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November 24, 1975

MEMORANDUM FOR:

BO CALLAWAY

FROM:

FRED SLIGHT

SUBJECT:

Reagan Newspaper Editorials

I have completed a brief analysis of Ronald Reagan's weekly newspaper column and find that throughout his editorials, he has addressed a variety of subjects involving questions of policy, types of programs currently in action, direction of government in the future, etc. Only in several of these editorials has Reagan actually discussed or directed his criticism directly at the President. In general, his commentary has referred to the government or to the United States, as a nation.

On the domestic issues, Reagan's criticism of the President has focused primarily on economic matters. His most direct challenge has been to the President's budgetary program. It is Reagan's contention that it is poor economic policy to grant a rebate or a tax cut to taxpayers, while at the same time refusing to insist on cuts in existing and proposed Federal budgets. The President's recent \$28 billion tax cut coupled with a \$28 billion cut in Federal spending would seem to address this criticism very effectively.

In a second domestic area, Reagan has criticized the President for his failure to veto the pay increase that Congress voted for itself, and for senior governmental officials. He went on to add that as a result, the President "blew" a golden opportunity to both strengthen his position with the Congress, and to show his concern for the economic plight of many Americans.

In the area of foreign affairs, Reagan's strongest direct criticism of the President involved the latter's failure to meet with Soviet author Alexander Solzhenitsyn. Reagan cited Ford's fear of endangering detente as his motive for snubbing the Soviet author. Reagan further suggested that Solzhenitsyn's concerns should have been addressed directly to the President, and in turn, the President should have listened carefully to the expatriot's expression of viewpoints.

Reagan indirectly criticized the President by finding fault with Secretary Kissinger's handling of the Turkish and Panamanian problems. Initially, Reagan attacked Congress for their embargo of



arms to Turkey. However, he felt that this was their way of punishing both the President and Kissinger for their support of detente on the one hand, and the Solzhenitsyn imbroglio on the other. With regard to Panama, the former California Governor totally disagrees with Kissinger's plan of negotiation concerning the gradual turning over of control of the Canal to Panama. Reagan firmly believes that acquiescence to the dictatorship in Panama would lead to a total takeover of the Canal, which in turn would have a disastrous effect on our economy, and would also have ramifications on national security.

I currently have on file each of Reagan's editorials (except one) for the period of January 24 through November 17. The missing October 3 column should be obtained within the next two weeks. With his official announcement yesterday, these articles have terminated. These items may be very helpful in keeping Reagan "honest" once he is drawn out into the open after the first of the new year.

cc: Stu Spencer
Peter Kaye ✓



SUMMARY OF THE REMARKS

OF DAVID KEENE

CITIZENS FOR REAGAN

The George Washington University
Washington, D. C.

October 25, 1975

1. President Ford has been part of the Washington establishment for twenty-four years. If we have national problems, he has certainly been part of them for a long time. In contrast, Reagan governed the "third largest government" in the world for eight years. He was more than one of 435 legislators.

2. Whenever Reagan makes a major address, President Ford seconds it within a matter of days. The Ford strategy is obviously to move as close to Reagan as possible, so that there is no reason to replace the incumbent with someone who is philosophically the same as the incumbent.

3. President Ford has no policy of his own as he relies totally on naive White House advisors whose motivations are obviously based on politics not principle. As an example, just last week Ford advisors were dispatched to Capitol Hill to instruct the Florida delegation to back off on their criticism of new Cuba negotiations as the President was stopping any new initiatives until "the day after the Florida primary."

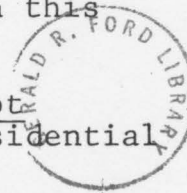
4. President Ford is greatly lacking in personal leadership which is clear in the constant inconsistencies of his Administration (ie. he gives rhetoric to cutting spending while presiding over the largest budget and budget deficit in the nation's history). Reagan has always held the line on government spending - you know where he stands.

5. The President is spending too much time away from Washington and is not paying adequate attention to the nation's business. Moreover, his trips, despite explanations to the contrary, are purely political in nature.

6. President Ford has already lost New Hampshire. His campaign swing into the state on behalf of Louis Wyman hurt as opposed to helping the Republican Senate candidate. Ford had no "coat-tails" because he has no constituency.

7. The South, comprising the single largest block of delegates at the 1976 Republican National Convention, will be instrumental in determining the nominee. Reagan is in very good shape in this region.

8. Reagan will announce before Thanksgiving, and he will not accept any proposed compromise to make himself the Vice Presidential nominee.



FACT SHEET

Keeping the size of the California state government constant

TAXES DURING REAGAN YEARS

Fiscal Year	Local Taxes (in billions)	State Taxes (in billions)	Total State & Local Taxes (in billions)	Total Per capita Tax Load (in dollars)	Adjusted for Inflation (in dollars)
1966-67	\$4.3	\$3.8	\$8.1	\$426.26	\$426.26
1967-68	4.7	4.7	9.4	484.66	466.92
1968-69	5.2	5.2	10.4	529.56	489.88
1969-70	5.7	5.4	11.1	556.49	489.01
1970-71	6.6	5.6	12.2	605.29	508.65
1971-72	7.3	6.6	13.9	682.98	555.72
1972-73	8.0	7.2	15.2	739.82	577.98
1973-74	8.4	7.6	16.0	768.44	556.84

Source: Board of Equalization

BUDGET GROWTH UNDER REAGAN

Fiscal Year	State Operations	(in billions)		% of Total	Total Budget
		% of Total	Local Assistance	% of Total	
1966-67	\$2.2	48.0	\$2.4	52.0	\$4.6
1967-68	2.3	45.6	2.7	54.4	5.0
1968-69	2.5	43.9	3.2	56.1	5.7
1969-70	2.7	42.8	3.6	57.2	6.3
1970-71	2.6	39.2	4.0	60.8	6.6
1971-72	2.6	39.3	4.1	60.7	6.7
1972-73	2.9	39.4	4.5	60.6	7.4
1973-74	3.4	35.6	6.2	64.4	9.6
1974-75	3.5	34.5	6.7	65.5	10.2

Source: Department of Finance



Anti- RR
plus clippings
Nov 19th 18th
- dates -



Sections 431(b), Title 2, United States Code and 591(b), Title 18, United States Code, both define "candidate" as follows:

"(b) 'candidate' means an individual who seeks nomination for election, or election, to Federal office, whether or not such individual is elected, and, for purposes of this paragraph, an individual shall be deemed to seek nomination for election, or election, if he has --

(1) taken the action necessary under the law of a State to qualify himself for nomination for election, or election, to Federal office; or

(2) received contributions or made expenditures, or has given his consent for any other person to receive contributions or make expenditures, with a view to bringing about his nomination for election, or election, to such office;

In an Opinion of Counsel (OC 1975-28) which was noted by the Federal Election Commission without objection on Thursday, November 13, John G. Murphy, Jr., the FEC's General Counsel, concluded:

"Under 2 U.S.C. §431(b) and 18 U.S.C. §591(b), a "candidate" is an individual who seeks nomination for election or election to Federal office, whether or not a public declaration of candidacy is made. One may become a candidate by (1) taking



the necessary action under State law to qualify for nomination or election; or (2) by receiving contributions or making expenditures or consenting to others receiving contributions or making expenditures with a view toward bringing about one's nomination or election to Federal office. If any of the activities outlined above give rise to any expenditure for the purpose of influencing your nomination or election, then you would be regarded as a candidate and required to take those steps prescribed by the Act, 2 U.S.C. §431 et seq. You would also at that point be subject to the relevant provisions of Title 18, United States Code, including 18 U.S.C. §608." (emphasis added)

In a letter, dated July 14, 1975, Governor Reagan authorized the "Citizens for Reagan" committee to work on his behalf and consented to the filing of reports by that committee with the Federal Election Commission (see attached). Although, Governor Reagan attempted to distinguish between his becoming an "active Presidential candidate" from being a technical candidate under the Act, it is now apparent that he has authorized a committee to collect and expend funds on his behalf in connection with his seeking the nomination for the Presidency and is a "candidate" for purposes of the Act.

As a candidate, pursuant to Section 434, Title 2, United States Code, he is required to file Reports of Receipts and Expenditures with the Commission. This provision sets out various reporting dates, including the requirement of filing a quarterly report following the close of any calendar quarter in which the candidate or political committee concerned received contributions or made expenditures in excess of \$1,000. Any person who knowingly violates any provision of this chapter shall be fined not more than \$1,000 or imprisoned not more than 1 year, or both. 2 U.S.C. §431(a). It is also interesting to note that subparagraph (b) of this section provides that in case of any conviction under this chapter "where the punishment inflicted does not include imprisonment" such conviction shall be deemed a misdemeanor conviction only.

In view of the above, I believe it would be appropriate to raise the following questions with regard to Mr. Reagan's "candidacy":



(1) Are you a "registered" candidate under the new Federal Election Campaign Laws?

(2) Have you authorized a committee to expend or collect funds on your behalf in connection with your seeking the nomination for the Presidency of the United States?

(3) Have you met all of the filing and disclosure requirements of the Federal Election Campaign Laws? In particular have you filed a candidate's Report pursuant to Section 431(b)? If not, why not?

(4) Are you aware that the statute provides criminal penalties for any knowing violation of its provisions?

If the response indicates that a different construction is placed upon the statutory language, the following questions should be asked:

(a) How can you maintain that the statute requires a "public announcement" of your candidacy when the FEC has issued an Opinion of Counsel that public announcements do not matter and that the strict terms of the act define a "candidate".

