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National Journal - September 4, 1976

Getting Cozy with Carter

Maritime labor thinks it has found a friend in Jimmy Carter. It is pleased with his views on national maritime policy. The Democratic presidential candidate, for his part, has not fared too badly as a consequence.

The virtual lovefest was highlighted by a May 25 letter from Carter to Jesse M. Calhoun, president of the National Marine Engineers' Beneficial Association (MEBA), AFL-CIO, in which Carter set forth his objectives on maritime policy, and by a June 30 Washington \$1,000 per person fund-raiser organized by MEBA that attracted an array of maritime labor and management representatives that raised approximately \$150,000 to help pay off Carter's primary campaign debt.

Because of its strong opposition to President Ford, stemming primarily from his veto in December 1974 of legislation that would have required a percentage of foreign oil to be shipped to the United States on American flag vessels, it is not surprising that MEBA is supporting Carter; in a year when the new federal campaign law limits contributions to presidential candidates, the magnitude of the MEBA effort is likely to achieve its purpose of keeping alive the friendly memory of the union in Carter's mind.

Letter: The May 25 letter followed a meeting on May 11 at a fundraiser where Calhoun gave Carter \$5,000 on behalf of his union. In the letter, Carter stated his commitment to "achieve a maritime program which will return us to the seapower status we deserve and need" and remove the clouds of "uncertainty and confusion" that now characterize it.

But the four objectives listed by Carter were all general and probably would not raise substantial opposition from President Ford, with the possible exception of his call for a "national cargo policy" assuring U.S. ships a "fair share of all types of cargo." The other objectives are "continuing presidential attention" to the merchant marine, a program to make U.S. ships competitive with those abroad in cost and productivity and continued enforcement of the 56-year-old law requiring trade between domestic ports to be carried on U.S.-flag ships.

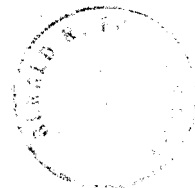
Fundraiser: The MEBA fundraiser was one of a series of affairs held by the Carter campaign prior to the July Democratic convention to pay off its debt.

Bill Albers, who served as a national finance director of the Carter effort, said MEBA played a "significant role" in generating interest and attendance from the maritime labor and management community. According to Albers, the \$1,000 checks from contributors were made out to the Carter campaign and collected by MEBA officials who delivered them to Carter aides.

The file of the MEBA political action committee at the Federal Election Commission (FEC) included no listing of the contributors. The Carter committee report filed Aug. 10 listed \$115,027 collected by the fundraiser during the previous 30-day reporting period. It did not give a separate listing of the contributors at the June 30 affair but it did include a 250-page alphabetized listing of all contributors of the \$2,852,945.22 received by the campaign during the period, presumably including many of the \$1,000 maritime contributors. However, it would be impossible to cull from that list all the names of those contributors.

Albers said in an interview that the records of the June 30 affair were in the trunk of his car, which was resting in an auto body shop as the result of a recent accident. Douglas B. Huron, counsel to the Carter campaign in Atlanta, said "maybe it would be a good idea to group contributors by industry, but the law doesn't require it." MEBA officials refused to return telephone calls seeking information about the fundraiser.

Susan Tift, an FEC press assistant, said, after checking with commission attorneys, that the FEC routinely reviews the reporting files but would not comment on whether the non-grouping of the maritime contributors violates either the letter or spirit of the federal campaign law.



CARTER AND THE SPECIAL INTERESTS

It is time for the voters to hear some straight facts before they decide whether they should trust Carter when he says that he has never made a private promise or commitment to any special interest group and that he has only one obligation and that is to the American people (ABC - Reasoner, August 3, 1976).

This statement is a fundamental distortion -- Carter has made special interest commitments and the American people should know about it. For example, he has made a specific commitment to the maritime unions.

Over the years these unions have strongly supported legislation that would require a certain percentage of cargo imported into this country be carried on U. S. tankers. In the interests of all the people, President Ford had to veto an inflationary cargo preference bill in 1974, because it would have increased the cost of energy for our citizens and raised the price of all products and services that depended on oil. This bill had been the highest priority of the maritime unions.

