

CONGRESSIONAL LEADERSHIP MEETING

AGENDA

- | | |
|------------------|--|
| 8:30 - 8:45 a.m. | I. Job Corps Review |
| 8:45 - 9:00 a.m. | II. Crime and the Rights of Society: Message |
| 9:00 - 9:15 a.m. | III. Program on Hunger |
| 9:15 - 9:30 a.m. | IV. Senate Report |
| 9:30 - 9:45 a.m. | V. House Report |



DIARY OF WHITE HOUSE LEADERSHIP
MEETINGS -- 91st CONGRESS

May 6, 1969

At 8 40 a.m., the President introduced Shultz, who reported on his April 25 statement to the Senate subcommittee on employment, etc., recommending that the Job Corps be integrated into a comprehensive manpower training program. He reviewed the charts used in the presentation. Of each 100 recruits accepted by the Job Corps, only 74 actually arrive; 61 remain longer than 30 days; 25 graduate; 20 are placed either in jobs or in the military within 90 days after graduation; and 17 are actually placed in jobs.

Ford urged that charts be made available to the press and to Members in order that they might get more currency. Javits reported that a resolution would soon be debated by the Senate to stop Presidential action closing Job Corps. He inquired if the President intended to act if the resolution is adopted. The President did not reply. Javits said that the Job Corps may not be economic but that it fills a need in providing some help for hard-core dropouts and poverty youth problems. He recommended that the Administration increase money available for summer jobs to ease the adverse impact.

Prouty said that Job Corps money has been wasted and skills had not been taught. He called attention to a GAO report soon to be released which dramatizes this. Ayres said that Perkins will have some bill on the Floor the week after Memorial Day recess. However, the Republicans should be able to maintain the President's position during Floor debate.

RMN said that upwards of \$2 billion currently is being spent in all federal programs dealing with job training; each has its own champion who would argue that each did a little good and therefore its inefficiencies should be disregarded; if we are to get control of this hodgepodge of government programs,



we must start somewhere. He complimented Shultz for the program he has outlined. Javits suggested that the President address a letter either to him or to Dirksen citing relevant figures for use in Floor debate. Taft said that Members had complained not so much about the closing of Job Corps as about the lack of advance backgrounding. Shultz replied that the reason was the volume of telephone calls and letters the Department has been receiving from Members of Congress concerning these 59 centers and other matters. RMN said that all of the Great Society programs were somebody's "sacred cow," He cited model cities, which he described as "not even half-baked, not baked at all, just dough in the oven." Dirksen said that the GAO report would reflect the horrible findings of immorality and suggested that the value of the Job Corps should be questioned when it not only fails to help young people but actually hurts them by placing them in the company of perverts.

RMN recalled the statement made during the campaign concerning Supreme Court decisions which have weakened the peace forces in their struggle against the criminal forces. The ultimate remedy is different decisions from the Supreme Court. In the meantime, other remedies should be attempted. Mitchell said that a message on the rights of the defendants has been prepared and will be sent to Congress shortly. The message will recommend establishment of a Joint Committee on Crime and Defendants' Rights to examine problems posed by recent Court decisions and determine what remedies might be available, either by statute or Constitutional amendment. Smith said that he would rather see experts from the Bar rather than a Joint Congressional Committee undertake such a study. He said that Celler would block the effort. Rhodes said that he could think of no precedent for executive recommendation for the legislative branch to create a Joint Committee. Scott said that he agreed with Smith and Rhodes and suggested that Senator McClellan might resent the establishment of



an additional committee dealing with crime. McCulloch said that the Administration should establish a commission rather than a Congressional Committee in order to control the membership of the commission and the direction it takes. Dirksen said that he did not believe in appeasing Celler; that he enjoys a good fight even when he loses; and that he will be glad to introduce the bill. I said that this is the most delicate issue the Administration is likely to face because it involves the balance between the rights of the accused individual and the rights of society; that this is a prickly nettle; that any decision to do anything is a courageous act involving as it will the worst storm the Administration has experienced; that it will activate every liberal in the academic community and at the bench and bar; that I was impressed with the arguments made by Smith, Rhodes and McCulloch; but that the people were expecting the Nixon Administration to act and even if we make the effort and fail, the people will know where to put the blame for inaction; that I was not as sanguine as some that the problems presented by court decisions would yield to a legislative remedy; most will require a Constitutional amendment; that whether the remedy is legislative or Constitutional, the legislative branch of the government is the initiating mechanism; that I was not intimidated by the Pepper Committee because the two Committees would have different functions; that the function of the Pepper Committee is to hold hearings and assemble empirical data, and indigestible supply of which we already have; and that the function of the Joint Committee would be to foster legislation.

Arends said that whatever course is taken, the people will welcome action in this field. RMN suggested that the matter be left to the judgment of the Attorney General and admonished him to keep in mind the comments that had been made around the table.