(b) If you now intend to file a report on your behalf, for what period will it relate back in terms of your activities for seeking the nomination?

(c) Have you been advised by counsel with regard to any of these matters?

(d) Would you care to discuss the alleged complaint that has been filed against you with regard to your radio and TV programs? As we understand it, the complaint is that you are actively collecting and expending monies without reporting such activities to the FEC in violation of the Federal Election Campaign Laws.

(e) Are you aware that a request for an Advisory Opinion has been filed inquiring as to your status as a candidate? As you know, corporate contributions to Federal candidates are illegal pursuant to Section 610, Title 18, United States Code.



(f) Do your activities and your refusal to file a candidate's Report of Contributions and Expenditures place any corporately funded group sponsoring you in jeopardy of being in violation of the Federal Election Campaign Laws?

The above questions are merely illustrative of the type of inquiry that may appropriately be raised in this matter. Please let me know if you have any further questions regarding this matter.



RONALD REAGAN

SUITE 812
10960 WILSHIRE BOULEVARD
LOS ANGELES, CALIFORNIA 90024
213 / 477-8231

July 14, 1975

The Honorable Paul Laxalt
Member, United States Senate
Senate Office Building
Washington, D. C. 20500

Dear Paul:

I am writing this letter in response to your decision to chair the "Citizens for Reagan" committee. I deeply appreciate your action, but I want to inform you that I have not made up my mind whether to become an active Presidential candidate. I expect to make this decision before the end of the year.

Meanwhile, I recognize that due to the technical requirements of the law (including the requirement for the designation of a principal campaign committee), the committee must file with the Federal Elections Commission as working on my behalf. I trust this letter will suffice as my consent for purposes of allowing you to do so.

Sincerely,



RONALD REAGAN



Reagan's simplistic solution to what is obviously a complex area is a bit overwhelming to analyze. I am taking the liberty of raising this matter with some of my former associates in order to get a much more thorough idea of the ramifications involved.

To meet your immediate requirements, I am providing the following observations.

AREAS OF AMBIGUITY

Questions which arise concerning the implementation of such a proposition are as follows:

1. A large portion of Federal expenditures are for programs which are mandated by law or obligations that are made by the government prior to the start of the fiscal year 1976. It appears as though Reagan is proposing immediate cuts that can in no way be carried out on a short-term basis.
 - Governor, what is your understanding of the percentage of the Federal budget that is discretionary to a President and his agency officials? (I have heard, Peter, that the figure is no greater than 20%.)
 - Realizing that, at best, you have only 20% of the entire Federal budget within your discretionary authority, how would you realistically plan to bring about such drastic cuts from less than a dozen general program areas?
 - To carry out your plan, doesn't it mean that the Federal government would have to renege on a significant number of program monies which have already been committed to state and local governments and have been contractually obligated to private groups prior to the beginning of FY '76?



- Governor, it is my understanding that a great many programs are authorized and appropriated funds by Congress to operate on a basis of anywhere between one and five years. Doesn't your proposal fail to realize that a program authorized and funded in FY '75 may be in operation through FY '76 and '77 and consequently cannot have its funds reduced except with the concurrence of Congress?

- To follow up on the previous question, have you analyzed how many of your proposed changes would be subject to this funding problem and, if so, how do you justify your statement that you will reduce the Federal budget by \$90 billion when probably a good portion of these expenditures are locked in?

2. Given the present composition of the Congress, it is unrealistic to expect a transfer to and/or reduction in Federal spending for programs such as education, food stamps, welfare, and school lunch programs.

- Governor, the present Congress is overwhelmingly Democrat and knowledgeable leaders in both parties seriously doubt that the present composition is going to change significantly in 1976. How do you plan to get Congressional approval of your proposal when the majority of Congress diametrically opposes your view on this issue?

- If President Ford's efforts to simply hold the line on the monstrous education budget failed by a nearly 9 to 1 margin in the override of his veto, how do you propose to bring about a several-billion dollar reduction in Federal education aid?

- What specific actions do you plan to take to assure that your reductions and transferrals create no serious disruptions to a local school district, especially since you are talking about actions to be completed in the course of a single year?

3. If the present economic conditions persist, it is unlikely that local governments could remain solvent and assume additional costs in such areas as manpower and health services.

- Do you feel that local governments can assume the financial burden your plan would bring about, especially given the financial difficulties that so many major cities now face?



- Some communities have a much stronger tax base than others and yet you seem to be saying that Federal dollars should remain locally as opposed to going to Washington. What would you say to the residents of a town who are too poor to afford to pay for their educational system without additional monies from the Federal government?

- New York City is a classic example of a city faced with enormous social services costs. Won't other localities follow in New York's path if faced with absorbing totally the costs for aiding the elderly, the disadvantaged, the unemployed?

- Public opinion polls show that more and more people, and especially the elderly, are looking to the Federal government to provide them assistance in coping with spiraling medical bills. How does your proposal to transfer the \$7.2 billion Medicaid program from Federal responsibility impact on the approximately 26 million Americans who are currently receiving benefits from Medicaid?

- Governor, your assumption in proposing these sweeping changes seems to be that substantial net savings would be possible without ill effects to the recipients of the current benefits nor to state and local governments who must pick up the administrative responsibility for the programs. According to your studies, what is the projected savings involved and how did you arrive at these statistics?

POSSIBLE RAMIFICATIONS OF REDUCTIONS

In order to make an accurate assessment of the exact ramifications of Reagan's program, a more specific breakdown of the program areas must be conducted by persons with expertise in each area. However, potential effects might be:

1. High unemployment due to excessive cutbacks in Federal expenditures.
2. Bankruptcy, or fear of same, for states and municipalities.
3. Impeding new capital investment for expansion by business as a result of a disproportionate increase in their local tax burden.
4. Retard the recovery of the housing and construction industries, which are already suffering a severe recession.



Finally, such grand rhetoric is completely out of touch with reality. The question of raising the public's expectations and over-promising on the Federal government's ability to deliver smacks of the same faults which Reagan has blamed on other Presidents, especially LBJ.



WILL DECLARE CANDIDACY THURSDAY

Reagan Strategy Against Ford Unfolds

"Slowly but certainly, we are allowing government to intrude more and more into our lives, to dig deeper and deeper into our pocketbooks. America and its people have great strength. They can reverse this erosion of freedom and I want to do everything I can to help." Ronald Reagan, Dec. 30, 1974.

BY RICHARD BERGHOLZ
Times Political Writer

It all began when Ronald Reagan, former actor, self-styled citizen-politician, came to the end of his eight years as governor of the nation's largest state, and looked around for an encore, for new worlds to conquer.

And it reaches a significant benchmark next Thursday morning in the National Press Club ballroom in Washington.

Ronald Wilson Reagan, 64 years old, onetime Democrat turned conservative-libertarian, will declare his candidacy for the Republican nomination for President.

Having so declared, Reagan then

will declare it all over again—in Miami, in Manchester, N.H., in Charlotte, N.C., in Chicago and finally in Los Angeles—all in the space of 30 hours.

It is hardly a coincidence that Reagan is going to those states—Florida, New Hampshire, North Carolina, Illinois and California, where direct primary elections next year almost surely will pit him against President Ford—and Reagan already envisions it as the insiders vs. the outsiders, the professional politician vs. the "citizen-politician."

For despite his eight years as

governor, Reagan still sees himself as a former actor and mashed-potato circuit lecturer, a flag-carrier for the conservative cause, rather than as a politician and office-seeker.

"I never have thought of myself as a kind of conscience-keeper of the (Republican) party," Reagan has said. "but I'm not going to be hesitant about speaking out on the direction I think government should take.

"And if that can help influence things for the better, I'm going to do it."

The conventional political thinking is that an incumbent President cannot be denied his own party's nomination if he fights for it—and Ford clearly is ready to fight for it.

Similarly, the conventional thinking is that Ford, after two decades in Congress and more than a year in the White House, has a track record as a political conservative. So how could he be bested in a party convention usually controlled by conservatives?

Reagan intends to posture himself

Please Turn to Page 3, Col. 1

THE WEATHER

National Weather Service forecast: Fair today and Saturday with a chance of some fog near the coast early this morning. Highs today near 80 and Saturday in the mid 70s. High Thursday 86; low, 59.

Complete weather information and smog report in Part 3, Page 23.



THE PRESIDENCY

delegates awarded to the candidate who gets at least one more vote than his rival.

It also is significant because it is the last of the major primaries before the August convention in Kansas City and the bandwagon effect—the inclination of voters to go with a projected winner—is almost certain to be evident.

Reagan remains supremely confident that he still is immensely popular with Republicans in his home state, that they will prove to be much more willing in their volunteer work, much more dedicated, than will be the President's supporters when it comes down to the June 8 balloting.

Further, both candidates probably will be pretty much out of campaign money by the time the California primary rolls around, and an army of volunteer get-out-the-vote workers is about the only substitute for money.

This time, for the first time, presidential candidates are limited to \$10 million to spend in primary campaigns—unless the Supreme Court acts soon to overturn the new federal spending limitation bill.

And, Reagan, who never has suffered from a shortage of funds in any campaign, appears reasonably confident he can reach the maximum amount allowable.

He already has raised \$5,000 in each of 20 states, all from contributions of \$250 or less, and thus has qualified for federal matching funds provided in the new law.

For awhile, he and his advisers toyed with the idea of saying to the voters, "Look, we don't believe in federal funds going into campaigns and even though we're entitled to matching funds, we're going to turn them down as a matter of principle."

But attractive though this might have been to died-in-the-wool conservatives, it turned out to be foolhardy, and the idea has been shelved.

