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Reagan
~~Committee~~ ✓

February 27, 1976

Mr. Bill Falstad
Box 360
Fredonia, Kansas 66786

Dear Bill:

Thanks so much for your note concerning Reagan's
statements on farm issues.

I agree with you that this is information that we
need to get out and we are working on it.

Many thanks.

Sincerely,

Bo Callaway
Chairman



*Issues
Comments
Reagan*

February 16, 1976

Mr. John K. McLean
817 Mansion Drive
Alexandria, Virginia 22302

Dear Mr. McLean:

Many thanks for your letter.

I have enclosed some information which may help clarify our position about Mr. Reagan's \$90 billion tax cut. The President, as you know, is working daily to cut federal spending and strongly believes in letting State governments manage those programs which best fall under their domain.

I appreciate your candid remarks.

Sincerely,

Howard H. Callaway
Chairman

Enclosures



2
JOHN K. MCLEAN
317 MANSION DRIVE
ALEXANDRIA, VIRGINIA 22302

FEB 10 1976

February 8, 1976

Mr. Howard Calloway
Director, Ford Campaign Committee
c/o The White House
Washington, D.C.

Dear Mr. Calloway,

I must say I think your exploitation of the Reagan so-called "\$90 billion blunder" is making a mountain out of a mole hill and likely to backfire against the President. It is much ado about nothing, if ever I saw it.

Anyone in his right mind knows \$90 billion spent anywhere has got to be paid for in taxes or in inflation. The only question is whether that much should be spent at all, and if so, who can do it cheaper. Are you trying to argue that it can be done best by Washington? If so, I am confused. The President is supposed to be advocating a reduction of Big Government and a lessening of the Federal Government's power. If you are trying to sell us on continued deficit spending, ~~of this magnitude~~, it is going to turn a lot of us Republicans off here at the grass roots.

I think the ~~big~~ emphasis ought to be on how much of the so-called \$90 ^{blunder} can be cut, and the states are better equipped to wield the knife, at least the more responsible ones are. So I am all in favor of transferring the necessary tax sources back to the states. Block grants just leave the power in the hands of the Federal Government, and we conservatives want that stopped! Don't we, Mr. Calloway? Or do we, Mr. Calloway? I am getting confused on where you and the President stand on this matter.

I do believe you owe it ^{to me} to explain that we all pay the \$90 billion wherever it is spent, and Big Daddy in Washington doesn't give it away for free.

Sincerely yours,

John K. McLean
John K. McLean



President Ford Committee

150 NORTH MAIN STREET, CONCORD, N. H. 03301 (603) 228-0159

Contact Jon Breen

EMBARGOED FOR RELEASE

Monday, January 5, 1976

9:30 a.m.

REMARKS BY SPEAKER OF THE HOUSE, GEORGE B. ROBERTS, JR.

January 5, 1976, 9:30 a.m.

Ramada Inn, Concord

During the past several weeks, a number of questions have been raised concerning Ronald Reagan's proposal to reduce the Federal budget by 90 billion dollars. According to the former California governor, this would be realized by shifting the burden of current Federal programs to the states, or by eliminating them altogether.

I submit that the time has come for Mr. Reagan to come down from the lofty peak of rhetoric and tell the people of New Hampshire, in specific terms, how he would implement his proposal. A campaign for President of the United States is no place to engage in vague generalities.

It is difficult for me and many other members of the Legislature to see how New Hampshire could possibly maintain the same level of services as it is now providing, if the Regan proposal were put into effect.

Although Mr. Reagan has not spelled out his proposal in any detail, it would seem that it would cost the people of New Hampshire tens of millions of dollars just to maintain the existing mandated programs at their present level. Any such shift from the Federal government to our state, would have drastic ramifications on existing health, welfare, education, transportation, law enforcement, revenue sharing and other programs.

The current New Hampshire operating budget of 415.1 million dollars is being funded by liquor sales, taxes on cigarettes, business profits, rooms and meals, gambling, and a number of other special taxes and fees. To meet the increased revenue need suggested by

(MORE)

Mr. Reagan's proposal, it is quite evident that another approach to state funding would be needed. It is further apparent that Mr. Reagan's proposal would leave us with three alternatives:

- one -- to eliminate many necessary programs;
- two -- to add to the local property tax burden;
- or three -- to institute a state sales tax, a state income tax, or both.

Conservatives throughout our state should find it paradoxical that several of Mr. Reagan's most vocal supporters are the same people who vehemently oppose the results that his program would lead to.

I feel it safe to say that, based on recent votes of the Legislature, the people of New Hampshire are opposed to the alternatives that would result from Mr. Reagan's proposal.

I sincerely hope that Mr. Reagan will take advantage of his planned 15 days of campaigning in New Hampshire to answer the many questions that the people of our state have on just exactly how his proposals would effect New Hampshire's revenues and tax structure. I suggest that his so-called "Citizens' News Conferences" would provide excellent forums to answer these questions.

I would further suggest that Mr. Reagan provide the New Hampshire Legislature with a detailed copy of his 90 billion dollar plan, if such a plan really exists.

Senate President Jacobson has suggested that Mr. Reagan meet with the Senate Finance Committee to discuss the ramifications of his proposal. I concur with the suggestion, and I would ask that a copy of that proposal be sent to the Joint House and Senate Fiscal Committee -- the committee charged with monitoring the rate of state expenditures and Federal funding.

Thank you ladies and gentlemen. Senator Jacobson and I welcome your questions.

Reagan's \$90 Billion Misunderstanding

By Richard T. Stout

FEW AMERICANS noticed when Ronald Reagan, in a Chicago speech last September, proposed to cut the "Gordian knot" of monster government in Washington by reducing federal spending by \$90 billion in this fiscal year. Only recently has the proposal begun to attract attention, as Reagan's critics have attacked it and his aides and supporters have started to wonder whether it could become as big an albatross for his presidential candidacy as George McGovern's \$1,000-per-person income redistribution plan in 1972.

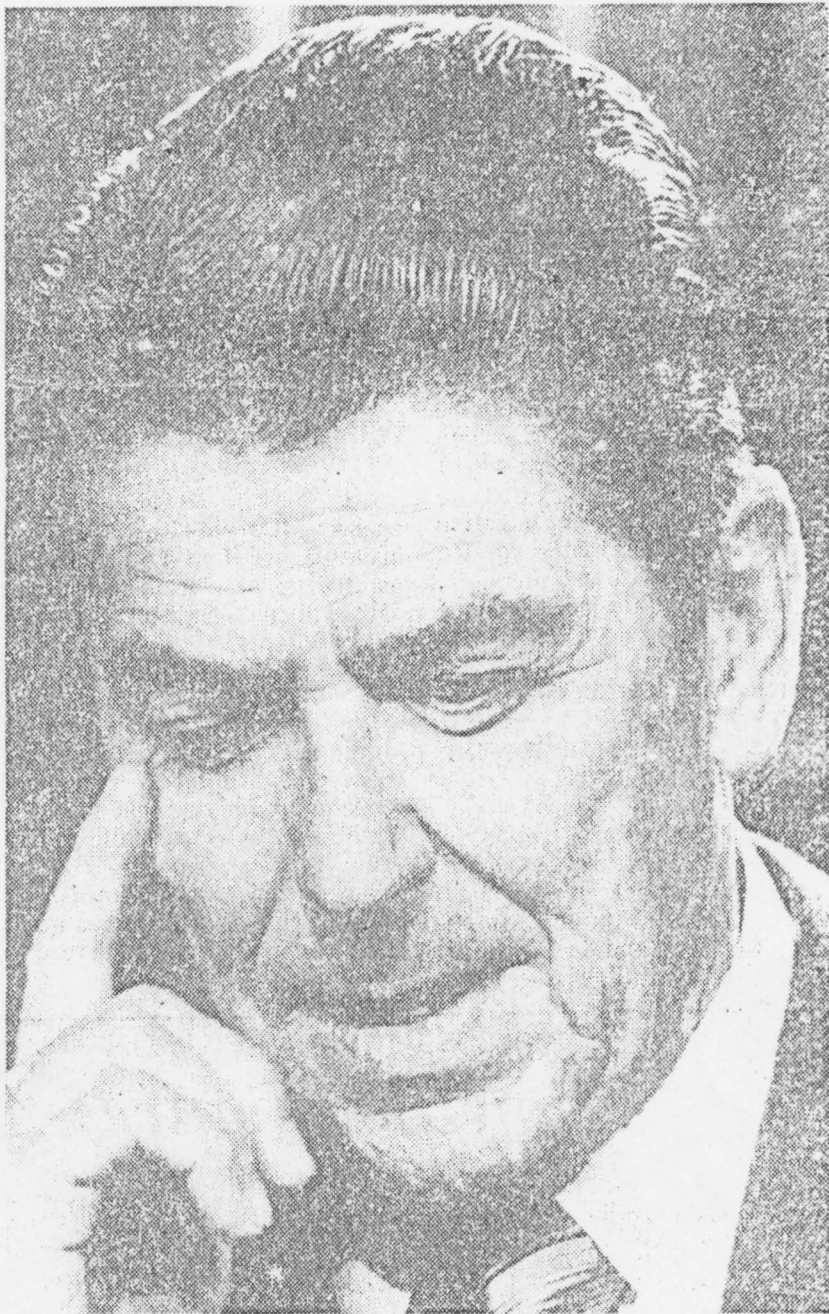
To date there has been no detailed public examination of the specifics in Reagan's plan. Aides at the Citizens for Reagan Committee simply put together a two-page background sheet of figures to show just where he would pare the budget. But a close look at these figures found enough errors, miscalculations and curious assumptions to cause Reagan aides, when confronted with them, to issue a revised set of figures.