Now the American voter can see how Carter has responded to union entreaties.

The National Journal (September 4, 1976, p. 1257), a respected weekly on politics and government, reports that on May 11, 1976, Carter met with the president of the National Marine Engineers' Beneficial Association and received at that time \$5,000 from his union. Just two weeks later, Carter met with the union president again in a New York hotel suite and sought the cooperation of the maritime unions. It was reported in a union newspaper (American Marine Engineer, June 1976), that Carter had pledged a maritime program in harmony with most of the unions' aspirations, and The Journal of Commerce (June 11, 1976, p. 30), reported that by a letter (copy attached) which Carter had hand delivered to the president of the union Carter "made a major



commitment to the maritime industry for an across-the-board U. S. Flag national cargo preference policy." This will raise prices for the working men and women of this country and benefit the union interests.

In response to Carter's pledge, the union swung into high gear and announced a Carter fund raising drive. The National Journal has called the relationship between Carter and the maritime unions a "virtual love fest", and The Washington Post (October 11, 1976, p. 1), indicates that Carter has received many thousands of dollars from maritime union officials and the unions themselves.

Carter should answer whether he is beholden to unions' special interests. Did Carter make a promise without regard to the public interest? The facts are clear. His statement to the American people that he has never made a commitment to a special interest group is a gross misrepresentation.





Jimmy Carter

Presidential Campaign

For America's third century, why not our best?

May 25, 1976

Mr. Jesse M. Calhoun, President
National Marine Engineers' Beneficial
Association, AFL-CIO
400 First Street, N.W.
Washington, D. C. 20001

Dear Jesse:

I appreciate very much the opportunity of our recent meeting. As I told you then, there is no doubt in my mind that our nation's strength as a seapower must never be in doubt.

In that context, allow me to repeat my concern about the decline of our U. S. flag merchant marine as contrasted, for example, with the sharp rise of the U.S.S.R. merchant marine. Our merchant marine declined from first to eighth place since the end of World War II. During this same period, the Soviet merchant marine has risen from twenty third to sixth place. The Soviets have made clear their expectation to become the number one merchant marine by 1980. Please permit me to briefly outline some thoughts on a program required to reverse this dangerous trend.

In 1936 the U. S. Congress and President Franklin Delano Roosevelt created a merchant marine blueprint in the historic Merchant Marine Act of 1936. The preamble of this Act clearly mandated a privately owned and operated U. S. flag merchant marine capable of transporting all of our domestic waterborne commerce and a substantial portion of our foreign trade waterborne commerce. This preamble contained the wise requirement that our U. S. Flag Merchant ships should be of the number and type which would be immediately available to our national emergencies or outright war. This U. S. flag merchant marine was required to be built in American yards. It should be operated by effective management, and manned by civilian seamen trained in industry



schools and aboard ships. Besides the security implications of such an approach, our national economy is also a multiple beneficiary.

In 1970, the U. S. Congress enacted a ten-year program to construct for U. S. flag operation a total of 300 merchant ships. There were only 2 dissenting votes in this important legislation. I regret to note that now, just six years later, only 58 ships have been contracted for construction. For the first time in recent history the present administration has not requested any funds for merchant ship construction, and funds which have been approved by Congress and approved by the President remain unspent. Our nation's maritime program has become clouded with uncertainty and confusion.

My approach is to achieve a maritime program which will return us to the seapower status we deserve and need. I intend to work for the following objectives:

1. Assure continuing presidential attention to the objective of having our nation achieve and maintain the desired U. S. flag merchant marine.
2. Dedicate ourselves to a program which would result in a U. S. flag merchant marine with ships that are competitive with foreign flag ships in original cost, operating cost and productivity.
3. Enact and develop a national cargo policy which would assure our U. S. flag merchant marine a fair share of all types of cargo.
4. Continue to enforce our American cabotage laws, such as the Jones Act, which require that U. S. flag ships trade between our U. S. domestic ports.