RMN then raised the Fortas question. Dirksen said that Williams had already introduced a resolution denying tax exemptions to foundations which pay fees to federal judges. Ford reported that he had researched the impeachment procedure; that an impeachable offense was not necessarily an indictable offense; and that action could be initiated by a single Member. At least one or two Members are likely to introduce a resolution soon. RMN asked Jerry if he were suggesting that he can't control H. R. Gross. Dirksen recalled his experience in the Judge Ritter impeachment proceedings, and said he would never care to go through such an experience again. He admonished all to go slow. Allott said that while the Party should go slow, some effort should be made to keep public pressure on Fortas, who has proven twice by his conduct that he is not above the "appearance of impropriety." Smith said that if an impeachment resolution is sent to the Rules Committee, it will likely be buried there. Mitchell advised the Leadership "to keep the lid on -- more will develop later." Cramer suggested that the Party could attack the problem by introducing legislation concerning foundations and legislation concerning disclosure of outside income earned by members of the judiciary. RMN said that a generous government pays judges lifetime salaries because they expect them to be like Caesar's wife. He said that Fortas is the wealthiest and perhaps the most brilliant member of the Court and he could not understand why he would consider accepting such a fee under any circumstance.

Hardin reported on the testimony he will deliver tomorrow on hunger and human needs. His testimony will acknowledge that any improvement that might be made in welfare programs would come to nothing if a lack of budgetary discipline allows inflation to wipe out welfare increases. However, he said that present programs barely keep the poorest people alive so that they can continue to live undernourished. He said that the Department favors the food stamp program over the direct



distribution program. The testimony will call for an increase in the present \$340 million ceiling to \$610 million. The \$270 million increase will permit the Department to increase the present average monthly benefit from \$58 to \$100 for a family of 4 and to expand the program into 400 counties not now covered. Those with less than \$30-a-month income will be given free food stamps, and no one will be required to spend more than 30% of his income for food stamps. The eligibility line is at \$3,600 per year. Ford inquired if the \$270 million was an add-on to the total Nixon budget. The answer was negative. The additional \$270 million will come out of other parts of the hunger food program, which now totals about \$1.5 billion. Mayo said that in connection with budgetary considerations, it should be remembered that total payments to the poor in the Nixon budget are \$27.2 billion, compared with \$24.4 billion in the Johnson budget.

Since the President was committed to greet the Prime Minister of Australia, the meeting adjourned at 10 20 a.m.

RICHARD H. POFF



OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

PRESS CONFERENCE
OFSENATOR EVERETT MCKINLEY DIRKSEN,
AND CONGRESSMAN GERALD R. FORD
THE ROOSEVELT ROOM

AT 10:15 A.M. EDT

SENATOR DIRKSEN: Good morning, ladies and gentlemen.

Most of the discussion this morning centered around the Job Corps program. We had Secretary Shultz and others who discussed it and everybody put in on the discussion.

As you know, of course, they will cut the number of the Corps, I think, from 104 to 54 or 59, with emphasis on the fact that no corpsman will be left out of a program because he will have his choice, pretty well, of any camp where he wants to go. But we are weaponed now not only with the findings of the Secretary of Agriculture, but also a rather extended report by the Comptroller General. I have gone through that report in large part and also the summary. I think a valid case is made for what the Administration is trying to do because it will produce efficiency and objectivity.

One of the difficulties with the program today is that even after you screen your applicants, there are, what is it, 30 percent who don't even show up for camp and then you get a large dropout at the end of 30 days and a larger dropout at the end of 90 days, so that the ultimate number who graduate who find job placement is comparatively small considering the cost.

The direct cost is about \$6,600, according to the findings of the Comptroller General, but if you add the indirect cost it is \$8,300 per corpsman. And that is a pretty high amount.

We think we can do infinitely better and develop a far more efficient program. And so this restructuring, I think, is certainly a justified approach.

CONGRESSMAN FORD: I might add that out of the 100, for example, who are referred or accepted for the Job Corps, only 17 out of the 100 actually are placed on a job. It is the aim of the Administration to make available as quickly as possible and as immediately as possible these near-city job training facilities, and, in addition, to try and open up, as a more practical approach, the other training slots for those who otherwise fall into the Job Corps training program.

It is also the aim and objective of trying to help this particular summer in making available job opportunities for the individuals in our major metropolitan areas.

MORE



The approach that is recommended by the Secretary of Labor, in our opinion, is a far more effective way from the point of view of getting the young people trained in a far less costly process.

I might make one other observation. We did discuss the Administration's program in the area of hunger. The Secretary of Agriculture is going to appear before a Senate Committee tomorrow and will lay out what we believe is a very broad answer to the demands on the part of all segments of our society for a better administration and a more effective hunger program.

SENATOR DIRKSEN: I might add, with respect to the hunger and malnutrition program, that in the budget for 1970 there would be in direct authorization and appropriation about \$340 million. It is proposed now to add \$275 million to it.

That, of course, does not encompass other things that are in the budget, such as school milk and other things, but that will provide \$615 million for the program.