For example, aides inadvertently cut \$1 billion for the U.S. Coast Guard and later had to restore it. They bobbled another billion by misreading budget figures on revenue sharing. Moreover, it appears that the \$25-billion tax cut and \$5-billion debt reduction Reagan says would be possible with a \$90-billion budget cut are impossible the way the '76 budget finally turned out. In fact, budget and tax cuts of the Reagan magnitude would result in a deficit—far lower than Americans are now accustomed to, but still a deficit.

"We just got these figures to back up the speech and then went on to other things," a Citizens for Reagan staff aide told me after I asked about some of the errors. "Maybe we should look at them again."

The aide, who asked that he not be identified, went over the figures with me at Reagan's Washington headquarters. The anonymity enabled him to speak relatively freely: to acknowledge, for instance, that one reason the Reagan budget cuts virtually ignore agricultural programs is that North Carolina, where such programs have impact, is a key, early primary test for Reagan against President Ford.

The Reagan figures are based on those in the Fiscal '76 budget proposed by President Ford last February. The background sheet breaks down the Reagan cuts into program categories, as used in the budget. Here, by category, is what Reagan's proposal would do.



Associated Press

EDUCATION, MANPOWER AND SOCIAL SERVICES

Reagan's \$13.7 billion in cuts in this category would wipe out all or most funds for elementary, secondary and vocational education programs, including Head Start, the full range of federal job training programs. The full range of social services, including some special rehabilitation efforts for the severely retarded and those with cerebral palsy, would be eliminated. So would special grants to enable disadvantaged young people to finance a college education and to help special institutions, such as Howard University. Certain educational research programs would also be axed.

In his speech Reagan said none of the cuts would affect veterans. However, in eliminating the federal state employment service, he would be cutting off \$50 million in special funds to help veterans find jobs. The aide said this hadn't been noticed in compiling the first background sheet, but added that the revised background sheet (which I will call Background Two from now on) moves these funds to the Veterans Administration or somewhere.

Reagan's speech also said the cuts won't affect the elderly, yet one of the social services to go provides one meal daily to some 200,000 old persons. The aide said that, since this is a community-based program, it would not qualify for maintenance under Reagan's new rules for federal help.

Reagan's \$90 Billion Misunderstanding

The aide also said Background One did not intend to cut special funds for Gallaudet College, the national college for the deaf. Nor was it intended that funds to enforce such worker-employer matters as minimum wages, overtime and pension practices be cut, as Background One announced.

COMMUNITY AND REGIONAL DEVELOPMENT

This \$5.5 billion slice would wipe out the remnants of such War on Poverty institutions as community action, VISTA, and legal services. A number of community-facilities water and sewer projects would go. The Economic Development Administration, the Community Services Administration, the Regional Action Planning Commission all would die. A half billion in programs aiding Indians would end. As one Reagan campaign aide noted, "It would be best if they're at the state or local level." Urban renewal and Appalachian regional development efforts would be eliminated. (Reagan noted in his speech that it was truly remarkable how America's first settlers were able to build the new land "without urban renewal or an area redevelopment plan.")

COMMERCE AND TRANSPORTATION

The \$10 billion cut in this category involved in these is not deducted from the \$3.1 billion.

Reagan's Chicago speech clearly indicated that the Tennessee Valley Authority would be exempt, but a \$731 million outlay for TVA is included in the \$3.1 billion budget cut.

Just what does the Reagan program leave intact? The speech said: "Those functions of government which are national rather than local in nature, and others which are handled through trust arrangements outside the general revenue structure. In addition to national defense and space, some of these areas are Social Security, Medicare and other old-age programs; enforcement of Federal law; veterans affairs; some aspects of agriculture, energy, transportation and environment; TVA and other multi-state public works projects; and certain types of research.

"Few would want to end the Federal Government's role as a setter of national goals and standards. And no one would want to rule out a role for Washington in those areas where its influence has been important and benign; crash efforts like the Manhattan and Apollo projects, and would end the mass transit program, subsidies to the Postal Service, airlines, ship operators and builders, airport and non-interstate highway construction.

It was in this category that the \$1 billion for the Coast Guard was cut initially. To balance this mistake, the Reagan staff aides decided in Background Two to "defer" \$1 billion in interstate highway construction funds which Background One had said would not be disturbed.

One footnote in both background sheets said the Postal Service should have high enough rates to break even and should yield its monopoly on first class mail.

In addition to the \$10 billion under this category the background sheets list a \$3.1 billion cut in water resources and power programs. In the federal budget, this item is included under another category—Natural Resources, Environment and Energy. This added cut would suspend most domestic projects of the Army Corps of Engineers, the Bureau of Reclamation and the Soil Conservation Service—the major pork-barrel agencies so revered by Congress. In effect, more than \$50 billion in uncompleted projects would be abandoned, unless individual states decided to complete the projects on their own. Federal financing would continue for multi-state projects, though the total in-

massive self-liquidating programs like the Homestead Act and the land grant colleges."

INCOME SECURITY

The \$22 billion cut proposed in this area would do away with the federal role in the food stamp program, aid to families with dependent children (welfare), the school lunch program—which includes other child nutrition elements—certain housing assistance for the needy and certain funds for unemployment benefits.

Background One left some \$7 billion of this cut un-itemized; Reagan aides could not immediately provide details. Background Two rearranged various figures and added the cut in unemployment aid which, it was claimed, would save \$9.4 billion. A footnote says this "represents federal share of state-run unemployment programs, including depletion of trust funds."

Some \$6 billion of the \$9.4 billion, however, is clearly state tax funds—not the "federal share"—that filter through the complex federal unemployment trust fund before being returned to the states as jobless benefits. One Reagan aide said, "If we had our way, this state money would stay with the states in the first place."

However, the Reagan cut has the effect of denying the \$6 billion to the states; and if this is true, this item should not be included as a cut. A Reagan aide said this isn't true. He said the \$6 billion in question represents part of the year's expected depletion of the trust fund; therefore, it legitimately may be included in the Reagan federal budget cuts. There seem to be elements here of Catch 22 and having cake and eating it, too.

LAW ENFORCEMENT ASSISTANCE AND JUSTICE

This \$1 billion cut would do away with the Law Enforcement Assistance Administration, which has had limited success in its program of grants to state and local police

agencies. It would also erase plans to create a new Legal Services Cor-

poration to provide indigent defendants with funds for legal help.

REVENUE SHARING

Reagan would cut this program altogether, in keeping with the philosophy that it is senseless and wasteful to shuttle local money to Washington only to shuttle it back again.

Background One claimed a \$7.2 billion saving—but this was a nearly \$1 billion overstatement, the result of carelessness. Reagan aides said they had not noticed that the budget combines revenue sharing—actually a \$6.3 billion item—with several other outlays referred to as "general purpose fiscal assistance." These outlays include the annual contribution to the District of Columbia as partial recompense for the real estate taxes the city loses through inability to tax federal property. They also include a return to Puerto Rico and the Virgin Islands of certain federal revenues and duties collected on their products; a return of certain national forest receipts to states to

help absorb school and road costs in counties where the revenues are generated, and a similar return of some grazing, mineral leasing and timber sale receipts to states and counties. Reagan, the aide said, does not propose to end these outlays.

NATIONAL DEFENSE

Reagan would cut nothing from the defense budget, but would require that military personnel contribute to their pensions, as do workers in other government retirement programs. This would mean an initial saving of \$2 billion—a figure a Reagan aide says is derived from an internal Senate Budget Committee memo. Leaving Defense Department appropriations virtually untouched while making the many other cuts would make national defense the single largest item in the budget.

HEALTH

Reagan's \$10.3 billion cut for this category would end the federal role in Medicaid and hospital construction. It would dry up federal funds for health service scholarships, as well as grants and contracts which make up nearly 50 per cent of special training and education funds of the nation's medical schools. It would eliminate grants that help state-administered centers which provide maternal and child health care, family planning services, alcohol and drug abuse treatment, migrant and mental health care.

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Reagan's \$90 Billion Misunderstanding

Many Democrats agree that the Hill-Burton hospital assistance construction program has, after 25 years, about run its course and that private capital is now building the great majority of new facilities. But how medical schools would cushion a sudden loss of much-needed funds is another question.

The unforeseen expansion of Medicaid in recent years is already straining state and local budgets, and few would get by without the 50 per cent federal contribution. The Medicaid cut would take benefits from some 26 million low-income Americans. Of them, 4.3 million are 65 or older, contrary to Reagan's assertion that old-age programs would not be affected.

ALLOWANCES

Reagan would eliminate this catch-all \$8 billion outlay in the President's budget altogether. This would mean the axing of \$550 million for civilian agency pay raises, \$500 million for unspecified contingencies and \$7 billion in energy tax equalization payments to compensate state and local governments for increased costs resulting from President Ford's energy proposals. Congress did not pass the President's energy plan. Congress transferred part—but not all—of the allowance for pay raises to federal agencies.

THE REAGAN cuts add up to \$81.9 billion. The \$90 billion Reagan repeatedly speaks of is derived by

assuming that outlays for the items cut or eliminated would increase as Congress inevitably raised the spending ceilings for the Fiscal '76 budget. In fact, the proportionate increases would raise the total Reagan cuts to \$90.1 billion.

However, the Reagan people also assume proportionately higher revenues, a state of affairs which apparently is not going to happen. The result is that the \$25 billion tax cut Reagan holds out would cause a deficit of about \$9 billion—not the \$5 billion debt-reducing surplus Reagan says is possible.

The Reagan people also say they did not take into account extension of the temporary Ford tax cut. Even if this were included there would still be a Reagan deficit of about \$3 billion. And the figure would be bigger if the several billion dollars in questionable Reagan deductions were deleted.

Moreover, the Reagan people have made no attempt to estimate how much state taxes might have to rise to absorb some of the federal cutbacks. Reagan acknowledges that state taxes probably would have to rise (much as California's doubled during Reagan's tenure as governor) where states decide to continue programs at current or near-current levels.