In addition to changes in the campaign financing laws, there is a marked upturn in the number of wide-open primary contests, as compared to the old-style party convention system, and Reagan thinks he will do better under the new system.

For instance, he still retains a substantial portion of the "star" quality he achieved as an actor and television performer. And this, plus his ability to deliver jokes and serious messages and to smile and look youthful for his age, by contrast makes Ford look dull and uninspiring.

He can deliver a serious pitch—that the government is spending itself into bankruptcy—but do it with a flair that delights his audiences: "Every minute I speak to you, the federal government spends another \$700,000. I'd stop talking if they'd stop spending."

It is the me-vs.-them thing, what he calls the "David and Goliath" aspect of his fight against Ford. The "ins" vs. the "outs", and Reagan clearly is an "out" right now.

When he warns that "this collectivist, centralizing approach (in government), whatever name or party label it wears, has created our economic problems," he deliberately lets the audience know he is referring to the Ford Administration, the Nixon administration that preceded it, and all the big-spenders who, in his mind, have dominated Washington.

Reagan relishes the opinion of him that seems to apply in conservative circles wherever he goes—that he was a tough man with a buck when he was governor.

He pushes the concept along by recounting, in almost every speech, how he balanced the budget in California, cut taxes, increased efficiency and put a lid on the spiraling welfare growth.

Obviously, Reagan does not recount that to meet the state's budgetary problems, he had to raise taxes almost \$1 billion his first year in office, that the first full-year budget of his administration in Sacramento was \$5 billion, that his last budget was \$10.2 billion, that when he came into office the state and local per capita tax burden in California was \$426.29 and it was \$768.44 when he left.

There were a number of factors—inflation, for example—which had a large bearing on these developments, and Reagan hardly would be expected to list all of his failures along with his triumphs.

He invariably draws applause when he contends he held down the growth of government—there were 113,779 state employees in his first year in Sacramento and the figure had grown only to 129,435 when he left.

And his assault on welfare programs, even including semihumorous versions of his constant battles with the Democratic Legislature, also win him applause.

Reagan has told newsmen he is perfectly willing to be measured for

Please Turn to Page 21, Col. 1



Reagan to Enter GOP

Continued from Third Page

what he would do as a President by what he has done as a governor.

If anything, he has turned more to laissez faire economics, to libertarianism, since he left office. He says he

backed off. He was particularly distressed by continued suggestions that he and Alabama Gov. George C. Wallace could somehow put the whole thing together. Reagan regards Wallace as some kind of Democratic pop-



Presidential Race



umph over Unruh clearly showed the California voters thought he was doing a good job.

Reagan thus far has made absolutely no approach to labor, minorities, the economically deprived, in his campaign tours and none is planned until the Republican presidential primary picture starts clearing.



March 10, 1967 Sacramento Bee

REAGAN URGES LBJ USE FULL POWER TO END WAR

Reagan said he agrees with former President Dwight D. Eisenhower's call for a speedy solutions by whatever means may be necessary.

"I'm not in a position to make such a decision and no one certainly wants to use such weapons," he told the crowd news conference at the start of two days visit to the nation's capitol. "But the last person who should be told we won't use atomic weapons is the enemy in Vietnam. Once you ask young men to fight and die for their country, you have an obligation to use the full resources of the nation to win as quickly as possible."

July 11, 1976 Sacramento Bee (taken in Sacramento May 9th at press conf)

REAGAN'S ATOMIC WEAPON QUOTE

QUESTION Would you preclude the use of atomic weapons?

ANSWER I do not think that any body would cheerfully want to use them, but I have also quoted ex President Eisenhower and I agree with him that the last person in the world who should know we wouldn't use them is the enemy. He should go to bed every night being afraid that we might.



Reagan's simplistic solution to what is obviously a complex area is a bit overwhelming to analyze. I am taking the liberty of raising this matter with some of my former associates in order to get a much more thorough idea of the ramifications involved.

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- Governor, the present Congress is overwhelmingly Democrat and knowledgeable leaders in both parties seriously doubt that the present composition is going to change significantly in 1976. How do you plan to get Congressional approval of your proposal when the majority of Congress diametrically opposes your view on this issue?

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Ford Campaign Shift Set

By Lou Cannon

Washington Post Staff Writer

President Ford's advisers have agreed that he should counter Ronald Reagan's forthcoming challenge by spending more time "being presidential" and less time at

"I'll work with and advise the committee," Goldwater told Dean Burch, who heads the informal campaign group.

On the steering committee are such close presidential advisers as Melvin R. Laird,

There also was brief discussion of Mr. Ford's upcoming Supreme Court appointment and general agreement he should choose "the best qualified" person rather than trying to obtain



Nov. 19, 75

Reagan's Theatrical Politics

By James Reston

Ronald Reagan's bid for the Presidency really should be tossed to the movie critics. In theatrical terms, win or lose, it is the best script the old trouser ever had, out in political terms, even if he knocked off the President, he would divide his party, and almost certainly assure the victory of the

eager, to go home when the play is done and particularly if the audience disagrees.

The astonishing thing is that this amusing but frivolous Reagan fantasy is taken so seriously by the media and particularly by the President. It makes a lot of news, but it doesn't make much sense. Mr. Reagan may run ahead of Mr. Ford in the New Hampshire, Florida, Illinois, and even Wisconsin primaries, but even if he does, the Republican delegates at the Kansas City nominating convention, are not likely to abandon their own President, and the power and majesty of the Presidency, in favor of a former governor of California, who has split the Republican Party and has little chance of picking up independent or Democratic votes.

But on the stage, as in politics, strange things happen and nobody



Reagan set to challenge Ford directly

By Curtis J. Sitomer
Staff correspondent of
The Christian Science Monitor

Los Angeles

Clad in the garb of a "citizen-politician" and invoking a patriotic bicentennial theme, Ronald Reagan will formally announce his challenge of Gerald Ford for the Republican presidential nomination this week.

His campaign plan is to firmly root his candidacy early — by defeating the President in initial primaries in New Hampshire, Massachusetts, Vermont, and Florida. Even a strong showing in these states would get the



AP photo

Will Reagan split the GOP?

some believe, will be his political approach. He will likely not attack Mr. Ford directly —



ANALYSIS OF ROLE AS GOVERNOR

Reagan Never Got His Act Together

BY TOM GOFF

Times Sacramento Bureau Chief

SACRAMENTO—Ronald Reagan, actor turned consummate politician, never quite got his act all together in eight years as governor of California.

It was not that Reagan did not know what he wanted to accomplish in Sacramento.

His target was as clear then as it is today. It was government itself. His goal was to turn it around, to pare it back, to stem its ever-increasing demand for dollars.

Nor was it lack of effort. Reagan stubbornly pursued his goal for two terms as governor with all the fervor with which he pursues it now on the national level.

His problems in California were manifold.

National inflation, which no governor could control, was rampant during his eight years in Sacramento. Its effect on state government was as severe as it was on the private economy.

Except for one year out of the eight, Reagan faced a hostile Legislature that was as determined to thwart him as he was to succeed.

Perhaps the most serious problem, however, was that Reagan never displayed a deep understanding of the complexities of the system that he wanted to overhaul or the inertia that builds up in government once an established course has been set.

His critics build a convincing case that he never really bothered to try.

He was interested in the quick and dramatic solution—the Sunday punch—that would turn things around right now.

In his first year Reagan ordered an across-the-board reduction of 10% in all government expenditures. He ended up that year supporting an overall increase of that much or more.

His final effort, late in his second term, was to sponsor an initiative which once and for all, he hoped, would put a permanent lid on government spending by placing a mandatory limit on the state's taxing power. The people turned him down.

In sum, he offered surface solutions to deep-seated government ills and the amorphous mass that is modern state government simply oozed out from under him.

State expenditures, as measured by the total budget, more than doubled from \$5 billion a year to \$10.2 billion in the years Reagan sat in Sacramento. The total per capita state and local tax load, even when adjusted for inflation, increased from \$466.92 to \$556.84.

There are those who insist that while Reagan may never have accomplished the major fiscal reform he

Please Turn to Page 13, Col. 1



Reagan's style -veiled thrusts at Ford regime

By Andrew Glass

Journal Herald Washington Bureau

MANCHESTER, N.H. — On the first day of his jet-propelled presidential campaign, Ronald Reagan set the tone of his uphill battle for the Republic

ence, continued in Miami and ended up in New Hampshire.

At each stop, Reagan told supporters: "I don't believe for one moment that four more years of business-as-usual in Washington is the answer to our problems and I don't think the American people believe it either."

The Reagan campaign got off to a

If Reagan does poorly in the early going, he will almost certainly pull out. "This is not an ego-trip," said Sen. Paul Laxalt, R-Nevada, chairman of the Citizens for Reagan committee.

On the other hand, Reagan expects Ford to withdraw if he succeeds in making an early and deep thrust into the President's support. He is already encouraging other GOP candidates to file on the theory that more entrants would draw votes away from the President.