It will, of course, be made a good deal more efficient. Some of the waste and extravagance will be squeezed out. But while you have both direct distribution and the food stamp proposal, the emphasis will be on food stamps because it appears that it can be done more effectively and more economically.

CONGRESSMAN FORD: There is one other figure that I think is significant, as pointed out by the Director of the Bureau of the Budget. In fiscal 1969, \$24.2 billion is made available by the Federal Government for those below the poverty level. In the fiscal 1970 budget, recommended by this Administration, there will be \$27.2 billion available.

In other words, a \$3 billion increase over the funds available in this current fiscal year.

SENATOR DIRKSEN: Do you have any questions?

Q Could you tell us the status of the NLF Treaty?

SENATOR DIRKSEN: Actually, there has been no change that I know of.

Q I meant the NPT.

SENATOR DIRKSEN: You mean the Nuclear Non-proliferation Treaty. It has not been discussed and, frankly, I have not heard it discussed even on the outside or in the Senate for quite some time.

Q Senator Dirksen, did you discuss with the President at all the speeches by your colleagues, Senator Aiken and Senator Scott asking for withdrawal of American troops?

SENATOR DIRKSEN: No, it was not discussed, as such. But I can say to you, there has been definitely no change in the Administration program. There is no retreat.



Q What do you mean by that?

Q Senator, does that mean the Administration plans or does not plan to withdraw troops under the circumstances which the President laid out in his press conference?

SENATOR DIRKSEN: Well, I am not in a position to discuss detail there. All I know, I think, is, there has been no change.

Q From what to what?

Q What is the position at the present time?

SENATOR DIRKSEN: What is the position? The Paris negotiations are going forward. There may be some work going on behind the scenes -- that is a suspicion on my part. But we are going right ahead to see if we can't wind this thing up in an honorable way.

Q Senator, was there any discussion of the controversy involving Justice Fortas?

SENATOR DIRKSEN: All I can say is that it was mentioned almost in passing, because you treated it so generously in the press and on TV. The speeches on the Senate and House Floor speak for themselves. Beyond that, there was no discussion.

CONGRESSMAN FORD: I might make an observation there. I believe that this is a non-partisan issue. It has been and it should be. The charges are very serious, including the 11-month lag in the return of the fee. But it seems to me that this is a problem that ought to be discussed between the Majority Party, the Democrats, and the Republicans, to see what is the proper course of action to take.

I think there are two areas where some action might be taken. It seems to many in the House, particularly, that there ought to be an examination of the distributions by some of our foundations in the way that they have been making such distributions; and, secondly, there ought to be consideration of a disclosure requirement for the Federal Judiciary, just like there is a requirement for the Executive and the Legislative Branches of the Federal Government.

Q Senator Dirksen, there are a lot of stories appearing lately saying you have been giving the Administration a bad time about a number of appointments. How do you feel about those reports? Are those appointments discussed in these meetings?

SENATOR DIRKSEN: All I can tell you is that if I have a conviction on the subject, why, I utter it and I think in so doing I express my fidelity to the President, since sometimes things come to your attention that may not come to his ears or to his ministers in the Cabinet and obviously he accepts that in the best of grace.



I think what happened on Saturday speaks for itself. He invited me to go along down to see Jim Byrnes and we went to the Derby together. So if anybody wants to put it

on the ground that there is some feeling about it, there is not.

Now, let me just amplify that. When it came to Mr. Brown of EEOC, I said three weeks ago to Senator Scott here at the White House that if his name came up I would put a hold order on him until I knew a little more about him. That was conditioned on the fact that Mr. Brown had been nominated in the prior Administration. He went out to California with the Commission before he was confirmed by the Senate and there he participated in three days of hearings. Those I ventilated freely on the Hill.

Now, that is the reason I wanted to know a little more about his viewpoint. He did me the honor of coming to see me yesterday morning. We spent 45 minutes together. I had a chance to ask all the questions I wanted. I discovered that he was a very personable fellow. He had excellent antecedents and he knows pretty well where he is going and altogether I was satisfied and I announced on the Senate Floor that I would vote for him.

Q I would like to ask whether you feel Justice Fortas should step down from the Bench?

SENATOR DIRKSEN: I expressed no feeling in the matter. That is a matter for Justice Fortas at the moment.

MORE



Q Could Congressman Ford answer that question?

CONGRESSMAN FORD: Would you repeat the question?

Q Do you feel personally that Justice Fortas should step down from the Bench?

CONGRESSMAN FORD: I think that is a decision he has to make under the circumstances.

Q Do you favor an inquiry by a Senate committee into the allegations made by Life Magazine about the Justice?

SENATOR DIRKSEN: I am not sure that I do. I would have to examine those allegations very carefully to see whether there would be an occasion for action. You know that Senator Williams made the proposal that foundations ought to be denied tax exemption privileges if, for instance, they subsidized or hired or put somebody on their payroll who was in public office. But he did not limit that resolution to the Members of the Court. He included Members of the Executive Branch and Members of the Legislative Branch, as well, and also went so far as to say that for a period of two years after their exit from public office that the terms of that resolution should apply.