In his speech, Reagan derided Hubert Humphrey for casually suggesting, in discussing federal spending, that "a billion here and a billion there" does not matter much.

At least for now, Reagan and his helpers do not seem to be approaching the billions here and there any less casually.

Stout is a Washington freelancer and former Newsweek political correspondent. He is joining the Morris Udall presidential campaign staff next month.



1976 State of the Union: A Summary

In his State of the Union address Monday night, President Ford set forth his blueprint for America's future -- a blueprint that seeks to establish "a new balance" in our national life and to solve the Nation's problems with hardheaded common sense.

Substantial Progress Already Made

The President pointed out that under his approach, substantial progress was made in 1975:

-- inflation was cut nearly in half -- down to about 7%.

-- the economy was brought out of recession and is now enjoying a healthy recovery.

-- two thirds of the jobs lost in the recession have been restored.

-- to those critics who were asking whether we had lost our nerve, the U.S. has shown that it remains a strong and reliable partner in the search for peace.

-- and through the President's efforts, much of the public's faith in the integrity of the White House has been restored.

Programs to Build Upon Past Progress

The President is now seeking to build upon the foundations laid in 1975. Specifically:

1. In the Economy

A. Curbing Inflation

-- The centerpiece of the President's economic policies to fight inflation and create jobs is his attempt to cut Federal spending and to cut Federal taxes.

-- The President's budget sets a limit of \$394.2 billion spending in fiscal year 1977 -- a substantial reduction under earlier projected spending for that year.

-- In the last two years, Federal spending has increased by a total of 40%. The Ford budget would limit the 1977 spending increases to 5.5% -- the smallest single increase since President Eisenhower was in office.

-- The President devoted more personal time to the preparation of the budget than any President in a quarter of a century; as a result, he was able to pare spending without cutting deeply into any programs essential for the health or safety of the Nation.

-- To accompany the spending cut, the President is calling for a permanent tax cut of \$28 billion -- \$10 billion more than what Congress has allowed.

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B. Creating New Jobs -- The President is seeking to create new jobs not through vast new public works programs -- programs that have been tried and failed -- but by creating conditions in the private sector that will stimulate economic growth. The tax cut/spending cut is a major part of this effort. In addition, he proposed in the State of the Union:

-- Accelerated depreciation for businesses constructing new plants, purchasing equipment, or expanding their plants in areas of 7% unemployment.

-- Broadened stock ownership so that moderate income Americans will be given tax deductions for investing in American owned companies.

-- Changes in tax laws that will prevent family farms and small businesses from being wiped out by estate taxes.

-- The President will ask for additional housing assistance for 500,000 families.

C. Regulatory Reform -- The President has asked that the regulatory burden be lightened in four industries -- banking, airlines, trucking and railroads -- so that competition can be fostered and consumer prices reduced. Other areas are still under study.

2. In Energy -- Last year's comprehensive energy bill was flawed but it does provide a base upon which to build. The President is asking for swift Congressional action that would deregulate the price of new natural gas, open up Federal reserves, stimulate greater conservation, develop synthetic fuels from coal, create the EIA, and accelerate technological advances.

3. In Health -- The President proposed catastrophic health insurance for all persons covered by Medicare (the elderly and disabled), so that none of them would be required to pay more than \$500 a year for covered hospital bills or more than \$250 a year for covered doctor's bills. Slightly higher costs would be imposed upon Medicare beneficiaries to pay for the insurance.

-- Veterans were assured of high quality medical care.

-- The President spoke of the eventual need for national health insurance plan but not one dictated by Washington; the private sector must be the basis of it.

4. In Social Security -- The President called for a full cost of living increase for the elderly receiving Social Security. At the same time, he urged we face reality: the Social Security Trust Fund is running out of money. To preserve the fund and thus to protect future beneficiaries, the President asked for a small increase in Social Security taxes, effective January 1, 1977. The additional cost would come to no more than \$1 a week for any employee.

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5. In Welfare -- The President said that current programs had to be overhauled, but that they shouldn't be dumped in the laps of State and local governments nor should we make massive changes in midst of recovery. Some reforms can be made now, the most prominent -- food stamp reform. The President called for limiting food stamps to those in true poverty.

6. In Crime -- Law enforcement remains primarily a local and State responsibility, but Washington can and must help. The President is proposing: mandatory sentencing laws, more Federal prosecutors, more Federal judges, and more Federal prisons so that judges will be willing to send more criminals to jail. The President also promised a further crackdown on drug pushers.

✓ 7. In Federal Program Consolidation -- The President proposed that some 59 Federal programs be collapsed into 4 block grants -- health, education, child nutrition and community services. The biggest block grant would be a \$10 billion health grant for medicaid and other purposes; money would be distributed on basis of which state has most low income families. Purpose of the consolidation would be to wipe out red tape, give those closest to the problems greater flexibility to solve them. They would be similar to revenue sharing, a program for which the President urged re-enactment.

✓ 8. In Defense and Foreign Policy -- The President called for a significant increase in defense spending to ensure that the U.S. never becomes second strongest power.

-- He pointed to numerous successes in foreign policy of keeping the country at peace, progress in Middle East, strengthening of relationships with Europe and Japan, progress on arms limitations.

-- But he warned against further internal attacks on foreign policy community, especially the CIA, and against further Congressional efforts to tie the hands of the President.

-- He promised action to strengthen the intelligence establishment.

#

"Government exists to create and preserve conditions in which people can translate their ideals into practical reality.

"And in all that we do, we must be more honest with the American people; promising them no more than we can deliver, and delivering all that we promise."

(From the President's 1976 State of the Union Message to the Congress.)

Reagan ~~Comments~~

January 5, 1976

Honorable Mike D. Antonovich
Assemblyman - 41st District
State Capitol
Sacramento, California 95814

Dear Mike:

Thanks so much for your letter. You were nice to take the time to write.

Actually, the only thing that I asked in my remarks in Houston was that Reagan's record be carefully looked at. The President has his record and his personal life examined by reporters in 50 states daily. Mr. Reagan has asked that his record be examined but no one was doing it. I believe they will now and I think it is appropriate for all candidates for President to have their public records exposed. I have not, and I will not, in any way discuss personalities.

Thanks also for sending me your letter to the Editor of the L. A. Times. I find it most interesting.

Best wishes for the New Year.

Sincerely,

Bo Callaway
Chairman



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Assembly
California Legislature

MIKE D. ANTONOVICH
ASSEMBLYMAN, FORTY-FIRST DISTRICT

COMMITTEES
Labor Relations
Public Employees and
Retirement
Transportation
Select Committee on
Medical Malpractice

DEC 1975

12/17/75

Dear Bo.

I am most disappointed
with your remarks on Reagan. Especially,
after our conversations on the issue
we had in Los Angeles and in San Diego.

Please get back to principles
and honor which is the Southern
Tradition.

Enclosed is an article, letter to
the editor, which I recently wrote & you
will find of interest.

Wishing you a Blessed

Christmas & New Year —

Mike



Letters to The Times

12/8/75
LA Times

A Republican View of Brown's Record

Your article (Nov. 11), "1 Year of Brown: Little Impact on Government" gives readers the impression that the governor's actions have had little effect on Californians. However, in my opinion, the opposite is true. As a result of legislation signed by the governor or administrative actions approved by him during his first 10 months of office, substantial changes have occurred.

Businesses will have to pay about \$770 million more per year as a result of tax changes approved by the governor, thereby increasing prices to consumers. Also, inheritance taxes will be increased by \$3 million.

The construction of oil or gas pipelines from offshore drilling sites has been prohibited for three years, thus preventing the creation of 60,000 new jobs in our state and making America more dependent on foreign oil. Presently the United States sends \$78 million a day to foreign governments for their oil.

The American Civil Liberties Union has said that changes have occurred in California government due to the number of its leaders appointed to high policy-making positions in the Brown Administration. "Jerry Brown has in three months managed to do what Reagan failed to do in eight years—decimate the ranks of the ACLU and other 'radical' groups. He has hired most of them," stated an article in the April 1975 issue of the Southern California ACLU's official paper.

Not long ago The Times revealed that organized crime dominates the production and distribution of pornography in California. This year the governor approved legislation sponsored by the ACLU exempting from obscenity prosecution persons distributing obscene material if they do not own an interest in the pornographic store, theater, studio, or production center.

Prison sentencing guidelines for the Adult Authority sanctioned by Brown will result in the release of about 10,500 felons from state prisons during the calendar year beginning last April. During the previous year, only 4,904 were released.

Clearly, Brown has approved many changes that will have a major impact on the lives of Californians. To argue otherwise is to ignore reality.

MIKE D. ANTONOVICH
Assemblyman
41st District
Glendale



Reagan ✓
~~Comments~~

December 31, 1975

Mr. Thomas D. Westfall
Westfall Office Equipment, Inc.
3200 Wilshire Boulevard
Los Angeles, California 90010

Dear Mr. Westfall:

Thank you for your letter of December 17. It was nice of you to take the time to write.

I'm sorry that you feel that my comments concerning Governor Reagan's record were vindictive, counter-productive and unwarranted.

The only point that I was trying to make was that President Ford is having his record attacked daily by reporters and by Reagan's campaign team. This is appropriate. His record is available to the public and should be.

On the other hand, no one has looked at Mr. Reagan's record in a similar manner. I feel that Mr. Reagan's record should be subject to examination and he has publicly said the same.

If you have any other suggestions or ideas, please let me know. I appreciate your support of President Ford and I am sure the President appreciates it also.

Sincerely,

Bo Callaway
Chairman



DEC 24 1975

Westfall

OFFICE EQUIPMENT, INC

3200 WILSHIRE BOULEVARD
LOS ANGELES, CALIF. 90010
•
385-0021

December 17, 1975

Mr. Howard Callaway
Campaign Manager
President Ford Election Committee
1200 18th Street N.W. Room 916
Washington, D.C. 20036

Dear Mr. Callaway,

I feel compelled to write this letter after hearing your comments on Ronald Reagan at the Southern Governors Conference. It appears to me that your comments were vindictive, counterproductive, and unwarranted.