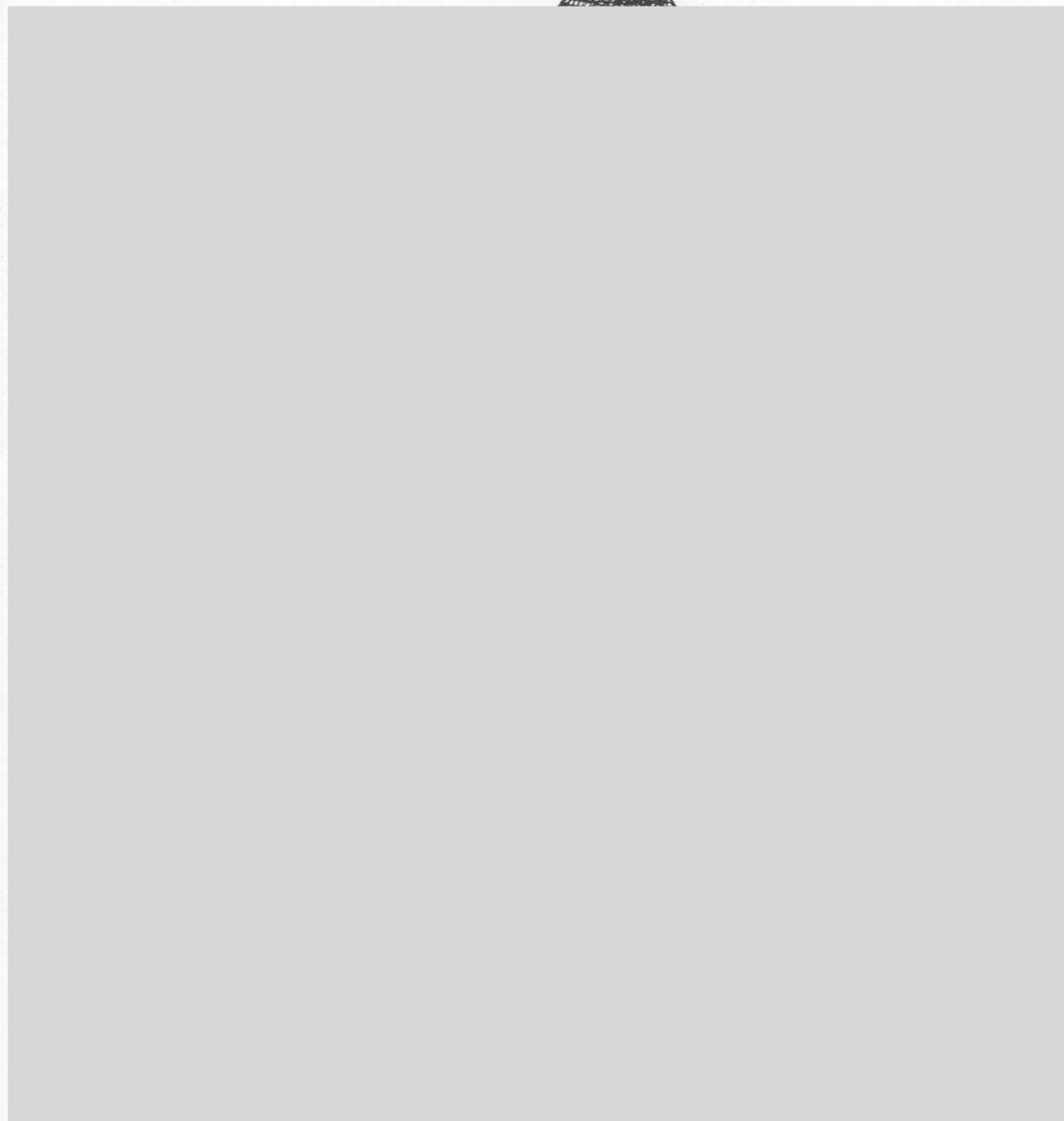
COMING SOON → NANCY REAGAN ☆ STARRING IN ☆

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ALVIN 75

☸ LAW AND ORDER ☸

Letters to the editor

Canadians thankful for good fortune? Hardly

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FOUR-STATE TOUR

Reagan Outlines Opinions on U.S. Issues, Problems

By George Embrey
Chief, Dispatch Washington Bureau

Ronald Reagan, first Republican challenger of an incumbent Republican president since Teddy Roosevelt and William Howard Taft in 1912, talked on issues during his four-state campaign swing last week.

On whether his campaign will destroy 1976 Republican chances — At its most united, the Republican Party, said Reagan, accounts for only 20 percent of voters nationally. To win, a Republican must attract votes from the 40 percent of voters "disillusioned" with "business as usual in Washington."

ON ATOMIC energy power plants — Scientists tell Reagan the chance of a plant explosion is nil, that radia-

tion leaks are the danger and no one has ever died of that. He said government rules require 11 years to build a new U.S. atomic electric

legislation in final stages in Congress — Reagan said the bill to allow one construction union to shut down all work at any site should be vetoed

11/28/75

Peter Kaye -

Three interesting attack points.

Can you do anything with
them?

Fred



L.A. TIMES 11/16/75

State GOP Chief Accuses Reagan of Divisiveness

BY GEORGE SKELTON
Times Political Writer

SAN FRANCISCO—In the strongest language yet used by a major California Republican, State GOP Chairman Paul N. Haerle Saturday accused former Gov. Ronald Reagan of party divisiveness and lack of candor in running against President Ford.

The harsh comments were particularly significant because Haerle, al-

B o o k

Treed

Reagan Called 'Too Old' to Hold Presidency

BY WALTER P. COOMBS

When Ronald Reagan threw his hat in the ring two weeks ago and became a Republican presidential contender for 1976, lots of tongues started wagging.

who now holds second position in the ranks of our oldest President. Taylor, then 64, was inaugurated in 1850 and died a year later of natural causes. An obscure Whig politician named Millard Fillmore finished Taylor's term. His administration was such a near-di-

make those tough decisions that can mean war or peace. In his hands rests the fate of millions.

For all these reasons, the job demands someone in the prime of life—a vigorous, spirited person—not someone who has



December 5, 1975

TO: PETER KAYE

FROM: FRED SLIGHT

The attached is for
your information.

W-H 12-8-75 P.5

Reagan Questions Morality of Grain Deal

By David Beeder

Ronald Reagan raised a question Tuesday night about the morality of sending U.S. food to Russia and China, and he provided Nebraska supporters with a preview of the campaign style he hopes will carry him into the White House.

In an interview in Omaha with a World-Herald newsmen, Reagan said U.S. agricultural trade with Russia and China raises "a moral question" about providing food to totalitarian countries which are trying to surpass the United States in armaments, and at the same time control possibly restive, enslaved populations.

"China does provide a potential market (for U.S. agriculture)," Reagan said in response to a question.

"However, the only reason China is our friend right now is that she dislikes Russia more than she dislikes us. That could change."

'Enslavement'

In sending food to Russia and China, the United States should continually evaluate "whether we are aiding them in enslaving their own people" as well as captive satellite nations.

If U.S. agricultural exports should be stopped to Russia and China, Reagan said, "we should not let the American farmer take the rap." He said the U.S. government would have to return to a system of buying farm surplus.



Reagan and Nebraska backers . . . From left: George Cook, Kay Orr and Milan Bish.

—World-Herald Photo.

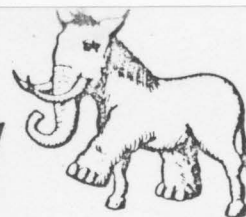
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CONT. →

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The Political Animal



December 5, 1975 / Issue Number 125

THE WHITE HOUSE GAME: How The Players Are Doing

Mervin D. Field, operator of the California Poll, released his newest survey about how Democratic and Republican Presidential hopefuls are doing last week in the state. And the results confirm the suspicions of many very seasoned political observers.

President Gerald Ford, while in serious trouble with the state's electorate in terms of the way he is running the Oval Office and faced with a direct challenge from former Gov. Ronald Reagan, is listing but not sinking. Yet.

The California Poll finds that Ford could beat either Alabama Gov. George Wallace (by 38 points), Minnesota Sen. Hubert Humphrey (by 23 points) or Washington Sen. Henry Jackson (by 20 points) if a general election were held now. Reagan, on the other hand, beats only Wallace in a simulated race (by 19 points).

Reagan, the survey taken the first week of November indicates, is the big loser in a race against Democrats. He loses, for example, to both Jackson and Humphrey by one-point margins.

But the significant finding, which could prove devastating unless Reagan mounts a swift, hard-hitting campaign soon, is that the former governor loses to Massachusetts Sen. Edward Kennedy in a trial heat by a big 21-point margin. And to California governor Edmund G. Brown Jr. by 22-points. When compared to the showing of Ford against Kennedy (EMK wins by 10% with 6% undecided) and Brown (EGB Jr. by 7% with 9% undecided) one gets a hint of the enormous task facing Reagan partisans before the GOP pennant is awarded next August in Kansas City.

The clearest winners, then, in the latest California Poll sample are Kennedy, Brown and Ford in that order.

GOP:

The Republican primary next June 8 in California is a "winner-take-all" affair unlike the Democratic primary the same day which will be on a proportional basis.

California will have 167 votes at the Republican National Convention, 7.3%, the largest bloc. So the Ford-RR battle will be intense.

Reagan's cross-country announcement, which coincided almost perfectly with the new survey results showing him moving ahead of Ford, 48% to 47% (with 6% undecided) in California, had a kind of lightening rod effect on the media. Some people see a McGovern-style media setup.

Whether RR can sustain that kind of coverage during much of this month, when his personal profile will be low, remains questionable. Reagan doesn't plan to hit what he calls "the sawdust trail" with any real intensity until after the first of the year and the start of the heavy primary season, especially in New Hampshire and Florida where polls show him running even or ahead of Ford. Many of RR's personal +

THE WHITE HOUSE GAME [More]

financial "buddies" who played key parts in the earlier campaigns - Holmes Tuttle, Jack Hume, Justin Dart, Ed Mills, William French Smith, to name some - are aboard the White House Express. And the grassroots activists who compose the backbone of the California Republican Assembly and the California Federation of Republican Women are very pro-Reagan.