Q Senator, you have always opposed disclosure by the Legislative Branch, if I am not mistaken.

SENATOR DIRKSEN: Peter, you are very imprecise in your language. What I opposed was a disclosure of your income tax.

Q What do you favor disclosure of?

SENATOR DIRKSEN: Well, I disclose under the modifications of Rule 42 and 44 of the Senate. So, if you are curious, Peter, go up to the Senate Clerk and ask to take a look at the one I have to file under Rule 44 because I think I am going to file it today.



Q Senator, do each of you favor a disclosure rule or law for the Supreme Court or for the Judiciary as a whole, as you now have for Congress and Federal officials?

SENATOR DIRKSEN: It is a matter that probably ought to be considered, especially so now that you have raised the pay of the Judiciary.

CONGRESSMAN FORD: I think I said earlier that this is something the Congress ought to consider, to have the same standard for the Members of the Judiciary that we have for the Members of the Executive Branch and the Legislative Branch.

Q I heard you say "consider" but do you personally favor it?

CONGRESSMAN FORD: I think the argument is persuasive under these circumstances that it should be done.

Q Did you get a reading of how the President might feel about that provision?

CONGRESSMAN FORD: It was not discussed. I might add just one point, because it was discussed by the President with

Senator Dirksen and myself, in the ABM controversy that we are all familiar with, the President reiterated that he intends to stand by the Safeguard system because it is the minimum necessity for our national security.

Q Senator, could I go back to Vietnam for a moment? Is it your feeling that the proposals of Senator Scott and Senator Aiken are in fact a retreat and can we interpret your remarks about "there is no retreat" as a rejection of their proposals?

SENATOR DIRKSEN: You have to speak in the context of time as of now. I know of no suggestion for a retreat or for a diminution of our troops as of now.

Q Did the Social Security proposals come up?

SENATOR DIRKSEN: No.

Q Congressman Ford, could you give us any insight as to whether there is any chance of getting the Social Security measure through the House this year?

CONGRESSMAN FORD: I was somewhat surprised by the announcement made through the press by the Chairman of the Committee on Ways and Means. I believe there is a great need, a great demand for some action in the area of Social Security in 1969.

Both President Johnson and President Nixon have said that they thought there ought to be an increase in Social Security benefits. I subscribe to the request made by both the previous President and the present President. I would hope that the Committee on Ways and Means could take affirmative action.

THE PRESS: Thank you very much, gentlemen.

END

(AT 10:35 A.M. EDT)



THE WHITE HOUSE

5/6/69

JOB CORPS

Schultz

New City Centers
More training slots
Summer-job money



CRIME &
RIGHTS OF SOCIETY

Mitchell

Court decisions - reversal of
previous decisions
Congress appoint Commission leading
to Constitutional revision

HUNGER
Harden

Poverty + Malnutrition -
Program inadequate unless
Food Stamp.

THE WHITE HOUSE

Food Stamp - \$340 current ceiling
Preferable with \$200 to \$295 million
more in F.Y. 70.

| Direct Distribution -

Special Feeding Package. |

Expand -

- 1.5 billion - food
295



24.2 - F.Y. 69 } Pror
27.2 - " 70 }

THE WHITE HOUSE

Non partisan -

Director - Congress / Executive

Foundations - limitations



MEMORANDUM

THE WHITE HOUSE

WASHINGTON

MEMORANDUM TO SENATOR DIRKSEN/CONGRESSMAN FORD

MAY 6, 1969

THOUGHTS ON THE ABM

Just to clear up some confusion, to put an end to some speculation, the President is not going to compromise with the national security on the ABM issue.

He intends to stand his ground; there will be no trumpets sounding retreat on this issue; the President is going to fight it out along the line he has drawn; there is no "fallback position" on ABM because the national security is involved. We believe he will win it.

The ABM system the President has asked for is the minimum he believes essential for America's security in the next decade. He cannot ask for anything less; he cannot settle for anything less. This is what he relayed to us -- and what we are relaying to you.

Buchanan



CRIME AND THE RIGHTS OF THE CITIZEN

The President intends to send up sometime this week a message dealing with Crime and the Rights of the Citizen. What I can say about it is this: It calls upon the Congress to make an exhaustive review of the revolution in criminal law generated in the last decade by the United States Supreme Court. It asks that we study the court decisions in the area of confessions, line-ups, right to counsel -- and measure them against a single yardstick: What has been their impact upon law enforcement in the United States. Have these rulings so thrown a screen of protection around the accused that they have left society defenseless against the criminal. Is society paying in the coin of security for these newly discovered Rights of the Accused. That will be the subject of the message. In terms of relations between Executive and Judicial and Congressional branches of government, it will be, I think, an historic message.