I have been a Republican all of my life. I am a loyal campaign worker and financial supporter of the Party and its candidates. (1975 CAMPAIGNER MEMBERSHIP NUMBER 24216043) I have also been an ardent and vociferous supporter of President Ford since he first took office. However, your vitriolic attack on Mr. Reagan has driven me from the ranks of the unqualified supporters of President Ford.

As a Californian, I closely scrutinized the eight year record of Governor Reagan. I can happily say that the record consistantly shows honesty, integrity, hard work and fiscal responsibility. To demean this record with the frivolous comment that "taxes were doubled" shows a total lack of knowledge in relation to the problems of California. Mr. Reagan took a financially starving state and made it solvent; and a state overcome with bureaucratic entanglements and made it efficient.

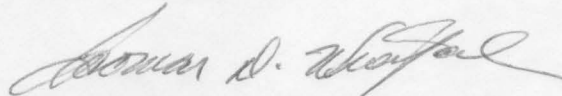


Mr. Callaway
Page 2
December 17, 1975

I am still hoping for a Ford victory in the primaries, at the convention and in November. However, I can not condone a candidate who allows his campaign manager to attack the excellent record of a fellow Republican. This policy of yours has angered me and many loyal Republicans in this state. Furthermore, I feel that one of the great advantages President Ford has, is his image of a "nice guy" and a "likeable" person. You are destroying this image by these vengeful tactics.

I am enclosing a copy of a Wall Street Journal editorial. I am apparantly not alone in my feelings on this matter. Mr. Callaway, I can promise you my support for President Ford because I believe in his integrity and his viability as a candidate. However, if your relentless attack continues, I shall rush to the aid of this man that I respect and honor. I suspect that I will not be alone.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Thomas D. Westfall".

Thomas D. Westfall

TDW:lj1

REVIEW & OUTLOOK

Mr. Reagan's Success

Despite Ronald Reagan's startling success in the Gallup Poll, it remains to be seen how he will acquit himself in a full-fledged presidential campaign. But we are totally unimpressed by the arguments being used against him by, among others, President Ford's campaign manager.

Despite eight years as governor of the nation's largest state, Mr. Reagan enters the presidential lists with only vaguely defined views on many crucial issues. As governor he has had no reason to deal with foreign policy, or for that matter with management of the economy. Obviously his instinct in such fields is conservative, but in the coming campaign he will have to convey the impression that he can master the complexities with which a President must deal.

In conveying such an impression, and particularly in reaching for votes beyond an ideological faction, it makes a great deal of difference how issues are articulated. To take one example, you can express the same policy as making an initial payment on the national debt, or as running a government surplus to promote capital formation and jobs. Expressed the first way, which has been Mr. Reagan's way so far, the idea attracts only the Coolidge voters. Expressed the other way, it is an argument powerful enough to command an endorsement, albeit a rather grudging one, from the liberal economists at the Brookings Institution.

If ever there were a conservative candidate who could forgo the old incantations and explain the same principles in a modern context, he would be a powerful candidate appealing to a broad section of the electorate. Of course, it is a lot to ask of any politician.

Indeed, a good deal of Mr. Reagan's progress toward the nomination results from President Ford's own difficulties in articulating a consistent set of principles for the administration and the nation. The spurt that put Mr. Reagan ahead of the President in the polls shortly followed the dismissal of James Schlesinger as Secretary of Defense—which, especially as explained by

the President himself, seemed the latest and largest of a series of capricious decisions by a President unsure of his own directions and interests.

This damage to the President's cause can only be compounded by the attitude his camp is taking toward Mr. Reagan. At the Southern Republican Conference over the weekend, both Ford campaign manager Howard H. Callaway and Vice President Rockefeller went on the attack. Mr. Callaway excoriated Mr. Reagan's record as governor of California, while Mr. Rockefeller said that conservatives who had forced him off the ticket should now be loyal to President Ford. The cry of sour grapes is always bad enough, but never worse than when coming from the people who actually occupy the White House.

We are particularly puzzled by the attack on Mr. Reagan's governorship. It is of course true that during his term taxes did rise, and that he himself often exaggerates his success in curbing the growth of government. But on balance, to liberals crying "extremism" he can reply that he served for eight years and California is still California. And to Mr. Callaway and the like he can reply that given the public temper of those eight years it could have been much worse. At least Mr. Reagan's state is solvent, unlike Mr. Rockefeller's.

More than that, Mr. Reagan's state may have undergone something of a political transformation. At least, it is currently run by a Democratic governor who has won vast popularity by continuing Mr. Reagan's budget-cutting image. It is hard not to conclude that Mr. Reagan's governorship changed the political spectrum of the state, that in a sense he can claim Jerry Brown as one of his accomplishments.

It is of course still a long way to the election, or even the nominating convention. Mr. Ford still has an incumbent President's power to shape events, and his challenger may falter under more intense scrutiny. But certainly Mr. Reagan has established himself as someone whose views and record need to be carefully weighed, not impatiently brushed aside.



Reagan
~~Comments~~ ✓

December 30, 1975

Mr. John J. Mahoney
Route 1, Porcher's Bluff
Mount Pleasant, S. C. 29464

Dear Mr. Mahoney:

Thank you so much for your letter. I appreciate your taking the time to write.

I regret that you feel that my remarks have been in-temperate. I certainly did not intend them that way.

My only concern was that President Ford has his record criticized minutely each day in all 50 states. This is appropriate. I felt it would be equally appropriate to have Mr. Reagan's record looked at. I'm hoping now that the press will do this.

Sincerely,

Bo Callaway
Chairman



DEC 30 1975

Rt.1, Porcher's Bluff,
Mt.Pleasant, S.C.29464

December 19th,1975

Mr.Howard "Bo" Callaway,
Ford For President Committee,
Washington, D.C.

Dear Mr.Calloway:

Inclosed you will find a clipping from
Sunday's "Atlanta Journal & The Atlanta Consitution".

The burden of it is your intemperate
criticism of Governor Reagan. I consider it most unfor-
tunate and it is my hope that you will moderate such lan-
guage.

I was in Atlanta at the time you ran
for Governor and supported you, that is the reason my dis-
appointment is so keen.

Yours very truly,

John J. Mahoney
John J. Mahoney.

JJM/d
enc.



The Atlanta Journal

★ AND ★

THE ATLANTA CONSTITUTION

★★★

P.O. Box 4689

Atlanta, Ga. 30302, Sunday, December 14, 1975

266 Pages — 13 Sections

★★★

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'Bo' Makes Strong Attack on Reagan



United Press International and The Associated Press

VICE PRESIDENT ROCKEFELLER URGED GOP LEADERS TO FORGET NEGATIVE POPULARITY POLLS...
...While Former Texas Gov. Connally Talked About What Congress Is Not Doing on Energy

Republicans Jolted By New Offensive

By DAVID NORDAN
Journal Political Editor

HOUSTON—President Ford's campaign manager Howard "Bo" Callaway used a Southern Republican Conference here Saturday to issue a surprisingly strong attack on the record and qualifications of GOP rival Ronald Reagan of California.

Callaway accused Reagan of being stronger on rhetoric than solutions and charged that the Californian is not even supported in his own state, where he was governor for eight years.

The unexpected offensive at a party conference which is overwhelmingly pro-Reagan mystified most of the handful of Ford backers here and brought an immediate rebuff from U.S. Commerce Secretary Rogers Morton who described Callaway's criticism as "an oversimplification."

South Carolina GOP chairman Jesse Cooksey, a Ford supporter, said Callaway's strong remarks hurt the President in the South and that the damage was "irrevocable."

Callaway, in the minds of many here, reflected a state of near-panic that has seized the Ford camp since last week's poll by George Gallup which showed Reagan leading the President by 8 per cent in a crowded matchup of possible GOP presidential candidates.

Callaway and Vice President Nelson Rockefeller had spent much of the two-day conference attempting to explain Ford's low showing as the result of the President's taking unpopular positions which he believes are in the best interest of the country.

After questions about the poll were continuously pressed at a midday news conference Saturday, Callaway launched into the strong attack on Reagan—the first such public criticism a Ford-

campaign staffer has used against the Californian.

It was unclear whether the remarks signaled a new level of offensive campaigning from the Ford camp or whether they represented a unilateral move on the part of Callaway.

The ex-Georgia congressman said there is "no responsibility whatsoever" in many of Reagan's campaign positions. Specifically, he scoffed at Reagan's claim that he can cut the federal budget by \$90 billion by turning health and welfare over to state and local governments.

"He ought to be made to explain to people what that would do to state taxes," Callaway said. "It's easy to stand up and say these things, but something different to carry them out."

Callaway went on to insist that Reagan is politically

Turn to Page 22A, Column 1

'BO'

Continued From Page 1A

unpopular in his home state and suggested that the Californian's record as governor ought to be made a campaign issue so the rest of the country can be made aware of it.

Callaway said when Reagan relieved Democrat Pat Brown in the California statehouse in 1967, taxes there were rising, but very slowly.

"Then during the eight years he (Reagan) was in office, taxes took a sharp rise," Callaway noted. "Now with current Democratic governor) Ed Brown in office the rise is back down."

He charged that Reagan had raised personal income taxes by more than 500 percent while governor, "and this from a man who claims to be a fiscal conservative."

Secretary Morton held a press conference immediately after Callaway finished and moved quickly to take some of the sting from Callaway's remarks.

Morton said it is unfair and "oversimplification" to criticize tax increases under a governor during times of inflation. He said that the Republican party is "lucky to have two such men on the ballot."

Meanwhile, several off-the-off remarks by Callaway during his news conference tended to back up a growing suspicion among political observers that Ford strategists are on the verge of writing off the South to Reagan in the spring primary elections.

