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THE WHITE HOUSE

WASHINGTON

April 1, 1976

PL/Reagan,
Ronald
BES

MEMORANDUM FOR THE PRESIDENT

FROM:

L. WILLIAM SEIDMAN

BURTON G. MALKIEL

SUBJECT:

Governor Reagan's March 31 Address

Governor Reagan's speech of March 31 is almost pure demagogery. His facts are often wrong and his characterization of present policies is grossly misleading. The major implication of the speech is that we are excessively stimulating the economy for political purposes, just as was ostensibly done in 1972, and the result will be more inflation and an economic collapse. The analogy is completely unfair for the following reasons:

- (1) Just the opposite is true. Our policies are moderate, balanced and geared to producing a solid and sustainable recovery and a reduction of inflation.
 - (a) The President's vetoes during 1975 and 1976 have saved the taxpayers \$13 billion.
 - (b) Monetary expansion is now far more restrained than in 1972. Over the last six months that is, from September 1975 to March 1976 the broadly defined money supply (M₂) has grown at an 8.6 percent annual rate. In the comparable September 1971 March 1972 period, it grew at a 14.6 percent rate. It should also be pointed out that a 14.6 percent rate is well above the 10-1/2 percent upper limit of the Federal Reserve's present target range for the growth rate of the broadly defined money supply.
- (2) It is true that we are running a larger deficit now than in 1972. However, the following points should be made:
 - (a) The unemployment rate is considerably higher now and therefore so are the payments under automatic stabilizing programs such as unemployment compensation. Does Governor Reagan suggest we should reduce or eliminate these programs?

- (b) Capacity utilization was 70.8 percent in the 4th quarter of 1975 versus 78.6 percent during 1972. There is far more room for expansionary policies to increase real output without simply generating inflation.
- (c) The inflation of 1973 and 1974 was not wholly the result of government deficits. It was also influenced by monetary policy and by unusual shocks such as the quintupling of international oil prices and a world wide food shortage.

The Reagan speech does not acknowldge the considerable progress made by the Administration in reducing inflation. Wholesale prices increased 12.5 percent from March 1974 to March 1975. In the twelve months through March 1976 the wholesale price index increased only 5-1/2 percent. Inflation in the CPI was also at double digit rates during the 12 months ending March 1975. Over the last 12 months the CPI has increased at an annual rate of just over 6 percent.

The President's program of matching expenditure cuts with tax relief is ridiculed by Reagan. "If there was \$28 billion in the new budget that could be cut, what was it doing there in the first place?" The whole point is that the President did not put the \$28 billion in his budget. The \$28 billion was measured from a projected current service budget, i.e. a budget assuming the continuance of programs Congress already legislated.

Indeed the President's program is based upon the very premises which Governor Reagan would cite for himself. The President has stated repeatedly that an enduring solution to the unemployment program must go hand in hand with a reduction in inflation. To argue otherwise is dishonest. The President has proposed a radical reordering of budget priorities so as to improve the operation of many federal programs and to slow the rapid rise in federal outlays for the transfer and grant programs. These proposals, if adopted, would enable the budget to swing back into surplus as the recovery carries the economy back toward full employment.

These proposals will also enable a reversal in the long decline in real military outlays, and some modest further reductions in taxes. The President's proposals will leave the incomes of the American people for individuals themselves to spend,



rather than transferring it to the Federal Government. These proposals, if adopted, will enable the transition in the Federal budget which was not made in 1972-73. The President has exercised his veto power 46 times in the past year to insure that the transition is made.

To advocate an immediate balanced budget would be both irresponsible and dishonest. Part of the deficit is due to the recession and the reduced level of Federal revenues. Part of the deficit is due to the explosion of Federal outlays for transfers and grants. It took a decade and more to create these problems. They cannot be solved overnight without imposing intolerable costs upon the American people. They cannot be solved without a solid sustainable recovery, an enduring reduction in inflation and the reordering of budget priorities which the President has proposed.

An immediate balance in the federal deficit would require either a large tax increase or a large expenditure reduction. Such measures would shock the recovery and probably bring it to a halt. The only way to achieve our goals is to follow a prudent and disciplined budget policy, or reorder our budget priorities, to curb the rapid rise in Federal outlays. Otherwise, instead of overshooting the mark as we did in 1972-1973, we will undershoot it -- and the American people will again pay the dual price of recession and inflation.

There were also a number of factual errors in Governor Reagan's speech. Among them are:

- (1) Governor Reagan stated the unemployment rate was over 10 percent at some point during the recession. In fact, it peaked at 8.9 percent in May 1975.
- (2) Governor Reagan stated the FY 1976 budget deficit will be over \$80 billion. In fact, our best estimate is \$76 billion.
- (3) Governor Reagan stated that the maximum social security benefit "today buys 80 fewer loaves of bread than it did when the maximum payment was only \$85 a month." This would imply the average benefit in terms of dollars of constant purchasing power has declined substantially. In fact, the average benefit in terms of constant purchasing power has almost triplied since 1940 when the maximum benefit was \$85.
- (4) Governor Reagan indicated that since the energy bill was enacted "almost instantly, drilling rigs all over our land started shutting down." In fact, there were

1660 drilling rigs operating in 1975, the highest number in a decade. Through mid-March 1976 there were as many rigs operating as were operating in the comparable period during 1975.



THE WHITE HOUSE WASHINGTON

To: Frank Matthews

8

Robert D. Linder



THE WHITE HOUSE

WASHINGTON

April 1, 1976

MEMORANDUM FOR ROBERT T. HARTMANN

FROM:

68

GWEN ANDERSON

SUBJECT:

REAGAN SPEECH

In response to your request for the quickest possible research check on the speech by former Governor Reagan, we checked the drafts of the candidate's speech for factual accuracy. See attached.