SENATOR DIRKSEN

JOB CORPS

We intend to go into the Senate tomorrow and defeat the resolution to keep these Job Corps camps open.

The American people know what has been going on in these camps; and those who don't are going to find out in tomorrow's debate.

The reason basically why we are shutting down these Job Corps camps is that the American taxpayer is not getting his money's worth out of them, and the unskilled are not getting their time's worth out of them.

We think that we can do a better job of training the poor than these camps have been doing for \$8,000 per man -- and the President intends to try something new.

No one is going to be thrown out onto the street. Secretary Schultz is taking great pains to see that Job Corps enrollees find their way into programs with more hope and economy, less waste and corruption and genuine scandal.



HOUSE ACTION, PERIOD APRIL 29 THROUGH MAY 5, 1969

Tuesday, April 29, 1969

PRINTING RESOLUTIONS

The House agreed to 10 printing resolutions from the Committee on House Administration authorizing certain printing.

COAST GUARD AUTHORIZATION

The House passed by record vote of 382 yeas to 2 nays H.R. 4153, authorizing appropriations for procurement of vessels and aircraft construction of shore and offshore establishments for the Coast Guard.

Prior to passage, the House agreed to the Bow Amendment requiring all ships authorized in H.R. 4153 to be constructed in the U. S.

Thursday, May 1, 1969

CRIME COMMITTEE

The House passed by record vote of 343 yeas to 18 nays, H. Res. 17, creating a select committee to conduct an investigation and study of all aspects of crime in the U. S.

Subsequently, the Speaker appointed as members of the select committee Representatives Pepper, chairman, Griffiths, Nix, Waldie, Watson, Wiggins and Denney.

Monday, May 5, 1969

The House passed by voice vote under suspension of the rules, the following Bills:

1. H.R. 6269, to provide for the striking of medals in commemoration of the three hundredth anniversary of the founding of the State of South Carolina.
2. S. 1081, to provide for the striking of medals in honor of the dedication of the Winston Churchill Memorial and Library.
3. H.R. 7215, to provide for the striking of medals in commemoration of the fiftieth anniversary of the United States Diplomatic Courier Service.



4. H.R. 8188, to provide for the striking of medals in commemoration of the one hundredth anniversary of the founding of the City of Wichita, Kansas.
5. H.R. 8648, to provide for the striking of medals in commemoration of the one hundredth anniversary of the founding of the American Fisheries Society.

Tuesday and Balance of Week

H.R. 5554, to provide a Special Milk Program for Children



Office of the White House Press Secretary

THE WHITE HOUSE

TO THE CONGRESS OF THE UNITED STATES:

Today, organized crime has deeply penetrated broad segments of American life. In our great cities, it is operating prosperous criminal cartels. In our suburban areas and smaller cities, it is expanding its corrosive influence. Its economic base is principally derived from its virtual monopoly of illegal gambling, the numbers racket, and the importation of narcotics. To a large degree, it underwrites the loan sharking business in the United States and actively participates in fraudulent bankruptcies. It encourages street crime by inducing narcotic addicts to mug and rob. It encourages housebreaking and burglary by providing efficient disposal methods for stolen goods. It quietly continues to infiltrate and corrupt organized labor. It is increasing its enormous holdings and influence in the world of legitimate business. To achieve his end, the organized criminal relies on physical terror and psychological intimidation, on economic retaliation and political bribery, on citizen indifference and governmental acquiescence. He corrupts our governing institutions and subverts our democratic processes. For him, the moral and legal subversion of our society is a life-long and lucrative profession.

Many decent Americans contribute regularly, voluntarily and unwittingly to the coffers of organized crime -- the suburban housewife and the city slum dweller who place a twenty-five cent numbers bet; the bricklayer and college student who buy a football card; the businessman and the secretary who bet illegally on a horse.

Estimates of the "take" from illegal gambling alone in the United States run anywhere from \$20 billion, which is over 2% of the nation's gross national product, to \$50 billion, a figure larger than the entire federal administrative budget for fiscal year 1951. This wealth is but one yardstick of the economic and political power held by the leaders of organized crime who operate with little limitation or restriction within our society.

Organized crime's victims range all across the social spectrum -- the middle-class businessman enticed into paying usurious loan rates; the small merchant required to pay protection money; the white suburbanite and the black city dweller destroying themselves with drugs; the elderly pensioner and the young married couple forced to pay higher prices for goods. The most tragic victims, of course, are the poor whose lack of financial resources, education and acceptable living standards frequently breed the kind of resentment and hopelessness that make illegal gambling and drugs an attractive escape from the bleakness of ghetto life.

BACKGROUND

For two decades now, since the Attorney General's Conference on Organized Crime in 1950, the Federal effort has slowly increased. Many

more



of the nation's most notorious racketeers have been imprisoned or deported and many local organized crime business operations have been eliminated. But these successes have not substantially impeded the growth and power of organized criminal syndicates. Not a single one of the 24 Cosa Nostra families has been destroyed. They are more firmly entrenched and more secure than ever before.