But Callaway insisted in response to a question that nothing could be further from the truth. He said he expects the President to carry every Southern state beginning with Florida on March 9.

Moments earlier, however, he had pointed out that Reagan is viewing the South as "a solid bloc of votes," adding that there are no "winner-take-all" states, and even if Reagan wins a majority throughout the region Ford will still come out with a large number of delegates.

Callaway insisted this by no means was a concession. But Ford's Southern campaign chief, North Carolina Gov. Jim Holshouser, perhaps significantly, had made the same observation several times during the Dixie GOP conference.

Some conference participants also were placing emphasis on the fact that Ford canceled a scheduled speaking appearance at the meeting while Reagan remained on the program.

Reagan's campaign manager Tommy Thomas of Panama City, was happily porting a breast pocket card-board sign which said "32/40" - the Ford/Regan matchup in the Gallup poll. He insisted his candidate will carry Florida by as much as 65 percent. He said Ford ought to seriously consider resigning from the race.

Dec. 18, 1975

Reagan
~~DESTROY~~

DEC 22 1975

Dear Mr. Calloway -

How glad I am that I saved this clipping when Gov. Ronnie Reagan left office. I've had a copy made for you, to prove that Ronnie "did" - not merely use rhetoric. He left our state in a helluva lot better shape than he found it.

And I'm sure he could do the same for the U.S. of A. if the "snipers" would allow it.

Betty Ford is one BIG reason we're not voting for Gerald.

Sincerely -

Mr. & Mrs. G. Word

322 N. Niagara St.

Burbank, CA 91505



What Reagan Did for California

Ronald Reagan has stepped down as Governor of California after eight years in that office, and — whatever people may think of him — they certainly can no longer say he's an unknown quantity.

That was a frequently-heard objection when the soft-spoken former movie actor first tossed his hat into the ring back in 1966. A movie actor as governor? Ye Gods! What had we come to? Besides, Reagan had sprung to national political prominence as a result of a single televised speech for (of all people) Barry Goldwater, back in 1964.

And Reagan's political views, though more smoothly articulated, plainly had a lot in common with Barry's. There was much solemn head shaking among intellectuals, and above all liberal intellectuals, when Ronald Reagan embarked on a political career.

But it didn't worry the people of California a bit. In his 1966 bid for the governorship, Reagan trounced incumbent Democrat Pat Brown by a whacking million-vote margin. Four years later, despite the inevitable erosion of popularity attendant on public office, he was returned to Sacramento by a cool half million votes. Now, though only 63, he feels he has done about all one man can do for California. But what, exactly, has he done?

It seems likely that welfare reform is the field with which Reagan's career as governor will be most closely identified. The riots of

the early and mid-1960s had badly frightened both the Johnson Administration and California Governor Brown. Lyndon Johnson's famous "war on poverty," more accurately described long afterward by Richard Nixon as the practice of "throwing dollars" at rioters, was their answer.

When Reagan took office, and until he was able to bring about major reforms in the system, the welfare case load in California was rising at the rate of 40,000 people every month. Since the Reagan reforms went into effect in March 1971, the number of Californians on welfare and general relief has declined by 364,630, despite the steadily increasing population of America's largest state. Without the reforms, according to estimates of the California Department of Finance, welfare costs would have been \$2 billion higher than they were.

That is one reason Ronald Reagan has been able to come through with \$5.6 billion in direct tax relief for the people of his state. Over the eight years of his governorship, for example, he vetoed or unilaterally reduced legislated spending proposals for a total saving of more than \$2 billion. In 1970 he was able to effect a 10 per cent one-shot rebate on personal income taxes. In 1971 the tax credit was repeated — and doubled. In 1973 it was increased again, to ranges between 20 per cent and 35 per cent, and state income taxes on families earning \$8,000 or less were eliminated altogether.

Despite these achievements — and in-part because of them — Reagan has naturally come under severe and sustained attack from the liberal left. He is supposed to be indifferent to environmental problems — though he sponsored, supported and enacted the toughest water-pollution control law in the country, added 145,500 acres to the state park system, and almost single-handedly stopped a huge dam that would have flooded an Indian reservation in Round Valley.

He is accused of cutting back on money for education — though the fact is that state funds for schools from kindergarten to 12th grade have risen 105 per cent during his administration (while enrollment was increasing only 5 per cent), and the budget of the never-satisfied University of California is up 106 per cent (as against an enrollment increase of only 25 per cent).

In our federal system, there are sharp limits on what a state governor can do. The Washington bureaucracy controls so much of the available money, and has its hands on so many of the levers of power, that a large chunk of Ronald Reagan's time and efforts had to go into battles to simply hold the line.

But he held it brilliantly, for the most part, and his affirmative accomplishments have earned him a permanent place in the affections of most Californians. Whether Americans in general would like to sample the Reagan style is a very lively question indeed.

Reagan ✓

September 2, 1975

MEMORANDUM FOR: PAUL HAERLE

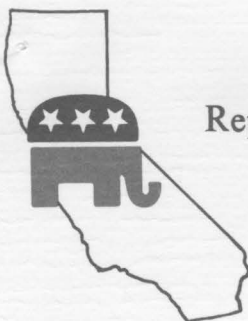
FROM: BO CALLAWAY

Paul:

Thanks for sending along the column by George Will.

Great minds think alike. I read the column and sent it to the White House with about the same comments that you sent to me.





Republican State Central Committee of California

Office of the Chairman

MEMORANDUM

TO: Howard H. Callaway August 27, 1975
FR: Paul F. Haerle CC: Leon Parma
Stuart Spencer
Nita Ashcraft
Hon. Evelle Younger

The enclosed column is for your information.

I have never met Mr. Will, but I generally find myself in whole-hearted agreement with him. I happen to agree, specifically, with the sentiments in this column very much.

Congratulations on your successes in Wrightsville Beach last weekend.

PRH:jn

Enc.



Reagan Could Make Big Trouble for Ford

BY GEORGE F. WILL

WASHINGTON—Those who do not learn from the past, like those who do, are doomed to repeat it. So President Ford's friends should note this: One theme of American politics for a decade has been the underestimation of Ronald Reagan as a political force.

Ten years ago California Democrats were delighted with the thought that California Republicans might nominate "that actor" for governor. But the delight, like the governorship, was Reagan's for eight years.

At the 1968 Republican convention, Reagan came nearer than is generally known—seven or eight votes—to taking the Florida and Mississippi delegations (both were unanimous under unofficial unit rules) away from Richard Nixon. That probably would have produced an unraveling of Nixon strength sufficient to block a first-ballot victory, and would have produced a fluid and passionate situation favorable to a rhetorically gifted conservative like Reagan.

At the 1976 convention, about 23% of the delegates—nearly half of the 1,270 needed to nominate—will be from Southern states. Of course Reagan won't have them all, but then Ford won't have all the delegates from his home state of Michigan, which distributes delegates proportionally among all candidates getting at least 5% of the state primary vote.

One of Reagan's assets is a profoundly unconservative streak in his followers: They invest in him far more ardor than any politician deserves. They are true believers with iron in their souls and time on their hands, who show up at precinct caucuses, where Barry Goldwater in 1964 and George McGovern in 1972 won nominations.

Precinct caucuses will have taken crucial—in many cases, decisive—steps toward selecting more than 10% of the national convention delegates before the first (New Hampshire) primary. Conceivably, Howard Callaway, Ford's campaign manager, understands the significance of this. Certainly John Sears—Nixon's chief delegate hunter in 1968, now director of Citizens for Reagan—understands it.

Regarding primaries, Ford can hardly afford to lose any, and Reagan can select the ones he wants to make crucial.

Because he is the most accidental President, never having faced a national constituency, Ford cannot duck primaries. He has never had to show vote-getting ability outside Michigan's 5th District (1970 population, 467,543). Reagan has won two impressive victories in California, where approximately 20 million people—one-tenth of all Americans—live.

Only twice in recent years have incumbent Presidents lost primaries, and neither time was the incumbent renominated.

In 1952 Harry Truman lost in New Hampshire to Tennessee Sen. Estes Kefauver, in part because many people suspected that Truman already had decided not to seek reelection, and Kefauver accused Truman of being a stalking horse for the anti-Kefauver Democratic establishment.

In 1968 Lyndon Johnson lost in Wisconsin to Eugene McCarthy. Johnson had announced his withdrawal from the race two days before the primary, moved by the narrowness of his victory in New Hampshire and the certainty of defeat in Wisconsin.

Ford is not apt to lose primaries and win the nomination. And the new \$10 million pre-convention spending limit—which is low, considering the proliferation of primaries—will favor Reagan.

The expenditure limit in each state is 16 cents per voting-age resident. But to stay under the overall \$10 million limit, a candidate must spend an average of only 43% of each state's permitted total.

Because of the \$10 million limit, if a candidate spends up to the legal limit in the first dozen primaries, he will have less than \$500,000 left for the next 18 primaries (including Michigan, California, Ohio) and all the states that select delegates in caucuses. This means no candidate can make the maximum legal effort in all primaries.

Selectivity will be necessary, and will favor Reagan: He can transform the 1976 political landscape just by winning—or even nearly winning—a few early primaries of his choosing.

In New Hampshire, Reagan will have the support of the governor and the largest newspaper. Another significant early primary will be in Florida, where the Republican Party is not a lagoon of liberalism.

No President, and least of all an accidental President, can lose primaries without losing his major asset, his aura of command. By mid-March next year, Ford's aura could be a thing of shreds and patches.

Meanwhile, thanks to Reagan, Republicans should not be haunted by the specter of ennui.



Reagan

August 21, 1975

Mr. Douglas McKeever
McKeever, Glasses, Conrad and Herlihy
Suite 1002 Broadway Tower
P. O. Box 1026
Enid, Oklahoma 73701

Dear Mr. McKeever:

Thank you for your letter of August 15th. I have read with a great deal of interest, the enclosure from the Citizens for Reagan. It would appear from this, that an active and enthusiastic group of Oklahoma people are working for the Reagan cause.

