress, I am confident America can attain energy independence by 1985.

# Carter: Failure To Develop Energy Policy Jeopardy

#### By JIMMY CARTER Former Governor of Georgia, Democratic Candidate for President

Three years after the humiliating Arab oil embargo, with its devastating and continuing consequences for our economy, this country still has not developed an energy policy which will guarantee adequate supplies at prices which the American people can afford.

Misleading presidential statements about "Project independence" have merely lulled out people into a faise sense of security that the energy crisis is over. One of the greatest failures of national leadership in recent history has been the administration's inability to convince that American people of the urgency of our energy problems. Americans are willing to make sacrifices if they understand the reason for them and if they believe the sacrifices are fairly distributed. Right now, they think the working people are making the sacrifices while the big shots are getting richer. The failure to develop and Implement a clear and workable energy policy jeopardizes our goals of a healthy growing economy which is able to provide a job for every American able to work and which does not kindle disastrous rates of inflation of recent years.

If elected, my first priority will be to free our society from possible blackmail or economic disaster which could be caused by another boycott. A 90-day strategic reserve must be developed, imports confined to current levels and ultimately reduced, standby rationing procedures readied, and it should be clear that aggressive economic reprisals await any boycotting supplier:

The potential for dramatic energy conservation remains untapped. In America we use almost twice the amount of energy per capital as do countries such as West Germany or Sweden, even though their standards of living are comparable to ours. Through an aggressive conservation program. Including mandatory auto fuel efficiency standards, incentives for retrofitting homes and office buildings to become more energy efficient, revision of our electric rate structure, and increased encouragement of rapid transit we can reduce our energy demand growth rate to a manageable level.

Our domestic production of oil and natural gas "has been dwindling over the last three years. While I see no need to permit the price of all domestic oil to rise to the Organization of Petroleum Exporting Countries, level, 1 believe. we should deregulate the price of new natural gas for a five-year period. After five years, our deregulation policy should be reviewed to determine whether it has resulted in increased exploration and development of new gas supplies without seriously hurting consumers. I will also explore the need for increased price incentives for more complete recovery of oil from existing wells through enhanced recovery techniques. do not favor divestifure of the oil companies in a complete vertical way as long as I'm convinced " there is an adequate degree of competition to ensure free markets and maximum benefit to

America's consumers. I am, however, concerned that competition at the wholesale and retail levels in the oil industry may not be adequate to keep our industry healthy, and would support restrictions on the right of a single vertically integrated company.

We must recognize that oil and gas supplies are not sufficient to meet our energy demands over the longer term. I will encourage a major shift to the use of coal, consistent with environmental quality standards. We must also exploit and further develop the potential of solar energy and other renewable resources.

Unless we conserve energy drastically, make a major stillt to coal, and substantially increase our use of salar energy, we will have no alternative to greatly increased dependence on nuclear power. As one who is intimately familiar with the problems and potential of nuclear energy, I believe we must make every effort to keep that dependence to a minimum. We need strong leadership, and we need it now!

#### Issues

#### Mondale Publicly Disagrees with Carter

Sen. Walter Mondale admitted Tuesday "there may well be a difference in emphasis" between him and his ticket mate Jimmy Carter on the issue of Supreme Court rulings to protect the rights of criminal defendants.

Upon landing in Illinois, Mondale responded to Carter's statement in Oklahoma City Monday that previous Supreme Court rulings under the leadership of former Chief Justice Earl Warren "went too far." Mondale said, "I have rather consistently supported the Supreme Court decisions that Carter apparently was criticizing." (NBC)

It was the first time the senator has publicly disagreed with Carter. At the time he was selected as Carter's running mate, Mondale promised that he would maintain his own views and speak out on issues if he and Carter found themselves at odds.

NBC covered their #6 story in a :30 anchor report. UPI,NBC -- (9/14)