How Reagan is going to crisp up the issues between himself and Ford without violating the mythical Republican 11th Commandment remains one of the primary campaign's most intriguing riddles.

Ford, who has been told by his advisers that Reagan's winning margin in 1966 for governor of 56.6% dropped to 52.8% in 1970, made several strategic errors in the state in August, September and October. He tried to placate conservatives in the hope that they would abandon RR and that he would get the message and drop out.

What appears to be key to Ford's survival is that the President needs to convince state Republicans that he is a leader and that he alone has the best chance as a sitting Chief Executive to be elected on the merits, not the coattails of the citizens of Grand Rapids. There is evidence that Ford is getting the message. And that he will remain in the Oval Office more and leave much campaigning to surrogates.

DEMOCRATS

What clearly emerges from the November California Poll is the fact that Sen. Edward Kennedy and Gov. Brown are the two favorite Presidential choices of state Democrats. Kennedy repeatedly has said he will not accept the nomination. And Brown, for the record, will only say that he will make up his mind when the time arrives to make a decision. The maneuvering, especially for Veep, is heavy, however.

(An exclusive report in the Nov. 28 issue of The Political Animal that Brown has decided to enter California's Democratic presidential primary was branded "totally false" by Gray Davis, Brown's chief of staff and political handyman, last week. Several attempts to discuss the story prior to publication with Davis met with failure and, in any case, the newsletter stands by the story in its entirety. The headline flashed across the state in response to the story - "Brown not in '76 race" - appears to key Democratic operatives contacted by PA to miss the essential essence of what is really transpiring in the Brown camp. The latest California Poll survey surprised nobody, not even Brown.)

Talk of a Humphrey-Brown ticket next July in New York is rampant among party insiders. Brown has moved up 7% in the survey since August (with EMK out); Humphrey 2%. PA has learned that HHH has written to Lt. Gov. Mervyn Dymally to find out the mechanics of how to get his name off the June primary ballot. Which only means that HHH, in Calif. Jan. 10-12 on a big Senate reelection fundraising push, is being very consistent in avoiding any primary clash. Wallace remains a static 13% as do ex-Gov. Jimmy Carter, Rep. Mo Udall and Sen. Lloyd Bentsen - each a poor 1%. The survey shows a drop of 1% for both ex-Sen. Fred Harris and Sargent Shriver down to the also-ran 1% class. The puzzle is the disastrous drop to 4% (from 11%) by Sen. Jackson since August despite a talented staff led by hard-charging state Treasurer Jess Unruh. Sens. Bayh (3%) and Church (4%) have each gained 1%. Church, in LA Dec. 6-8 for heavy sessions with would-be liberal supporters, appears have best darkhorse momentum now.

The Political Animal

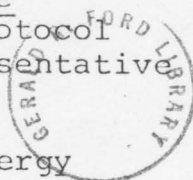
BRAYS AND TRUMPETS

Sen. Adlai Stevenson 3d on ruling out a bid for either President or Vice President in 1976: "A candidacy today triggers a thousand skirmishes; a welter of endless, draining detail. It plunges him into a morass of unintelligible regulations and dervish-like activity, all largely beyond his control and comprehension."

Assem. Art Torres (D-L.A.), tag-lining a letter addressed to the state Fair Political Practices Commission in which he complained that he had not yet received an opinion about whether wedding gifts to him and his bride were reportable under Proposition 9: "I have another problem. My wife is now pregnant and baby showers are being planned. Must I report gifts to my prospective child, other than those covered under sec. 820306 of the Government Code?"

ANIMAL CRACKERS

California delegates to the Democratic National Convention next July in New York City are in for a surprise when they enter Madison Square Garden. In the draw for convention-floor seating California ranked 49 out of 56 lots. Which means that state delegates will be relegated to seats far back in the Garden. In 1972, at Miami Beach, California Democrats were in a front and center position. But California did better (No. 8) in the draw for hotel bunks. Which means that delegates won't have to hail taxis...Superv. James Hayes, the former GOP assemblyman from Long Beach, now says he intends to run for reelection next year to the L.A. County Board of Supervisors. L.A. City Councilman Marvin Braude told PA that he is "seriously" considering a race against Hayes next year. Braude lost to Hayes in 1972 but some top deck Democrats think Hayes may be more vulnerable, especially in the northern end of the district (Santa Monica), this time...Rep. George Brown (D-Colton) becomes the sixth California congressman to endorse the presidential bid of Rep. Morris Udall (D-Ariz.). Brown is also supporting the darkhorse bid of Democrat Robert Kholos, Mayor Tom Bradley's ex-press aide, for the seat being abandoned, apparently, by Rep. Alphonzo Bell (R-Marina del Rey). Bell has mounted a candidacy for John Tunney's Senate seat, a drive which would be aborted only by an affirmative decision (expected one way or another before Christmas) by Rep. Barry Goldwater Jr. (R-Canoga Park) to enter the primary...A recent 3-day poll by S.F.'s KQED-TV had state Sen. George Moscone leading Superv. John Barbagelata, 46.5% to 41.8%. With 11.7% undecided in the Dec. 11 mayor's race. Democrats hold a huge registration edge which would seem to put it away for the liberal Moscone. But the steep rise in crime and the strike by police and firemen last August, typified by the meteoric shot of rightist Barbagelata into the runoff, make the mood of the city's electorate unpredictable. A key might be the rather high undecided vote caught by the KQED sample among primary backers of Democratic Superv. Dianne Feinstein and GOP state Sen. Milton Marks...As the state's new protocol chief Secretary of State March Fong Eu will be California's representative at receptions and other social events for foreign dignitaries and consular members...Assem. Speaker Leo McCarthy has created three permanent subcommittees of the Assembly Resources, Land Use and Energy



The Political Animal

ANIMAL CRACKERS [More]

Committee. Terry Goggin (D-San Bernardino) will chair the subcommittee on Energy; Lawrence Kapiloff (D-San Diego) will steer Land Use; and Parks and Forestry will be helmed by Herschel Rosenthal (D-L.A.)...Carol Welch, from Washington, D.C., will replace the efficient Jay Berman as press secretary for L.A. DA John Van de Kamp. Welch, said by reliable sources to be a heavy political operative, worked at OEO and in the White House during the regime of Lyndon Johnson...The Public Commission on County Government, which has been examining the central executive structure of L.A. County (Bd. of Supervisors, CAO, Sheriff, DA and Assessor) for several months will make its highly anticipated report in mid-January. If one of the recommendations supports the concept of a county mayor look for at least four supervisors to put the issue on the June, 1976 L.A. County ballot...That chart titled The Nuclear Web which the People's Lobby has published to show an alleged conspiracy between elected officials, lobbyists and corporate sources to determine public policy is a sellout collector's item. Names are named and the chart is pasted on many walls in the Capitol. People's Lobby supports strongly the nuclear power plants initiative on next June's state ballot along with many environmental organizations. Ex-Gov. Brown opposes the initiative, together with William Robertson, new Secretary-Treasurer of the L.A. County Federation of Labor (AFL-CIO)...PA has learned that a privately commissioned poll done by Field Research Corp. in early November showed that 54% oppose the nuclear initiative while 33% support it with 13% undecided. The poll results indicate virtually no shift from previous samplings in February and May...George Takei, the TV actor and RTD Board member, is considering a race against Assemblyman Charles Warren (D-L.A.) Takei lost a tight race to L.A. Councilman David Cunningham in 1974 and later was appointed to the transit post by Mayor Bradley...San Marino savings and loan executive Charles Reed seems to have the inside track for appointment as the new GOP National Committeeman for California. The party's executive committee votes Dec. 2 in Sacramento. But L.A. County Superv. Pete Schabarum, acceptable to Reagan zealots (Reed is pro-Ford), is gaining ground. And another pro-Ford loyalist, Pasadena attorney Cliff Anderson, claims the backing of ex-Lt. Gov. Ed Reinecke +Assem. Bruce Nestande (R-Orange). Resigned National Committeeman William Slater Banowsky, who urged Reed to enter the race, is, in his capacity as Pepperdine University president, granting an honorary degree to Schabarum in early December at the institution's L.A. campus in South L.A. Some observers are curious about the timing and whether it represents a move on the part of Banowsky to placate conservatives. Schabarum does not represent either Pepperdine campus...The Committee for a 2/3 Vote on Taxation is still trying to round up enough petitions to put that constitutional amendment on the ballot which would require a 2/3rds vote of the Legislature before any tax could be imposed or raised. The group technically has until the end of the month to circulate petitions...PA has learned that Gov. Brown is very close to filling the D.C. post as his personal liaison in Washington to the California congressional delegation and federal agencies. The choice has narrowed to one person...One aspect of the major political rebuff to Mayor Bradley by the L.A. City Council which rejected his nomination of a replacement for Anne Sullivan Rehr on the Municipal Arts Commission is that Rehr has known Tom and Ethel Bradley for 25 years. But Rehr refused to be a rubber stamp and, with the aid of freshman Council Zev Yaroslavsky, scored a dramatic victory.. Tunney is endorsed by Jerry Brown, Jess Unruh leans toward Hayden and other state officers in the Democratic column are as yet uncommitted in Senate race.

LAT - 12-12-75

from your file

Reagan Tests New Campaign Message

Says Nation Needs Leader Who Has No Ties to the 'System'

BY RICHARD BERGHOLZ

Times Political Writer

Americans who are fed up with the "system" in Washington are going to turn to him and his fight against President Ford because he, unlike the President, is not part of the system, former Gov. Ronald Reagan said

which contained numerous allusions to him, was Reagan's first "new" message since he announced his candidacy for the Republican presidential nomination last month.