It was nice of you to take time to forward this to me. It could be most useful in our campaign in your state.

Again many thanks.

Sincerely,

BO CALLAWAY
Chairman

BC/lw



McKEEVER, GLASSER, CONRAD AND HERLIHY

ATTORNEYS AT LAW
SUITE 1002 BROADWAY TOWER
POST OFFICE BOX 1026
ENID, OKLAHOMA 73701

DOUGLAS McKEEVER
JOE H. GLASSER
FRANTZ C. CONRAD, JR.
ROBERT M. HERLIHY

August 15, 1975

TELEPHONE (405) 234-4133

Mr. Bo Callaway, Chairman
President Ford Committee
1200 18th Street NW
Washington, D. C. 20036

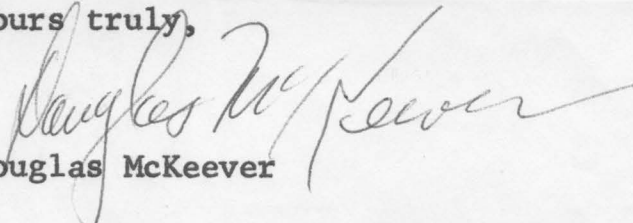
Dear Mr. Callaway:

I appreciate your letter of July 28, 1975. I am enclosing herewith a copy of a clipping from the Oklahoma City paper, The Daily Oklahoman, of August 5, 1975, together with a copy of a letter signed by Clarence E. Warner, our former State Chairman. This gives you some indication of what the Reagan people are doing in Oklahoma on this early date.

I am also informed there is a movement on to establish what is called a conservative caucus in each congressional district in Oklahoma, the real purpose of which is to start lining up delegates for Reagan.

Ronald Reagan has a lot of support in Oklahoma and some organization should be set up for the President at the earliest possible date.

Yours truly,


Douglas McKeever

DMK:lmd

Encl.



CITIZENS for REAGAN
P.O. Box 60798
Oklahoma City, Oklahoma 73106

July 31, 1975

Dear Friend:

We need your financial support NOW!!

The "Citizens for Reagan" organization was formed last week in Washington, D.C., with the knowledge and consent of Ronald Reagan. This is an exciting announcement for all conservatives in America.....and recent polls show this includes 60% of the American people.

We are now forming the Oklahoma "Citizens for Reagan". To do this we need your personal, moral and financial support. Our goal is a full-time operation in Oklahoma, with every County organized, by the first of November.

This goal must be achieved if we are to win the delegate votes over the established power of the Presidency with vast campaign funds available. Ours must be a grass roots organization with you, and other dedicated Oklahomans like you, giving your money, your time and your energy.

Ours is not an easy task. However, neither was the work of our Founding Fathers 200 years ago. It is a responsibility we must perform successfully if we are to pass on to future generations the great nation we inherited from our forefathers.

We are opposed by the powerful forces which have brought us the Welfare way of life, the largest Federal budget deficits ever proposed or enacted, total amnesty for draft dodgers and deserters, a weak foreign policy, our first defeat in war..the list goes on and on. What might we see next? Giving away the Panama Canal? Clothing Stamps with abuses as wild as in the Food Stamp Program? Gun registration, possibly confiscation? Ever increasing Federal deficits? These programs are all proposed!! WHERE WILL IT END???

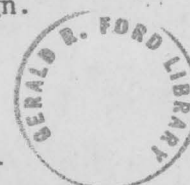
It will end when America has that for which she has long cried.....LEADERSHIP. Ronald Reagan can provide this LEADERSHIP and, with your help now, Ronald Reagan will provide this LEADERSHIP. Please fill out the enclosed card today and return it in the envelope provided. Your personal and financial help is greatly needed right now during the embryonic stage of the campaign.

SEND YOUR MONEY TODAY-----YOUR TOMORROW DEPENDS ON IT!!

Sincerely,

Clarence E Warner

Clarence E. Warner
Oklahoma Coordinator
CITIZENS FOR REAGAN



Enclosures

P.S. Send a check from a friend also!

State Help for Reagan Asked

Clarence Warner, former state Republican chairman, Monday launched a fund-raising drive for the presidential campaign of Ronald Reagan, former California governor.

Warner is Oklahoma coordinator for "Citizens for Reagan" now being formed in Oklahoma.

"Our goal is a full-time operation in Oklahoma with every county organized by the first of November," Warner said in a letter to potential Reagan supporters.

"This goal must be achieved if we are to win the delegate votes

over the established power of the presidency with vast campaign funds available. Ours must be a grass roots organization with you, and other dedicated Oklahomans like you, giving your money, your time and your energy."

Warner conceded that it will not be an easy task but said it is a responsibility "we must perform successfully if we are to pass on to future generations the great nation we inherited from our forefathers."

"We are opposed by the powerful forces which have brought us

the welfare way of life, the largest federal budget deficits ever proposed or enacted, total amnesty for draft dodgers and deserters, a weak foreign policy and our first defeat in war," Warner said.

Warner said the na-

tional trend will end when America "has that for which she has long cried — leadership."

"Ronald Reagan can provide this leadership and with your help now Ronald Reagan will provide this leadership."

Iran Cuts Prices

TEHRAN (AP) — Iran has cut prices up to 57 per cent on 433 key products.

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REAGAN

Will Challenge GOP Candidates

Reagan to Run in N.H. Primary

By Jules Witcover

Washington Post Staff Writer

Former Gov. Ronald Reagan of California will enter the New Hampshire presidential primary in March, Reagan campaign advisers have informed Republican Gov. Meldrim Thomson Jr. of New Hampshire.

Thomson, who has said he will challenge President Ford in the nation's first presidential primary if no other conservative does, in turn has agreed to stay out and back Reagan, according to informed Republican sources.

Although Reagan still pub-

licly says he has not decided if he will run, word of his entry in the New Hampshire primary was conveyed to Thomson earlier this week by John Sears, director of the Citizens-for-Reagan Committee.

As a first concrete step to generate interest and support in the Reagan candidacy, Thomson announced yesterday that Reagan will campaign in New Hampshire on Sept. 10 in the special Senate election in behalf of the GOP candidate, former Rep. Louis C. Wyman.

Reagan's visit, Thomson said, "would probably enhance the possibility" of the Presi-

dent coming into the state to aid Wyman facing Democrat John A. Durkin in a rerun of their contested election last November.

"Let's say it very clearly," Thomson said. "There is an excellent chance the two of them (Ford and Reagan) may be campaigning for Republican votes next winter."

The governor said he told Sears to advise Reagan to "hurry up and make his announcement and get going," and he predicted Reagan would do so "in late September or early October."

President Ford has not said whether he will enter the New Hampshire primary, but it is expected he will choose to enter several early primaries to demonstrate his strength within the Republican Party.

Sears also called on William Loeb, publisher of the Manchester Union Leader and a critic of Mr. Ford, and other prominent GOP leaders in the state. In 1968, Sears was active in launching Richard M. Nixon's campaign in New Hampshire, which culminated in the withdrawal of then-Gov. George M. Romney of Michigan.

In a related matter, former Sen. Norris H. Cotton, appointed this week by Thomson to fill the senatorial vacancy,



RONALD REAGAN

... aide conveyed plans

was sworn back into the Senate from which he retired last year after 20 years.

Cotton, 75, is to serve until a winner is declared in the Sept. 16 Senate election. As he was being sworn in, Cotton asked the secretary of the Senate whether his name was back on the payroll and as soon as the ritual was over he cracked, "Hand me my check."

The returned senator said as a New Englander he would vote to override an expected veto by President Ford of legislation to extend price controls on oil for six months.

"If I stood by the President, with the New England winter coming on, I wouldn't dare go home," he said.





Spencer-Roberts & Associates, Inc.

REAGAN

July 28, 1975



MEMORANDUM

TO: Mr. Bo Callaway

FROM: Mr. Stu Spencer

Enclosed is a letter from Dan Blackburn who is news director of KNX radio in Los Angeles.

It may be possible to use this gal on a volunteer basis.

Also enclosed are two clippings. Please note the Goldberg article. It is true. It might be usable in the right spots.

taken care of -
← 74I

cp

Enclosures



Challenge to Ford falters

Reagan 1976 bid: settling for v-p?

By Curtis J. Sitomer

Staff correspondent of The Christian Science Monitor

Los Angeles

Has Ronald Reagan's potential challenge of President Ford for the Republican presidential nomination been effectively derailed?

Some leading Republicans here — including former members of the Reagan inner circle — indicate that it has. But they definitely are not writing off the conservative ex-California Governor as a vice-presidential hopeful or a U.S. Senate candidate from California and a continuing force in the Republican Party.

Even as an announcement was being made by a group of Reagan-for-president stalwarts that a committee was being formed to promote the former Hollywood celebrity's national candidacy, other Reagan enthusiasts were prodding him toward seeking the "second spot" and hitching up political horses with President Ford.

Among them is California State Attorney General Evelle Younger — a long-time Reagan backer who recently joined the President's 1976 campaign team here.

"I told the former Governor that I am for President Ford," reports Mr. Younger. "This is not being anti-Reagan. . . . But with the power of the incumbency and Ford's increasing popularity I thought a happy solution would be that Reagan try for the nomination for vice-president."

Mr. Younger's urging came in the wake of mass defections from the Reagan camp to the Ford team last week. Among those switching political allegiances within the GOP here are oilman Henry Salvatori, a member of the much-publicized Reagan "kitchen cabinet"; Pepperdine University president William Banowsky — Republican national committeeman in California; and state party chairman Paul Haerle. All insist they have not turned "anti-Reagan." But they admit a challenge of an incumbent President could cost their party the White House next year.

