March 12, 1976

POOL REPORT NO. 4 - PFC BREAKFAST - CLOCKTO VER INN

Ford gave 21-minute speech to about 800 campaign workers. The speech was his stock one - - the economy is on the roal to recovery, he'll continue to veto irresponsible spending bills, and he is pushing for elimination of excessive Government red tape, etc.

But there were two fresh things that were designed to rebutt Reagan's campaign oratory - - that the U.S. has fallen behind the Soviet Union militarily and that the country needs leadership from outside of Washington to get rid of the Washington "buddy system."

On three separate occasions Ford said the U.S. was "second to none"in defense. "Under no circumstances will we play second fiddle to any country militarily."

Ford attributed the economic recovery to his own experience in dealing with Congress. "I think this experience is helpful. You do get more special benefits in knowing how the Congress works. There is certainly some benefit from this experience in the tough circumstances we are in today."

Ford left the motel about 8:05, arrived greater Rockford airport about 8:25. Before enplaning, he waved to a crowd of about 80 people who greeted him there. There was a choppy 20-minute flight to Chicago.

On Air Force I Callaway -- Ford campaign chairman -- once again cautioned reporters against believing reports of a lop-sided Ford win next Tuesday. Callaway said Ford would win but it would be "close." Asked whether Reagan would drop out if Ford beat him in N.C. Callaway said he didn't want to predict what Reagan would do. But he added that "If we win in Illinois and North Carolina, which we expect to do, it would be difficult for him (Reagan) to be a viable candidate for the nomination."

> Mike Wright - U.S. News & World Rep. Jim Weighart - New York Daily News

#