It was crafted for the Southern Republican Conference this weekend in Houston, where he will be jousting

said, have discovered it is popular to condemn proliferating government and stifling bureaucracy.

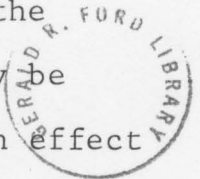
But he said these Democrats "suffer from a kind of political schizophrenia—they know the problem but can only solve it with more of the same doctrinaire liberalism that

RONALD REAGAN QUESTIONS & ANSWERS

HOUSTON DECEMBER 13, 1975

Q Comment, if you have any comment at all, on what I think is the biggest ripoff the federal government has going for them now, and that's the social security system.

A Young people in the room, perk up your ears, because you're the biggest victims of this. Social security, for a number of years--Barry Goldwater, God bless him, tried to warn the people years ago and nobody would listen -- CHEERS -- and now it happens. Social security, on an insurance actuarial basis, is about two and a quarter trillion dollars out of balance, meaning that if all the people presently paying in when it comes time for them to receive, that's how the difference could be, between what's being paid in and what has to be paid out. Every wealthy young people under forty years of age in this country are paying in probably more than twice as much as they can hope to get back from social security. If they have the money, in their own hands, they could go into the open insurance market today and buy an insurance (policy) that would pay them more than double and give them a life protection policy from the first day at the same time.(applause) There are plans that are being discussed by a number of economists. One very interesting plan is one that would legitimize that imbalance by imply --. Well, here's roughly what the plan would do. I just offer this as an example of the thinking of some knowledgeable people. This one would stop the payroll tax, and make the employer's share of social security be given in the paycheck to the worker, so that he would have in effect



a raise of pay. He's no longer paying the tax. But, you then create retirement bonds that have an annuity effect, in other words an insurance feature with them. Retirement bonds, the worker would have to buy ten percent of his income in bonds or 2500 dollars worth, whichever was less. Those who are presently getting would be guaranteed their income, who are presently receiving social security. Those who have been paying in would be given bonds in the amount of the money they have already paid in, and start from there on the buying of additional bonds. But another feature of this system that once they have those bonds, under this plan it is proposed that they could if they saw a better chance to invest those bonds in say a private pension plan, they could do it, which would make the government competitive with private pension plans and there's never anything wrong when you've got competition instead of monopoly. (applause)

Q Until we return to lower levels of government, many functions that have been usurped by the federal government and that are not the federal government's business, not, shouldn't properly do them. I used the 1976 budget figures to estimate that if these federal programs were turned back, what was the cost of them and therefore what could the federal government conceivable reduce in its budget. And it comes to about 90 billion dollars. Now if this were done, and if at the same time the federal government as it turned that spending back, reduced its taxing of the people, local and state governments would have the leeway then to meet the increased tax they would have to pay for these programs. As I said in my remarks, I am confident from our own welfare experience and some other things in California, that they could be run far more



economically at the local level, than at the federal level, and there would be a net gain, so that there would be, even though local and state taxes, for those to continue the program would be raised, there, federal taxes would be decreased more and there would be a net reduction in the total cost of government, federal and state and local. Now, again, as I said in my remarks here, some are trying to portray that I think you could go in and wave a wand and say, stop everything that you're now doing and if they want to pick it up in South Succotash Wisconsin, let 'em do it. Well, ~~that's~~ ^{that's} ~~stat's~~, of course, ridiculous. I think we've got programs on our state level in California that prove that I never thought in this term. This would have to be phased and ordered. You would have to make an orderly transition in turning a program back to the local levels. Well, let's take welfare for example. Let's look at it. Welfare is shared by the state, the local levels of government, usually the county level, it is in California, and the federal government. The federal government puts up about half of the money, but the program is administered at the state and local level now. The only trouble is you've got a giant bureaucracy and a great administration overhead in Washington that's using up dollars, and that has forced thousands of regulations on you that interfere with what you at the local level, faced with your own problem know you could do if you weren't bound in to those federal rules. Now why don't we just cancel that administrative overhead in Washington and cancel those thousands of regulations, and then as I say turning the tax, the taxing source back to the local people, and you'll find that welfare would suddenly be run the way it



should be run. What is the principal wrong with welfare? Very simple. Welfare is a program that if it's successful we should be boasting each year how much less welfare there is, that we've succeeded in solving (applause.) Well, that isn't HEW's idea at all. They've now got a hierarchy there, and a bureaucracy built up for professional welfarists, and the ratcatcher's not about to let the rats be eliminated.

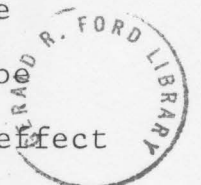


RONALD REAGAN QUESTIONS & ANSWERS

HOUSTON DECEMBER 13, 1975

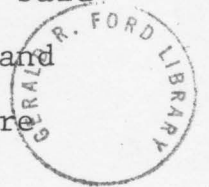
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a raise of pay. He's no longer paying the tax. But, you then create retirement bonds that have an annuity effect, in other words an insurance feature with them. Retirement bonds, the worker would have to buy ten percent of his income in bonds or 2500 dollars worth, whichever was less. Those who are presently getting would be guaranteed their income, who are presently receiving social security. Those who have been paying in would be given bonds in the amount of the money they have already paid in, and start from there on the buying of additional bonds. But another feature of this system that once they have those bonds, under this plan it is proposed that they could if they saw a better chance to invest those bonds in say a private pension plan, they could do it, which would make the government competitive with private pension plans and there's never anything wrong when you've got competition instead of monopoly. (applause)

Q Until we return to lower levels of government, many functions that have been usurped by the federal government and that are not the federal government's business, not, shouldn't properly do them. I used the 1976 budget figures to estimate that if these federal programs were turned back, what was the cost of them and therefore what could the federal government conceivably reduce in its budget. And it comes to about 90 billion dollars. Now if this were done, and if at the same time the federal government as it turned that spending back, reduced its taxing of the people, local and state governments would have the leeway then to meet the increased tax they would have to pay for these programs. As I said in my remarks, I am confident from our own welfare experience and some other things in California, that they could be run far more



economically at the local level, than at the federal level, and there would be a net gain, so that there would be, even though local and state taxes, for those to continue the program would be raised, there, federal taxes would be decreased more and there would be a net reduction in the total cost of government, federal and state and local. Now, again, as I said in my remarks here, some are trying to portray that I think you could go in and wave a wand and say, stop everything that you're now doing and if they want to pick it up in South Succotash Wisconsin, let 'em do it. Well, ~~that's~~ ^{that's} ~~state's~~, of course, ridiculous. I think we've got programs on our state level in California that prove that I never thought in this term. This would have to be phased and ordered. You would have to make an orderly transition in turning a program back to the local levels. Well, let's take welfare for example. Let's look at it. Welfare is shared by the state, the local levels of government, usually the county level, it is in California, and the federal government. The federal government puts up about half of the money, but the program is administered at the state and local level now. The only trouble is you've got a giant bureaucracy and a great administration overhead in Washington that's using up dollars, and that has forced thousands of regulations on you that interfere with what you at the local level, faced with your own problem know you could do if you weren't bound in to those federal rules. Now why don't we just cancel that administrative overhead in Washington and cancel those thousands of regulations, and then as I say turning the tax, the taxing source back to the local people, and you'll find that welfare would suddenly be run the way it



should be run. What is the principal wrong with welfare? Very simple. Welfare is a program that if it's successful we should be boasting each year how much less welfare there is, that we've succeeded in solving (applause.) Well, that isn't HEW's idea at all. They've now got a hierarchy there, and a bureaucracy built up for professional welfarists, and the ratcatcher's not about to let the rats be eliminated.



THE WHITE HOUSE
WASHINGTON

January 22, 1976



National YWCA ducks Phyllis Wh

TO: HON. HOWARD CALLAWAY

High hopes of a pre-Christmas gift in the form of the release of escrow funds by the United Way to the Phyllis Wheatley YWCA were crushed last week.

Representatives of the National Board of the YWCA, U.S.A., who were invited by letter to attend a joint meeting with United Way officials and the Phyllis Wheatley YWCA officials last Tuesday, cancelled the session only a few hours before the scheduled 2 p.m. time. The net result was the National

Board of the YWCA has again ducked the issue and declined to discuss the Phyllis Wheatley status in a joint session with all parties concerned.

* * *

No explanation was given for the late cancellation, but the prospect of the Phyllis Wheatley YWCA getting the long delayed escrow funds before the end of 1975 are slim.

According to officials of the local organization, United Way is prepared to release the funds provided it can get such a recommendation from the

YWCA national board.

Telephonic communication between United Way officials to the Phyllis Wheatley YWCA board members Tuesday was too late to prevent the local board members from arriving at United Way's 95 M St., SW, headquarters as previously scheduled.

More than a dozen Phyllis Wheatley board members were on hand with high expectation of having the long smouldering issue settled in a face-to-face discussion with other parties concerned, but they had to be content

with a 70-minute exchange of views with United Way officials, who had set up the meeting.

* * *

Oral Suer, executive director of the United Way, advised the Phyllis Wheatley YWCA board members that United Way was prepared to release the funds if it could get a clear recommendation from the National YWCA.

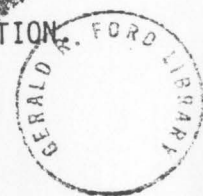
Suer indicated that United Way could not "in good consciousness" release the funds, which to date amount to more than \$100,000, until the

Phyllis Wheatley clarified by the

Phyllis Wheatley member of the YWCA, but at that time had not been officially dependent YWCA National Board. Suer said he would settle the matter.