So far, Mr. Reagan himself has not indicated whether he is in or out of the presidential race. He denies a formal candidacy, but says he is still probing the possibility of running. Also he continues to seek maximum political exposure through nationwide speaking tours and appearances on television.

The former California Governor grimaces at the suggestion he seek the vice-presidency. Yet, those close to him say he strongly favors the dropping of Nelson A. Rockefeller from the GOP ticket in favor of a more conservative running mate.



By a staff photographer

Reagan — presidential try abandoned?

Meanwhile, some Republicans here suggest Mr. Reagan reconsider making a bid for the U.S. Senate against incumbent Democrat John V. Tunney next November. Earlier public opinion polls indicated that the former Governor is perhaps the one Republican who could unseat Mr. Tunney.

Now former White House aide Robert Finch is the only announced GOP candidate for the Senate here. Other potential Republican hopefuls include U.S. Rep. Barry Goldwater Jr. and recently defeated gubernatorial candidate Houston I. Flournoy.



Reagan Must Stand On a Shaky Record

By **JERRY GOLDBERG**
Capitol News Service

SACRAMENTO — Ronald Reagan's bid for the presidency is predicated on the assumption that he has proven his ability for conservative action and leadership during the eight years he was governor of California.

The very cornerstone of American-style democracy's check-and-balance system places difficult constraints on the freedom of movement available either to a president of the United States or to a governor of California.

In the fiscal area of government either individual could rightly claim legislative action, bureaucrats or statutory requirements have effectively blocked a pet program or prevented fiscal constraints because of mandated fixed expenditures. The real test of leadership is the way a president or governor achieves a program in spite of the crippling constraints.

THE LATE Harry Truman, because of wartime necessity and a hostile 80th Congress could easily have dodged all responsibility for the failure of government. Yet a prominent sign on his desk simply declared, "The buck stops here."

A careful examination of state budget messages by California governors since 1939 can provide substantial evidence to challenge Reagan's credentials as either a true fiscal conservative or, more importantly, a truly strong outstanding leader.

Earl Warren, who was considered too liberal to obtain the Republican presidential nomination, actually cut the University of California and elementary-secondary budgets when the two-year requests reached the \$600-million mark.

Gov. Edmund G. Brown Sr. presented the first annual budgets reaching over a billion dollars, at a time when the population explosion was felt, causing the Legislature to restructure the state government into a more expensive vehicle.

THIS CAUSED Reagan to say, in 1967, "We have fallen heir to the most serious fiscal dilemma that has ever faced the state."

Reagan talked much of economy during the eight years he directed California. In spite of the economy-minded rhetoric his annual budget of around \$2 billion in 1967 had reached around \$11 billion when Edmund G. Brown Jr. assumed office.

At the \$6-billion mark Reagan excused himself by accusing local government of making too many demands on the state. He apparently forgot that county government was nothing more than a subdivision of state government on the local level.

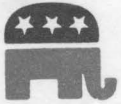
Brown Jr., in presenting Reagan's revised budget, didn't attack the previous administration. Rather, he spent several weeks going over each budget item one at a time.

HE MADE cuts he felt were prudent and told legislators, "I am presenting you a budget for difficult times. The first test for all of us, and government is no exception, is to live within realistic limits. We cannot spend more than we take."

The younger Brown also cut \$220,000 from his personal budget and refused to take a pay raise, as good-faith gestures to the people. This contrasted with Reagan, who spent much on his own comfort while talking of making cuts in people services.

Reagan must take this record to a Republican convention, which also will be considering Gerald Ford's 25-year record of fiscal conservatism and the record of blocking spending by the most liberal Congress since the Depression. There the record may speak louder than all the indignant speeches.

The time has come for Reagan to stop bidding, call and lay his cards on the table. The stakes are too high for gamesmanship.



Republican
National
Committee.

Nolan Murrah, Jr.
Member for Georgia
Post Office Box 1440
Columbus, Georgia 31906
(404) 322-4431

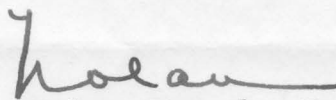
July 18, 1975

Mr. Howard H. Callaway
The President Ford Committee
1200 18th Street, N.W.
Room 916
Washington, D. C. 20036

Dear Bo:

I understand that David Keene, who organized the recent meeting of the Committee on Conservative Alternatives, is interested in taking a position in the Ford campaign. I understand that Mr. Keene is a highly intelligent, highly respected conservative who would be quite useful to you.

Very truly yours,


Nolan Murrah, Jr.

NMjr:jb

* look for a resume

Reagan

JUL 23 1975

VI

there was
nothing about him
in letter





G. HAROLD NORTHROP
PRESIDENT

needs to be done

"So much to see and do"

*me Jack Courtemache
now helping Reagan*

*California
Reagan*

PINE MOUNTAIN, GEORGIA 31822

AREA CODE 404 • PINE MOUNTAIN 663-2281
ATLANTA 688-8542 • COLUMBUS 324-2234

June 23, 1975

REAGAN

BO:

The attached card was given to me by Buz Davis at the recent YPO meeting. He indicates that Jack Courtemache is an outstanding man, putting a great deal of time on the Reagan campaign at present. Buz thought you might be interested in the case the Reagan intentions change, in utilizing this man's talents. For further information I suggest you contact Buz Davis.

Hal

GHN:w

*Jack Courtemache
YPO - LA - Reagan*

W. LIPSCOMB DAVIS, JR.

Davis
CABINET
COMPANY

NASHVILLE, TENN. 37206



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REAGAN



WILLIAM LOEB
PRESIDENT AND PUBLISHER

June 9, 1975
(dict. June 2)

COPIES

Mr. Georg Hampton
4748 Lakeshore Drive
Port Arthur, Texas 77640

Dear Georg:

Thank you so much for your note of May 30 and the copy of the interesting letter from John Wayne.

Enclosed is a copy of a memo on Reagan I sent to some of my executives today and a copy of an editorial on the so-called New England regional primary.

As of now, I think that Ted Kennedy will be the nominee of the Democrats, unless George Wallace can get enough steam up. I just wonder whether Ford won't get rid of Rockefeller and pick up Reagan, which would be a smart move politically.

Thank you for writing. Best wishes.

Very sincerely,

Bill

William Loeb
President

WL/Mrs. J. Tancrede



THE LARGEST DAILY AND ONLY SUNDAY COVERING THE NEW HAMPSHIRE MARKET

June 3, 1975
(dict. June 2)

To: George Connell
Paul Tracy
Joe Barnea
George Edmunds
Tom Muller
Joe McQuaid
Jim, Tom, Donn, Art
Cliff Noyes

From: Mr. Loeb

Last Friday evening, because Buck Dumaine insisted on our coming, Mrs. Loeb and I attended a dinner near Waltham for Ronald Reagan put on by the Middlesex Republican Club.

This was the usual group of well-heeled suburbanites for whom Reagan is the political hero, and Reagan, of course, fitted well into this background and told them what they wanted to hear.

First of all, I don't think he did it in terms that the average citizen would understand, and secondly, I got the distinct impression from him that he had no intention of running for an independent party unless absolutely forced to.

It is a small thing on which to comment, but it happened to be that we were trying to park our car at the time the car bearing Reagan drove up in front of the side entrance and Reagan got out and went in ahead. Well, I had never noticed him walk before, but while he walks lightly he is almost hunch-backed; his shoulders are hunched forward and his carriage is very poor. I don't see any chest expansion there, and I don't see how you can really fight if you don't have any chest expansion. It is a small thing, but he doesn't give the impression of a fighter's stance.

Governor Thomson said he spent an hour with him that afternoon and his feeling was the same as mine, that Reagan had no intention of running as an independent. The Governor even had the nasty thought that Reagan may be putting on all this show in order to be drafted as the candidate for vice-president on the Republican ticket with Ford. Ford could do away with Rockefeller saying, "I am bowing to the desires of the conservatives and I have picked their hero as my running-mate."

And, you know, that would be pretty clever from Ford's

-2-

standpoint because a great many Reagan people would follow right along and vote Republican.

It is interesting that both the Governor and I had the same distinct impression, that our nice friend was not about to get in the ring for the main event.

WL



File
Reagan

REAGAN

Washington--Sen. Paul Laxalt (R. Nev.) today announced formation of a "Citizens for Reagan" Committee. Laxalt said the committee expects to convince former California Gov. Ronald Reagan to seek the Republican nomination for President and to make it possible for him to mount an effective campaign.

Sen. Laxalt is the former governor of Nevada. Other members of his committee are John P. Sears, a Washington attorney who will serve as executive vice chairman; former Gov. Louis B. Nunn of Kentucky; former California National Committeewoman, Mrs. Stanhope C. Ring; retired Rep. H. P. Gross of Iowa; and Nebraska insurance executive George Cook.

Sears, who was responsible for putting together Richard Nixon's group of delegates in his successful 1968 quest for the GOP Presidential nomination, will be the operating head of the committee.

In announcing formation of the committee Sen. Laxalt released the following statement:

STATEMENT BY SENATOR PAUL LAXALT

WASHINGTON, D. C.

JULY 15, 1975

We have called this press conference today to announce the formation of a "Citizens For Reagan" Committee.

The purpose of this Committee is to build an organization and raise the money necessary to conduct a viable and effective campaign once Governor Reagan decides to become an active candidate.

The decision to take this step has not been an easy one. Mr. Ford came to the Presidency under circumstances unique in American history, amidst problems of confidence, international unrest and domestic instability which are unparalleled. All of us, Democrats and Republicans alike, must give him our support lest others in the world receive the impression that America is too weak or immobile to act.

Yet, Mr. Ford's efforts to cope with these problems on a day-to-day basis provide little relief for the vast majority of Americans who yearn for a leader who can communicate a realistic perspective on America's future.