It is vitally important that Americans see this alien organization for what it really is -- a totalitarian and closed society operating within an open and democratic one. It has succeeded so far because an apathetic public is not aware of the threat it poses to American life. This public apathy has permitted most organized criminals to escape prosecution by corrupting officials, by intimidating witnesses and by terrorizing victims into silence.

As a matter of national "public policy," I must warn our citizens that the threat of organized crime cannot be ignored or tolerated any longer. It will not be eliminated by loud voices and good intentions. It will be eliminated by carefully conceived, well-funded and well-executed action plans. Furthermore, our action plans against organized crime must be established on a long-term basis in order to relentlessly pursue the criminal syndicate. This goal will not be easily attained. Over many decades, organized crime has extended its roots deep into American society and they will not be easily extracted. Our success will first depend on the support of our citizens who must be informed of the dangers that organized crime poses. Success also will require the help of Congress and of the State and local governments.

This Administration is urgently aware of the need for extraordinary action and I have already taken several significant steps aimed at combating organized crime. I have pledged an unstinting commitment, with an unprecedented amount of money, manpower and other resources to back up my promise to attack organized crime. For example -- I have authorized the Attorney General to engage in wiretapping of organized racketeers. I have authorized the Attorney General to establish 20 Federal racketeering field offices all across the nation. I have authorized the Attorney General to establish a unique Federal-State Racket Squad in New York City. I have asked all Federal agencies to cooperate with the Department of Justice in this effort and to give priority to the organized crime drive. I have asked the Congress to increase the fiscal 1970 budget by \$25 million, which will roughly double present expenditures for the organized crime effort.

In addition, I have asked the Congress to approve a \$300 million appropriation in the 1970 budget for the Law Enforcement Assistance Administration. Most of these funds will go in block grants to help State and local law enforcement programs and a substantial portion of this assistance money will be utilized to fight organized crime. I have had discussions with the State Attorneys General and I have authorized the Attorney General to cooperate fully with the States and local communities in this national effort, and to extend help to them with every means at his disposal. Finally, I have directed the Attorney General to mount our Federal anti-organized crime offensive and to coordinate the Federal effort with State and local efforts where possible.

ASSISTANCE TO STATES AND LOCAL GOVERNMENTS

Through the Law Enforcement Assistance Administration, and other units of the Department of Justice, the Attorney General has already taken some initial steps:

more



1) A program is being established so that State and local law enforcement people can exchange recent knowledge on the most effective tactics to use against organized crime at the local level.

2) The Justice Department is furnishing technical assistance and financial help in the training of investigators, prosecutors, intelligence analysts, accountants, statisticians -- the professional people needed to combat a sophisticated form of criminal activity.

3) The Justice Department is encouraging municipalities and States to reexamine their own laws in the organized crime area. We are also encouraging and assisting in the formation of State-wide organized crime investigating and prosecuting units.

4) A computerized organized crime intelligence system is being developed to house detailed information on the personalities and activities of organized crime nationally. This system will also serve as a model for State computer intelligence systems which will be partially funded by the Federal Government.

5) We are fostering cooperation and coordination between States and between communities to avoid a costly duplication of effort and expense.

6) We are providing Federal aid for both State and local public information programs designed to alert the people to the nature and scope of organized crime activity in their communities.

These actions are being taken now. But the current level of Federal activity must be dramatically increased, if we expect progress. More men and money, new administrative actions, and new legal authority are needed.

EXPANDED BUDGET

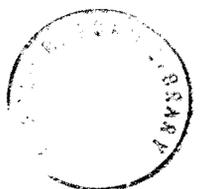
There is no old law or new law that will be useful without the necessary manpower for enforcement. I am therefore, as stated, asking Congress to increase the Fiscal Year 1970 budget for dealing with organized crime by \$25 million. This will roughly double the amount spent in the fight against organized crime during Fiscal Year 1969, and will bring the total Federal expenditures for the campaign against organized crime to the unprecedented total of \$61 million. I urge Congress to approve our request for these vital funds.

REORGANIZATION OF THE CRIME EFFORT

I have directed the newly appointed Advisory Council on Executive Organization to examine the effectiveness of the Executive Branch in combating crime -- in particular organized crime.

Because many departments and agencies of the Executive Branch are involved in the organized crime effort, I believe we can make lasting improvement only if we view this matter in the full context of executive operations.

more



FEDERAL RACKETEERING FIELD OFFICES

The focal center of the Federal effort against organized crime is the Department of Justice. It coordinates the efforts of all of the Federal agencies. To combine in one cohesive unit a cadre of experienced Federal investigators and prosecutors, to maintain a Federal presence in organized crime problem areas throughout the nation on a continuing basis, and to institutionalize and utilize the valuable experience that has been gained by the "Strike Forces" under the direction of the Department of Justice, the Attorney General has now established Federal Racketeering Field Offices in Boston, Brooklyn, Buffalo, Chicago, Detroit, Miami, Newark, and Philadelphia. These offices bring together, in cohesive single units, experienced prosecutors from the Justice Department, Special Agents of the FBI, investigators of the Bureau of Narcotics and Dangerous Drugs, the finest staff personnel from the Bureau of Customs, the Securities and Exchange Commission, the Internal Revenue Service, the Post Office, the Secret Service and other Federal offices with expertise in diverse areas of organized crime.

