

POOL REPORT

Air Force One - Andrews AFB
to Springfield, Illinois

March 5, 1976

Wheels up at 10:40 am. On board were Earl Butz, Illinois Congressmen Robert H. Michel, Tom Railsback, Edward Madigan, and Paul Findley, PFC Deputy Stu Spencer, Peter Kaye, Rogers Morton aide Roy Hughes, and Ford aides Hartmann, Cheney, Nessen, Lukash et al.

Nessen came back with some poop on the Lincoln home in Springfield. It was built in 1839 in Greek revival style. Lincoln bought it in 1844 for \$1,500 and lived there until 1861, when he left to become President. It was the only home he ever owned and three of his children were born there. He spoke from the front steps of the home to his neighbors in his farewell speech on leaving for Washington.

The visitors center is being built by the National Park Service for \$1.5 million. The cornerstone to be unveiled today will include a quote from President Ford's Lincoln Birthday speech at the Lincoln Monument last month: "It is to Abraham Lincoln that we owe the opportunity to observe our national Bicentennial at peace among ourselves and with all nations."

Before the President arrived at Andrews, Earl Butz chatted for about ten minutes with the pool. Much of the time was spent discussing the Soviet agricultural situation and the announcement that the Russian Agricultural Minister had been sacked. Butz said the Soviet crop failure this year was due to bad weather, poor central planning from Moscow and what he termed "chronic mismanagement" of supplies, machinery, fertilizer, etcetera.

On the American scene, Butz said that the level of farm prices "are never high enough to be satisfactory (to the farmer) of course." But he pointed out that the level of net farm income had topped the 25 billion dollar mark for the third straight year and was "very satisfactory." Why, then, he was asked, were many farmers mad at Gerald Ford? They feel that the temporary suspension of sales to the Russians and to the Polish government last summer constituted an abrogation of an implied contract. We all asked the farmers to engage in all out production in 1975 and they did. They went on the line for expensive equipment, fertilizer, insecticides, for all-out production, and they felt that they should have unfettered access to markets. I think in retrospect they did. We had that temporary suspension of sales... while we worked out this longterm agreement... (which)... resulted in a very good deal for Midwestern farmers because the Russians have now obligated themselves to purchase a minimum of six million tons a year even in years of good production."

Butz also said the U.S. has sold 13.3 million tons of grain to the Russians in the current growing year and that U.S. ships are backed up six weeks at Russian ports waiting to unload their grain. "We're exporting at full capacity," he said. "Our spouts in the ports are going full capacity seven days a week. We couldn't load anymore if we had it."

Politically, Butz said that "farmers are basically conservative and I think that Reagan has a lot of support among farmers. I sense it's eroding, though. Reagan, he said, has made recent comments about Soviet-American detente and recently in Omaha he made comments which Butz says indicated he probably would not favor Soviet grain sales. "The farmers don't like that," says Butz, and this stance "will erode his position with the farmers."

MORE

Peter Kaye came back to say the Ford Committee is organized in 71 of Illinois' 102 counties and all 24 Congressional districts. The PFC has 40 phone banks and 208 telephones and expects to call a third of a million prospective voters by the March 16 primary.

(FYI, Walt Rogers has a radio pool tape of the entire Butz conversation, but there is no, repeat, no video because of a machine breakdown. Long live electronic media).

The Illinois spending ceiling is around \$1.2 million and the PFC expects to spend around \$850,000 including \$180,000 for media. About \$40,000 will also be spent to promote the slates of Ford delegates, not the candidate himself. Direct mailing literature has gone or will go to 500,000 persons.

Kaye said that of the state's 11 Congressmen -- all but Phil Crane -- are supporting the President. He also refused to make a prediction about the final margin ("We're not playing any numbers" except to say, "It's a close race and I think we'll win."

Kaye said that if Reagan comes through Illinois without having won a primary "It's going to be tough for him to raise money and maintain momentum." A little later he said, "At some point he's going to run out of moral victories. He's going to have to start winning elections, instead of moral victories."

As for the decision not to return to Florida, Kaye said it was decided "it plain wasn't a good idea." There were good arguments on both sides, he added, but one of the major factors in the decision was that "the end of a campaign is a good time to keep your workers working instead of turning out to see the President."

Kaye said the PFC estimates that the President can now count on roughly 240 convention delegates "either firmly committed or strongly supportive." He has a detailed state-by-state breakdown for those who are interested. (This is roughly 20 percent of the 1,130 needed to nominate.)

DeFrank
Rodgers
Walsh
et al

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