We must attain the seapower status we need in order to meet our commitments to domestic and international security. As we both recognize, this program to achieve and maintain an adequate U. S. flag merchant marine would provide a great number of productive jobs, increase our economic base which would return many tax benefits to all levels of government, result in stimulating private capital investment and improve our nation's balance of payments.

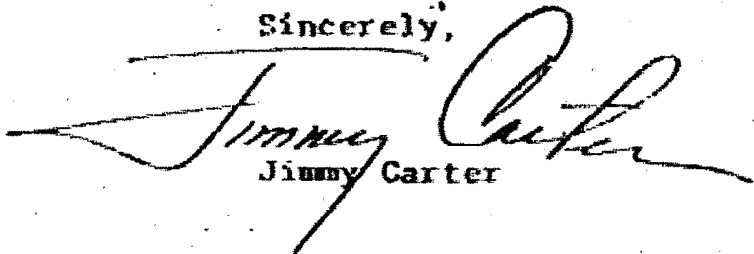


Mr. Calhoon
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May 25, 1976

In the months ahead, I hope to issue a comprehensive paper on our overall program for rebuilding our nation's strength as a maritime nation. In the development of this program, I shall ask the cooperation and concerted effort of labor, business, affected consumer groups and academia. Of course I shall keep in mind the constructive points you made during our discussion.

With best wishes, I am,

Sincerely,


Jimmy Carter



CARTER SAYS BUSINESS GAVE \$57,000 IN 1970 IN HIS GOVERNOR RACE

Some Companies on List Had
Dealings With State—One Later
Was Investigated by U.S.

By **NICHOLAS M. HORROCK**

Special to The New York Times

A Suggested Response to a Charge by Governor Carter
that the Ford Administration Caters to Special Interests

If the President wishes to give Carter one or two good cracks in the third debate, I suggest that Carter be hit on his special interest ties. His "never lie", "no commitments" and "trust me" themes will be proven false.

In response to a possible charge by Governor Carter during the third debate that the Ford Administration, in its tax policy, Arab boycott policy or antitrust policy, caters to special interest groups and does not act in the best interests of all of the American people, I suggest that the President respond as follows:

"Governor Carter, your accusation is false -- at all times during the period that I have been President I have based my decisions on what is best for all of the American people. For example, I have been the first President to advocate major regulatory reform so government agencies act in the public interest and not to favor special interests.

"All too often during this campaign you have talked in vague generalities and I think it is time for the voters to hear some straight facts before they decide whether they should trust you when you say that you have never made a private promise or commitment to any special interest group and that you have only one obligation and that is to the American people.

"This is a fundamental distortion -- you have made special interest commitments and the American people should know about it. For example, you have made a specific commitment to the maritime unions.

"Over the years these unions have strongly supported legislation that would require a certain percentage of cargo imported into this country be carried on U. S. tankers. In the interests of all the people, I had to veto an inflationary cargo preference bill in 1974, because it would have increased the cost of energy for our citizens

and raised the price of all products and services that depended on oil. As you well know, this bill had been the highest priority of the maritime unions.

"Now, let's see how you have responded to union entreaties.

"The National Journal, a respected weekly on politics and government, reports that on May 11, 1976, you met with the president of the National Marine Engineers' Beneficial Association and received at that time \$5,000 from his union. Just two weeks later, you met with the union president again in a New York hotel suite and sought the cooperation of the maritime unions. It was reported in a union newspaper that you had pledged a maritime program in harmony with most of the unions' aspirations, and The Journal of Commerce reported that by a letter which you had hand delivered to the president of the union you "made a major commitment to the maritime industry for an across-the-board U. S. Flag national cargo preference policy." This will raise prices for the working men and women of this country and benefit the union interests.

In response to your pledge, the union swung into high gear and announced a Carter fund raising drive. The National Journal has called the relationship between you and the maritime unions a "virtual love fest", and The Washington Post indicates that you have received many thousands of dollars from maritime union officials and the unions themselves.

"Now I ask you, Governor Carter, are you beholden to unions' special interests or not? Did you make a promise without regard to the public interest? I think the facts are clear. Your statement to the American people that you have never made a commitment to a special interest group is a gross misrepresentation."