National YWCA letter on Dec. 31 meeting in Wash

FOR YOUR INFORMATION



JOHN CALHOUN
Special Assistant to the President

To Peter Kaye -
FYI

Merry
Christmas

Washington Afro-American

and THE WASHINGTON TRIBUNE

Christmas

Year No. 33

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WASHINGTON, D.C., DECEMBER 23, 1975

RED ★ EDITION

25 CENTS ONE YEAR \$12.00

Reagan calls welfare recipients 'rats'

Bank takes
over

Keith becomes

Jesse says

THE WHITE HOUSE
WASHINGTON

January 22, 1976

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Phyllis Wheatley status as a YWCA is clarified by the National Board.

Phyllis Wheatley is no longer a member of the National Capital Area YWCA, but at the same time has not been officially recognized as an "independent YWCA" by the the National Board. Such recognition would settle the matter without further delay.

National YWCA officials agreed by letter on Dec. 3 to attend the proposed meeting in Washington to discuss the

situation with United Way and Phyllis Wheatley officials, but then suddenly cancelled the meeting.

Phyllis Wheatley officials have advised national officials of the urgency of settling the matter, and expressed "disappointment" in their failure to attend the "cancelled" meeting.

They also are seeking some immediate relief, hopeful that something can be done before the end of the year. — A.M. Carter

END TO
BUT
Merry
Christmas

Washington Afro-American

and THE WASHINGTON TRIBUNE

Merry
Christmas

84th Year No. 33

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WASHINGTON, D.C., DECEMBER 23, 1975

RED ★ EDITION

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Reagan calls welfare recipients 'rats'



Bank takes
over Stax;
album set

MEMPHIS, Tenn. — A bank which bought most of the assets of Stax Records, Inc. after the firm defaulted on a \$3 million loan, is planning to produce a black history album to help put Stax back on its feet and to finance a national memorial to Dr. Martin Luther King Jr.

Bill Matthews, board chairman of Union Planters National Bank said he has discussed the idea with "several internationally known black artists" and is nearing the contract-signing stage of the deal.

He said the album would be produced with a Bicentennial theme.

Keith becomes
2nd chief judge

(See recap of key Keith decisions inside)

DETROIT — Federal Judge Damon J. Keith has become the second member of his race to assume the influential post of chief judge of a U.S. district court.

Judge Keith, whose precedent-setting decisions have covered a broad scope from civil rights to illegal government wiretaps, moved up to chief judge of the U.S. District Court, Eastern District of Michigan, on Dec. 13.

Appointed by the late

Jesse says
'rats' can
stop 'cal'

By Alverta Moore
BALTIMORE — A statement by conservative Republican presidential hopeful Ronald Reagan which seemingly compared welfare recipients to rats has been denounced by black leaders who feel the ex-governor of California is unsympathetic to the needs of the poor.

"It certainly shows a lack of sensitivity on Mr. Reagan's part," said Mrs. Audrey Williams, executive assistant to the director of the department of social services here in referring to the comment



CHRISTMAS SMILE comes from Tiare Jones, 3, who miraculously escaped death July 23 as she fell five stories to the ground when the fire escape she and her babysitter were standing on collapsed as they awaited rescue from a burning

building. She was treated to a visit last week to the Bide-A-Wee animal home in New York. The babysitter died in the fall. Behind her is the fantastic picture made of the fall by Stanley Forman of the Boston Herald-American. (UPI Telephoto)

Fort Lincoln has groundbreaking

A recent groundbreaking this morning signaled the start of construction at Fort Lincoln New Town, a planned 360-acre "city within a city" on vacant land at the northeast edge of the District of Columbia. H. R. Crawford, assistant secretary of HUD, joined District of Columbia Mayor Walter Washington, Theodore Hagans Jr., the developer and other federal and community officials at groundbreaking ceremonies attended by some 300 persons.

eventually will have a population of 15,000 persons living in a wide variety of townhouses and condominiums, and rental apartments, with at least 70 per cent of the residents owning their own homes. A 30-acre Town Center with offices, stores, services and restaurants is expected to employ about 7,000 persons. Two schools and a 78-acre open space recreational area with a seven-acre lake also will be part of the development.

Theodore R. Hagans Jr., president of Fort Lincoln New Town Corporation, reported that he is waiting for a final decision from the administration on the previously announced plans to go ahead with a one million sq. ft. federal office building to house the National Oceanic and Atmospheric Administration in Fort Lincoln's Town Center.

acres will be developed in a series of sections of about 800 to 1,200 units each so that detailed planning can be responsive to changing market conditions. Housing construction is expected to total 500 to 700 homes a year. When the Town Center is underway, construction will create about 2,500

Fort Lincoln's residential

(Continued on page 2)

(Continued on Page 3)

Reformers oppose criminal justice bill

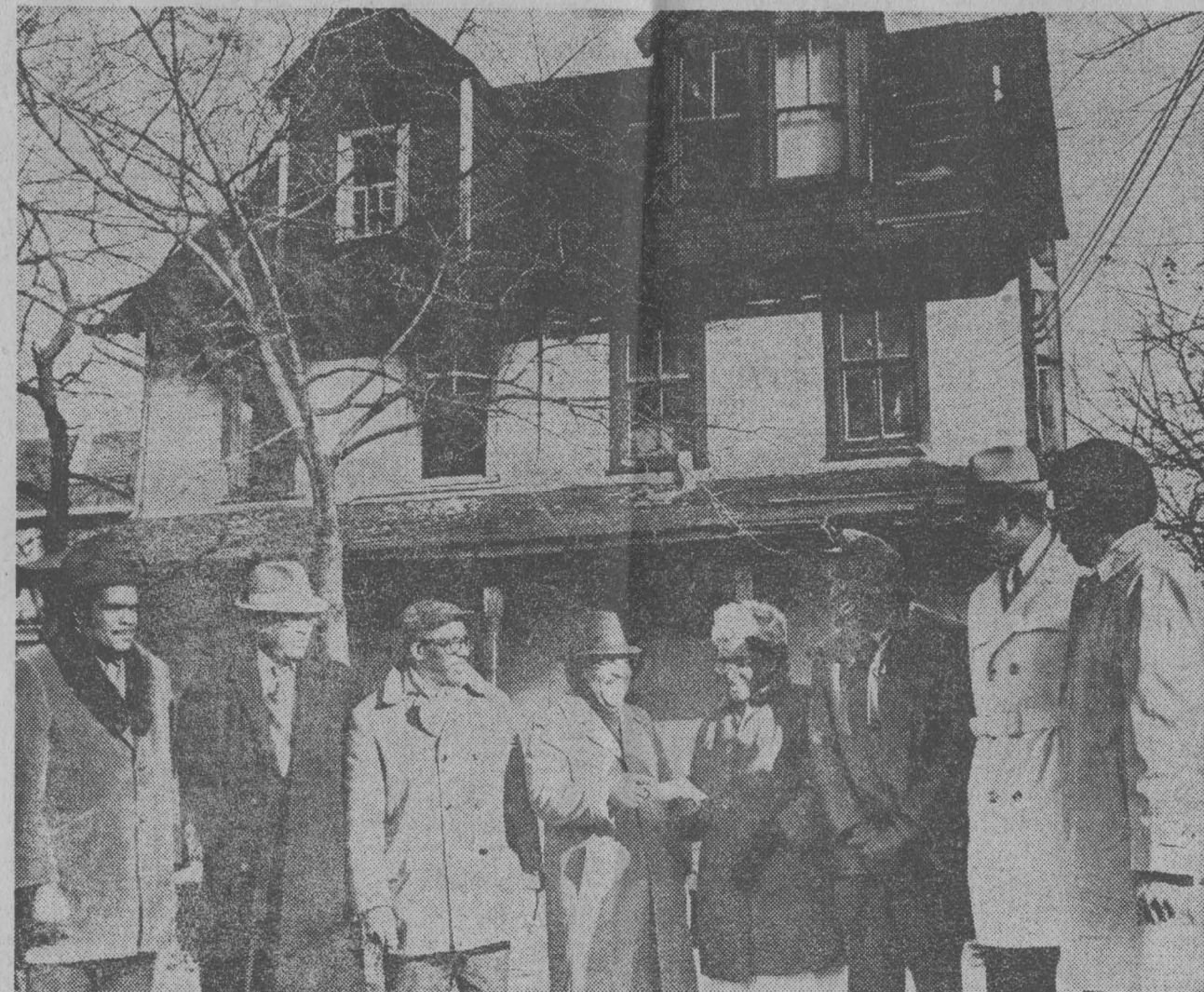
The Committee to Reinvolve Ex-Offenders is strongly opposed to the Scientologists For Freedom recently announced that it is strongly opposed to the Criminal Justice Reform Act of 1975, Senate Bill 1, generally referred to as "S. 1." The S. 1 bill "is a recodification of federal criminal justice statutes, largely drafted by the Nixon administration," according to the committee. It further holds that

"critics charge that its (S.1's) effect would be to establish a total police state, and dozens of social reform groups, newspaper and publishers associations, legal and religious organizations are calling for its defeat." Kathy Flanagan, spokesperson for the committee, stated, "One of the general purposes of the bill, is 'to promote the correction and rehabilitation of persons

(Continued on Page 2)

Holiday notice

The Washington AFRO-AMERICAN will publish only one big special holiday edition this week. The combined AFRO Christmas Week Edition is on the newsstand and the street (today) Tuesday, the regular publication day for the Red Star edition. The same schedule will be followed next week because of the Christmas and New Year's holidays. The AFRO office will be closed on Christmas Day and New Year's Day. Deadlines for the New Year's Week Edition are Friday, for advertising, and Saturday noon for correspondents' news copy. Call 332-0080 for subscriptions or home delivery.