The Racketeering Field Offices will be able to throw a tight net of Federal law around an organized crime concentration and through large scale target investigations, we believe we can obtain the prosecutions that will imprison the leaders, paralyze the administrators, frighten the street workers and, eventually, paralyze the whole organized crime syndicate in any one particular city. The Attorney General plans to set up at least a dozen additional field offices within the next two years.

FEDERAL-STATE RACKET SQUAD

Investigations of the national crime syndicate, La Cosa Nostra, show its membership at some 5,000, divided into 24 "families" around the nation. In most cities organized crime activity is dominated by a single "family"; in New York City, however, the lucrative franchise is divided among five such "families."

To deal with this heavy concentration of criminal elements in the nation's largest city, a new Federal-State Racket Squad is being established in the Southern District of New York. It will include attorneys and investigators from the Justice Department as well as from New York State and city. This squad will be directed by the Department of Justice, in conjunction with a supervisory council of officials from State and local participating agencies, who will formulate policy, devise strategy and oversee tactical operations. Building on the experience of this special Federal-State Racket Squad, the Attorney General will be working with State and local authorities in other major problem areas to determine whether this concept of governmental partnership should be expanded to those areas through the formation of additional squads.

NEW LEGISLATION

From his studies in recent weeks, the Attorney General has concluded that new weapons and tools are needed to enable the Federal government to

more



strike both at the Cosa Nostra hierarchy and the sources of revenue that feed the coffers of organized crime. Accordingly the Attorney General will ask Congress for new laws, and I urge Congress to act swiftly and favorably on the Attorney General's request.

Witness Immunity

First, we need a new broad general witness immunity law to cover all cases involving the violation of a Federal statute. I commend to the Congress for its consideration the recommendations of the National Commission on Reform of Federal Criminal Laws. Under the Commission's proposal, a witness could not be prosecuted on the basis of anything he said while testifying, but he would not be immune from prosecution based on other evidence of his offense. Furthermore, once the government has granted the witness such immunity, a refusal then to testify would bring a prison sentence for contempt. With this new law, government should be better able to gather evidence to strike at the leadership of organized crime and not just the rank and file. The Attorney General has also advised me that the Federal Government will make special provisions for protecting witnesses who fear to testify due to intimidation.

Wagering Tax Amendments

We shall ask for swift enactment of S. 1624 or its companion bill H.R. 322, sponsored by Senator Roman Hruska of Nebraska and Congressman Richard Poff of Virginia respectively. These measures would amend the wagering tax laws and enable the Internal Revenue Service to play a more active and effective role in collecting the revenues owed on wagers; the bills would also increase the Federal operator's tax on gamblers from \$50 annually to \$1000.

Corruption

For most large scale illegal gambling enterprises to continue operations over any extended period of time, the cooperation of corrupt police or local officials is necessary. This bribery and corruption of government closest to the people is a deprivation of one of a citizen's most basic rights. We shall seek legislation to make this form of systematic corruption of community political leadership and law enforcement a federal crime. This law would enable the Federal Government to prosecute both the corruptor and the corrupted.

Illegal Gambling Businesses

We also shall request new legislation making it a Federal crime to engage in an illicit gambling operation, from which five or more persons derive income, which has been in operation more than thirty days, or from which the daily "take" exceeds \$2000. The purpose of this legislation is to bring under Federal jurisdiction all large-scale illegal gambling operations which involve or affect inter-state commerce. The effect of the law will be to give the Attorney General broad latitude to assist local and state government in cracking down on illegal gambling, the wellspring of organized crime's financial reservoir.

more



This Administration has concluded that the major thrust of its concerted anti-organized crime effort should be directed against gambling activities. While gambling may seem to most Americans to be the least reprehensible of all the activities of organized crime, it is gambling which provides the bulk of the revenues that eventually go into usurious loans, bribes of police and local officials, "campaign contributions" to politicians, the wholesale narcotics traffic, the infiltration of legitimate businesses, and to pay for the large stables of lawyers and accountants and assorted professional men who are in the hire of organized crime.

Gambling income is the life line of organized crime. If we can cut it or constrict it, we will be striking close to its heart.

Procedural Laws

With regard to improving the procedural aspects of the criminal law as it relates to the prosecution of organized crime, the Attorney General has been working with the Senate Subcommittee on Criminal Laws and Procedures to develop and perfect S. 30, the "Organized Crime Control Act of 1969." As Attorney General Mitchell indicated in his testimony on that bill, we support its objectives. It is designed to improve the investigation and prosecution of organized crime cases, and to provide appropriate sentencing for convicted offenders. I feel confident that it will be a useful new tool.