The process by which the American people have become frustrated and untrusting of their political leaders has been built up over the many years in which there has been far too much promising and far too little performance after election.

We have had far too many instances in our political history where the voters have been left with a choice of deciding between the "lesser of two evils." This country cannot ultimately survive if Presidential elections continue to be decided on the same basis.

Moreover, as Republicans, we cannot meet our responsibility to the country by anticipating a Presidential race which would merely take advantage of the presumed weakness in the Democratic Party. We owe a positive obligation to the American people to demonstrate that we have thoroughly searched our ranks, considered all the alternatives and nominated our most effective leader. We must convince the people that we will not only try, but also will actually do those things which we agree must be done.

That can only be achieved, in my opinion, by the candidates submitting themselves to the people in the primary process.

The next President must enter office armed with a positive compact between himself and the American people, such that Congress will realize that there is no longer any merit in political expediency. We believe that Governor Reagan is a man who stands tall among American politicians in his demonstrated ability to do those things which he promises.

georg hampton, **STUDIO**

contemporary paintings and portraits

4748 lakeshore
port arthur, texas
77640



Personal



*Hon. Bo Calloway, Secretary The Army
Pentagon
Washington, D.C*

SEN. PAUL D. LAXALT (R. Nev.), chairman of "Citizens for Reagan", has been a Republican Party leader both nationally and in his home state for many years. He was the first major public official to endorse the presidential candidacy of Barry Goldwater.

Sen. Laxalt was elected to the United States Senate in 1974. He was one of only two Republicans elected to the Senate in that year. Prior to that he served as Governor of Nevada from 1967 to 1971. Other elective offices include Lieutenant Governor from 1963 to 1966 and District Attorney for Ormsby County, Nevada's capital county, from 1951-1954.

Laxalt, 52, is a native of Nevada. Before his election to the Senate he was a senior partner in the law firm of Laxalt, Berry and Allison of Carson City.

LOUIS B. NUNN, former Governor of Kentucky, has been an active worker on behalf of Republican Presidents and Senators. In 1956 he served as Kentucky chairman for the Eisenhower-Nixon ticket as well as for the senate campaigns of John Sherman Cooper and Thruston B. Morton. In 1960 he headed the Nixon-Lodge campaign as well as the election campaign of Sen. Cooper. In 1962 he was chairman of the reelection campaign of Sen. Morton.

Gov. Nunn served as chairman of the Republican Governors' conference in 1971. He was first elected to public office at the age of 29 when he won election as a county judge.

Currently he practices law with the firm of Stoll, Keenon & Park in Lexington, Ky.

H. R. GROSS, who spent 36 years as a member of the United States House of Representatives, is nationally known for his effective opposition to wasteful and extravagant government spending.

Mr. Gross, of Waterloo, Iowa, retired from the Congress in 1974. A native of Iowa, Mr. Gross worked as a reporter, editor and radio news commentator before his election to the House.

He worked with Gov. Reagan when the latter was a young sportscaster in Iowa.

Mr. Gross was first elected to the House in 1948. He retired at the end of the 1973-74 session.

MRS. STANHOPE C. RING is a former National Committeewoman from California. She has been active in the Republican Party since 1958 when she served as Coronado chairman in the 1958 reelection campaign of Rep. Bob Wilson of California. Since then Mrs. Ring has served as a member of the San Diego County Republican Central Committee, Vice Chairman of the California State Republican Central Committee, President of the San Diego County Federation of Republican Women and a member of the Board of the California Federation of Republican Women.

As National Committeewoman from 1968 to 1972 Mrs. Ring served as a member of the National Committee's Rule 29 Committee and as a member of the bipartisan committee on convention financing.

In 1964 she was San Diego headquarters chairman for Barry Goldwater. Mrs. Ring, the widow of Vice Admiral Stanhope C. Ring, USN Ret., resides in Coronado.

GEORGE B. COOK, Chairman of Bankers Life Insurance Company of America, is a prominent Nebraskan. A resident of Lincoln, he has served as president of the University of Nebraska Alumni Assn. and as chairman of the Board of Directors of the University of Nebraska Foundation. He has been director of the Business Development Corp. of Nebraska and a member of the National Advisory Council on Vocational Education. He is a past state chairman of the Republican National Finance Committee and a member of the Capitol Hill Club, a national Republican club. He served as Nebraska Chairman for Nixon-Agnew in 1968.

JOHN P. SEARS, 35, is a Washington lawyer with broad political experience. Among Washington political reporters he is recognized as the man who recruited the delegates who gave Richard Nixon his first ballot victory at the 1968 Republican National Convention.

He served as political adviser to Nixon in 1966 and 1967 and as executive director of the Nixon for President Committee from 1967 through the 1968 convention. He was liaison between Nixon and Vice Presidential nominee Spiro Agnew during the general election campaign of 1968.

In 1969 he served as a deputy counsel to the President and in 1970 was a member of the faculty and guest lecturer at the Kennedy Institute of Politics and Government.

A graduate of Georgetown University Law School, he currently is a partner in the law firm of Gadsby and Hannah.

Reagan
Feb 23-76

The Pres. Ford Comm
1828 "L" at N.W. #250
Washington DC 20036

Issues ✓
✓

Gentlemen —

I want to pass on to you something which should surely be used in the campaign, especially in view of Reagan's \$90 billion program to return ~~the states~~ ^{the states} program the states.

While Governor of Calif he drastically cut state expenses by returning certain programs to the cities and counties. One which especially hurt the local taxpayers and the people involved was the phasing out of state mental health hospitals. These poor unfortunate insane people were then left to wander about in the cities or in the care of relatives totally incompetent to handle such cases. Many ended up in jails and some in convalescent hospitals at county expense. County taxes have risen tremendously because of Reagan's dumping programs such as this on the local taxpayers.

The Calif State Employer Assoc. objected vigorously but to no avail. I am working with the elderly and we also objected. Now Reagan runs on his record which is really despicable. you should look into this. His \$90 billion program is only more of the same.

I am a Democrat and will vote Democratic so please do not use my name but I believe that the election of Reagan would be a disaster.
Yours truly, George Toll

Ph 213-427-5043

3632 Rose ave
Long Beach, Calif. 90807

December 15, 1975

DEC 30 1975

File
Reagan

DEC 30 1975

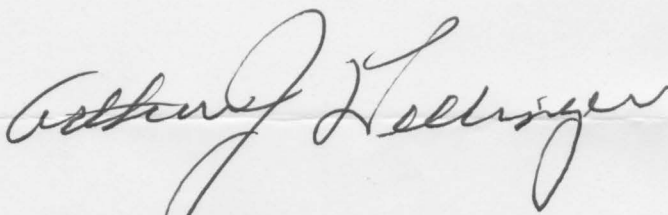
Howard Calloway, Manager
Campaign for Gerald Ford
c/o White House
1600 Pennsylvania Avenue
Washington, D. C. 20013

Sir:

The art of politics being what it is, it is quite understandable that persons running for political office and their campaign managers alike may sometimes engage in attempts to downgrade their adversaries.

Your conduct, however, in the case of your remarks about Candidate Ronald Reagan amount to something else. They reflect the rantings of a frustrated, terrified person who is grabbing at any wild statement that will serve its derogatory purpose. You should acquaint yourself with the facts and to cease making wild statements which have no basis in fact concerning the conduct by Governor Reagan in his official capacity here in California, and the accomplishments of his governorship during eight years of his administration.

If you or your advisors would review the facts, instead of inventing fictions, there are many people, including myself, who will be glad to acquaint you with the facts concerning the results of the Reagan administration from January, 1967 through December, 1974.



Arthur J. Dellinger

837 Lincoln Blvd. #2
Santa Monica, Ca. 90403



22, Dec. 1975

President Ford Committee,
1828 L. Street, N.W.
Washington, D.C. 20036.

File Person
DEC 26 1975

Gentlemen:-

I have been advised by the Republican National Committee that if I have any comments to offer on President Ford's election in 1976, that they be referred to you.

First, I strongly suggest that Mr. Callaway be fired, for his cheap attack on Ronald Reagan. It sure is below the standards of a campaign chairman to make such remarks against a man who was a highly respected Governor of California. Sure, he made mistakes, but who dont, when trying to do a good job.

I feel that Ford is trying hard to do a good job but his continual method of compromise with the Congress is not doing him any good. Ronald Reagan was not taken in too much with the Legislature he had to deal with. He went in when the State was on the verge of bankruptcy, and he could not print money to bail it out. When he left, the State was in a good financial position and you cant take that away from him.

I, like millions of Americans, would like to see tuff competition for the nomination, but it should be kept above the belt. Callaway has started out by hitting below the kneess and this has sure not helped Ford.

I dont think that a Democratic opponent has a chance in 1976 if both of these candidates run a sane campaign. Polls or no polls, they are not getting to the roots of the voters. We are still scared of a McGovern or a likewise candidate. We are sick and tired of a spend-thrift Congress, and this showed up in Australia, New Zealand, and British Columbia. Maybe the time is due for this in Britain.

Respectfully yours,

LeRoy Clements
LeRoy Clements

Rt. 1, Box 269-D

Steelville, Mo. 65565



970 Edgewater Blvd.
Foster City, Ca. 94404

file

Reagan

August 19, 1976

Dear Mr. Marton,

Like many other Californians,
I am heart sick over the defeat
of our fine candidate, Governor
Reagan, whom I supported finan-
cially (as much as a retired person
can), morally, and spiritually. I
am glad that our man of principle
abided by his principles to the
end.

In fifty years of voting for the
Republican party, I have "defected"
once, when I voted for Stuart Mc-
Govern in preference to Richard
Mixon. However, as I can not
vote for Mr. Carter, I shall just



in November
not vote, at all, as under no
circumstances can I, nor will I,
vote for Gerald Ford. There are
some Jews who can be loyal
to our principles, too!

Sincerely,
(Mrs.) Frances M. Warren