D.C. LAYMEN'S Association members present a check to Alice and William Clark, who were burned out of their home earlier this month. (L to R) William Harris, deacon at Israel Baptist Church; Theodore Wilson, president of the Eastern Region of the Laymen's Association and deacon at Israel;

Ralph Morton, deacon at Guiding Star Baptist Church; James U. Smith, president of D.C. Laymen's Association and deacon at United Baptist Church; Mr. and Mrs. Clark; Olson Jackson, deacon at Isle of Patmos Baptist Church and Rev. Raymond Alexander Smith, pastor of Guiding Star Baptist Church.

(AFRO photo by Cabell)

Earlier this month, Union Planters bought Stax's subsidiary, East Memphis Music Corp., in an auction. It also purchased the Stax-East Memphis catalog of musical copyrights. The purchases amounted to \$3 million.

Between 1970 and 1974 the bank tended Stax about \$10.5 million. Union Planters began foreclosure proceedings on Stax in November after East Memphis defaulted on a \$3 million loan.

On the eve of the auction, Stax attorney Michael Pleasants had attempted to stop the sale for Stax.

He told U.S. District Judge Robert M. McRae Jr. the sale "would virtually kill efforts to resurrect" Stax.

McRae refused to issue an injunction to stop the auction, saying the firm appeared to be asking for a "free ride" in light of its default.

son in 1967, Judge Keith's seniority put him in line for the powerful judicial post when his predecessor, Frank M. Kaess, took senior status.

There are 12 judges in the Eastern District, three of them on senior status, meaning they carry only half a work load.

As chief judge, Judge Keith speaks for the court, presides at regular meetings, empanels grand juries, approves hiring and promotions and is in

JUDGE DAMON KEITH

charge of other court functions. Earlier this year Judge James B. Parsons became chief judge of the Northern District, Illinois, in Chicago.

In the next four to six years there could be two more black chief judges of U.S. district courts, Judge Aubrey Robinson in Wash-

(Continued on page 2)

speech in Houston. In response to a question, Reagan said he felt the major defect of the present welfare system was that its success is not judged by its ability to remove people from the welfare roles.

"That isn't HEW's (Department of Health, Education and Welfare) idea at all," he said. "They've got a hierarchy there, and a bureaucracy built up for professional welfarists, and

(Continued on Page 3)

Yule spirit lives: churchmen aid family

By Gail Hamer
AFRO Staff Writer

It's Christmastime again and while millions of fami-

lies in the District as well as across the nation celebrate the birth of Jesus Christ, the prayer of one family will be that they will once again have a home.

In the spirit of good will toward men, the D.C. Laymen's Association of the Progressive Baptist Convention have come to the aid of the William O. Clark family whose home was destroyed by fire.

Clark, a deacon at Guiding Star Baptist Church, received clothes, money and other necessities from fellow laymen all over the city when the Laymen's Association learned of their member's plight.

According to Raymond Smith, pastor of Guiding Star, the Isle of Patmos Baptist Church and Israel Baptist Church were particularly generous in aiding the unfortunate family.

Benjamin Johnson, a deacon at Mt. Pleasant Baptist Church and director of the project to aid the Clarks, said that not only have the churches throughout the city been cooperative but also Curtis Calip Jr. of Northeast Ford pitched in and gave clothes after merely hearing of the project.

In biting 18 degree weather Clark stood in front of his home last week and recounted the disaster.

On the afternoon of Dec. 10 Clark was taking a nap on his sofa. Rest was necessary for Clark who works part-time because he is disabled.

His 19-year-old daughter Joyce Clark Scott and his mother-in-law, 87-year-old Sally Morton, were also in the living room of the two story home at 1109 Michigan Ave., NE,

Clark's son-in-law, Leroy Scott (Joyce's husband) entered, awoke Clark and told him he smelled smoke.

Clark said that he immediately called the fire department and momentarily after he finished the call he heard his daughter yell, "Mrs. Williams' kitchen was in a light blaze of fire."

The Williamses and the Clarks are next door neigh-

(Continued on Page 2)

Notes 95th birthday

Daughter of a woman who died last year at the age of 119, Mrs. Jennie Allen of 1140 N. Capitol St., Washington, celebrated her 95th birthday on Saturday, Dec. 20.

Among her visitors was Father Horace McKenna of St. Aloysius Catholic Church who brought blessings. Other wellwishers included her live-in nurse, Mrs. Lois Richardson; a devoted friend, Mrs. Frances Cooper; a great-grandniece whom she reared, Mrs. Sharon Gardner and husband, John and Mrs. Lillie Mae Johnson.

Mrs. Allen is the daughter of Mrs. Emma Spriggs who died in December, 1974, three months short of her 120th birthday on March 22.

Requiring use of a cane for walking, Mrs. Allen was in good spirits on her birthday. Asked what she wanted for Christmas, she replied "Health and understanding, and to live another year."

POLITICAL FRONT

Reagan's plan in for scrutiny

By GEORGE DISSINGER
TRIBUNE Politics Writer

Those who remember Sen. George McGovern's 1972 presidential campaign proposal to pay every American \$1,000 a year from the federal treasury may now want to study Ronald Reagan's plan to cut the

to enact a sales or income tax to cover the costs of assuming the shifted programs. Reagan replied:

"But isn't this a proper decision for the people of the state to make?"

Reagan doesn't know and neither do the citizens of New Hampshire

the programs could be run more efficiently and less costly at state and local levels.

But the key element in his plan is the option for state and local governments to pick up or drop the programs.

VIRGINIA PAYETTE

Reagan Ignores Ladies, Runs Political Risk

Ronald Reagan likes to joke about how, back in his movie-actor days, he never got the girl. And unless he mends his ways, he isn't going to get her next year.

vetoed a maternity leave bill and killed day-care legislation that would have helped welfare mothers become self-supporting. So far, he's the only se-



Legislative Report

Reagan Blamed for Malpractice Mess

A legislative report charged Friday that the State Department of Insurance under Gov. Ronald Reagan contributed to the current medical malpractice insur-

telephone interview.

The report issued by the Joint Legislative Audit Committee asserted that the Department of Insurance added to Cali-

for years to the Department of Insurance," said Assemblyman Mike Cullen, D-Long Beach, committee chairman.

"Why these storm warnings did not

Legislature, Reagan and Gov. Edmund G. Brown Jr. of the impending medical malpractice crisis as early as 1973.

He said the Department of



San Diego Evening Tribune
12-23-75

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December 30, 1975

MEMORANDUM FOR:

BO CALLAWAY

FROM:

FRED SLIGHT

SUBJECT:

Reagan's Proposed \$90 Billion
Plan

For your information, I attach an outline listing of the specific programs and general areas affected by Reagan's proposed reduction in the Federal budget for FY '76.

The categories are Reagan's own as are the dollar amounts "saved" which are indicated in parentheses. The programs themselves are taken largely from the Stout, Ottenad, and Buchanan articles and encompass both "Plan I" and the revised "Plan II". No one outside the Reagan campaign, except selected members of the media, apparently have seen either of these proposals.

I am now seeking to identify Federal outlays to New Hampshire and Florida for these categories, however the complexity of this task combined with the very short time frame in which we have to operate is not very encouraging for obtaining specific dollar amounts.

Attachment

cc: Stu Spencer
Bob Marik
Peter Kaye ✓



SPECIFIC PROGRAMS & GENERAL AREAS
AFFECTED BY PROPOSED REDUCTIONS & TRANSFERS

I. Education, Manpower & Social Services (\$13.7 billion)

- Elementary education
- Secondary education
- Vocational education
- Head Start program
- Full range of "social services" (including total elimination of some special rehabilitation efforts for the severely retarded and those with cerebral palsy)
- Federal-State Employment Service (totally eliminated, including \$50 million in special funds to help veterans find jobs)
- Meals for elderly (some 200,000 persons receive one/day)

II. Community & Regional Development (\$5.5 billion)

- Community Action Agencies
- VISTA
- Legal services
- Economic Development Administration
- Community Services Administration
- Regional Action Planning Commission

III. Commerce & Transportation (\$10 billion)

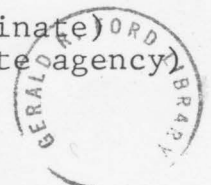
- Mass transit
- Postal Service subsidies
- Airlines, ship operators and builders, & airport subsidies
- Non-interstate highway construction
- Army Corps of Engineers (suspend most domestic projects of Corps)
- Bureau of Reclamation
- Soil Conservation Service

IV. Income Security (\$22 billion)

- Food Stamps program
- Aid to Families with Dependent Children program
- School lunch program
- Certain housing assistance for the needy
- Certain funds for unemployment benefit

V. Law Enforcement & Justice (\$1 billion)

- Law Enforcement Assistance Administration (totally eliminate)
- Legal Services Corporation (erase current plans to create agency)



VI. Revenue Sharing (\$6.3 billion)

- Cut program altogether

VII. National Defense (\$2 billion)

- Military personnel pensions (require employee contribution to retirement fund -- initial savings of \$2 billion would not lead to a net reduction as savings would be applied elsewhere)

VIII. Health (\$10.3 billion)

- Medicaid
- Hospital construction
- Health service scholarships
- Grants and contracts for medical schools' special training and education funds
- Grants to state-administered centers which provide maternal and child health care, family planning services, alcohol and drug abuse treatment, migrant, and mental health care