Development of New Laws

Finally, I want to mention an area where we are examining the need for new laws: the infiltration of organized crime into fields of legitimate business. The syndicate-owned business, financed by illegal revenues and operated outside the rules of fair competition of the American marketplace, cannot be tolerated in a system of free enterprise. Accordingly, the Attorney General is examining the potential application of the theories underlying our anti-trust laws as a potential new weapon.

The injunction with its powers of contempt and seizure, monetary fines and treble damage actions, and the powers of a forfeiture proceeding, suggest a new panoply of weapons to attack the property of organized crime -- rather than the unimportant persons (the fronts) who technically head up syndicate-controlled businesses. The arrest, conviction and imprisonment of a Mafia lieutenant can curtail operations, but does not put the syndicate out of business. As long as the property of organized crime remains, new leaders will step forward to take the place of those we jail. However, if we can levy fines on their real estate corporations, if we can seek treble damages against their trucking firms and banks, if we can seize the liquor in their warehouses, I think we can strike a critical blow at the organized crime conspiracy.

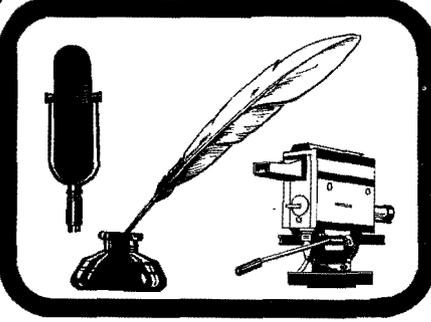
Clearly, the success or failure of any ambitious program such as I have outlined in this Message depends on many factors. I am confident the Congress will supply the funds and the requested legislation, the States and communities across the country will take advantage of the Federal capability and desire to assist and participate with them, and the Federal personnel responsible for programs and actions will vigorously carry out their mission.

RICHARD NIXON

THE WHITE HOUSE,

April 23, 1969





CONGRESSMAN
GERALD R. FORD
HOUSE REPUBLICAN LEADER

**NEWS
RELEASE**

--FOR RELEASE AT 12 NOON--
April 23, 1969

Remarks by Rep. Gerald R. Ford, R-Mich., delivered on the Floor of the U.S. House of Representatives, April 23, 1969.

Mr. Speaker: I rise today to urge every member of this House to join with President Nixon in placing the leaders of La Cosa Nostra at the top of America's Most Wanted Criminals list.

Mr. Speaker, I also urge every member of this House to help arouse the law-abiding citizens of this land.

We have before us today, Mr. Speaker, a battle plan from the President of the United States -- an outline of the strategy and a list of the weapons needed to strike at the crime lords of this country, the greedy, vicious, rapacious criminal kings whose subjects are the gamblers, drug pushers, panderers and other criminal types who drain away America's moral strength and economic life blood like millions of leeches.

In the message we have received from the White House today, President Nixon has branded organized crime as Enemy Number One. He has told us what we are doing now to fight the enemy. He has urged us to do more -- far more -- in terms of men and money and new laws. We must accept that challenge.

The President has spelled out his plans to make life miserable for the Mafia. And on the basis of his plans, if Congress concurs, I would advise anyone with stock in the Mafia to sell it right now.

I agree completely with the President that the best-laid plans are useless without the manpower to carry them out -- the manpower to carry out the President's declared objective of convicting the heads of the Mafia, paralyzing crime syndicate administrators, frightening the street workers and ultimately squeezing to death the whole crime syndicate operation in our cities.

I therefore join the President in urging this House to vote the additional funds needed to double our present outlays for fighting organized crime and to vote the full \$300 million authorization to help the states and local communities join with Federal authorities in a nationwide drive against racketeers and street criminals.

I applaud the proposed increase in the number of Federal Racketeering

(more)



Field Offices and the establishment of a new Special Federal-State Racket Squad in the Southern District of New York.

I also urge congressional approval of President Nixon's requests for new authority aimed at stepping up the rate of Mafia prosecutions and convictions -- authority dealing with general witness immunity, bribery and corruption of police or local officials, illicit gambling operations in interstate commerce, and wagering tax law amendments.

These are anti-crime weapons Congress should make immediately available to our anti-racketeering forces.

As the President has so well put it: The Federal Government must prosecute both the corruptor and the corrupted.

Mr. Speaker, organized crime is like an octopus stretching its tentacles into every corner of our land. From time to time we have lopped off an arm or a leg but new members have grown in their place. It is long past time to strike at the head of the operation, to cut deep into the brains of this monstrosity which has the entire nation in its grip.

We must hunt down the chieftains of organized crime. We must bring every one of them to book if we are to halt the crime wave which has swept over America like a poisonous torrent.

President Nixon has asked for the weapons to do the job. Let us, the chosen representatives of the people, give him the tools he needs.

#