In checking any changes in the pre-released text as compared to the speech as it was actually delivered on TV, there were 28 minor changes, according to Bruce Wagner of Campaign '76 (833-8950). Of the 28 changes, however, there was only one factual change on page 11. That changed the figure from 45% to 43%.

This preliminary report has been compiled by three of our five research staff members headed by Agnes Waldron. The other two researchers have been handling the President's speech texts for Wisconsin. We have been assisted by the NSC, FEA, OMB, and PFC staff members cited as sources.

The economic section, despite some data provided by CEA, is obviously incomplete, but the material promised by Mr. Seidman is not yet available at this writing (4 p.m.).

Mr Seidmansmenne (ristd 6:30 pm) er åttachet



ERRORS IN CANDIDATE REAGAN'S SPEECH OF MARCH 31, 1976

Page 1 - paragraph 3 - Reagan Statement

In this election season the White House is telling us a solid economic recovery is taking place. It claims a slight drop in unemployment. It says that prices aren't going up as fast, but they are still going up, and that the stock market has shown some gains. But, in fact, things seem just about as they were back in the 1972 election year. Remember, we were also coming out of a recession then. Inflation has been running at around 6%. Unemployment about 7. Remember, too, the upsurge and the optimism lasted through the election year and into 1973. And then, the roof fell in. Once again we had unemployment. Only this time not 7%, more than 10. And inflation -- wasn't 6%, it was 12%.

RESPONSE -- The peak of unemployment -- 8.9% -- was reached in May, 1975. Latest unemployment figures -- February, 1976 -- show the rate was 7.6%. But Mr. Reagan in depricating these figures failed to note that total employment has returned to the pre-recession peak of July 1974 with 86.3 million at work.

Prices are not going up as fast. Inflation in 1974 was at an annual rate of 12.2%. Today it is at 6.3%.

In 1972 we were further into recovery than we are today. But Mr. Reagan has his statistical facts concerning 1973-74 comewhat askew. The peak unemployment figure was reached in May 1975 at 8.9%. It never reached 10% as he states.

Source -- John Davies, CEA



Page 2 - paragraph 2

Now, in this election year 1976, we're told we're coming out of this recession. Just because inflation and unemployment rates have fallen, to what they were at the worst of the previous recession. If history repeats itself will we be talking recovery four years from now merely because we've reduced inflation from 25% to 12%.

RESPONSE -- All of the figures -- retail sales, GNP, durable goods, housing, personal income, etc. clearly show we are moving out of the recession -- the Administration's statements are not based merely on improved unemployment and cost-of-living statistics as Mr. Reagan implies.



Page 2 - paragraph 3

The fact is, we'll never build a lasting economic recovery by going deeper into debt at a faster rate than we ever have before. It took this nation 166 years -- until the middle of World War II -- to finally accumulate a debt of \$95 billion. It took this administration just the last 12 months to add \$95 billion to the debt. And this administration has run up almost one-fourth of our total national debt in just these short nineteen months.

RESPONSE -- The national debt reached \$72 billion in 1942. The current estimated deficit for FY 1976 is \$76.19 billion. Gross federal debt for FY 1976 is estimated at \$634 billion. Thus the administration's share of the national debt is 15.6¢ not 25%.



Page 2 - paragraph 4

Inflation is the cause of recession and unemployment. And we're not going to have real prosperity or recovery until we stop fighting the symptoms and start fighting the disease. There's only one cause for inflation -- government spending more than government takes in. The cure is a balanced budget. Ah, but they tell us, 80% of the budget is uncontrollable. It's fixed by laws passed by Congress.

RESPONSE -- The President has offered specific plans for a balanced budget. But a large part of the cause of the current recession is the result of past fiscal policies, rapid increases in federal expenditures. There is no quick fix for problems created a decade or more ago. A rapid return to a balanced budget as Mr. Reagan calls for would provide faster progress on inflation, but at the same time, it would mean a long delay in recovery and much longer period of high unemployment.

The budget for FY 1977 estimates that 77.1% of the budget is uncontrollable.



Page 3 - last 2 sentences of top paragraph

But laws passed by Congress can be repealed by Congress. And, if Congress is unwilling to do this, then isn't it time we elect a Congress that will?

RESPONSE -- The open-ended or uncontrollable program caol for outlays of \$383.1 billion in FY 1977 (plus the third quarter) \$236.8 billion is allocated to payments for individuals. Doe Mr. Reagan want to repeal the following:

Social Security and Railroad Retirement -- \$108.0 billion

Federal Employees Retirement benefits -- \$22.9 billion

Veterans Benefits -- \$16.3 billion

Medicare and Medicaid -- \$38.4 billion

Public Assistance programs -- \$26.0 billion



Page 3 - paragraph 2

Soon after he took office, Mr. Ford promised he would end inflation. Indeed, he declared war on inflation. And, we all donned thos WIN buttons to "Whip Inflation Now." Unfortunately, the war -- it is ever really started -- was soon over. Mr. Ford, without WIN button, appeared on TV, and promised he absolutely would not allow the Federal deficit to exceed \$60 billion (which incidentally was \$5 billion more than the biggest previous deficit we'd ever had). Later he told us it might be as much as \$70 billion. Now we learn it's \$80 billion or more.

RESPONSE -- The President did draw a line at a deficit of \$60 billion on March 29, 1975 in a televised address. The largest single year deficit occurred in 1943 -- \$57.4 billion. The difference between 57.4 and 60 billion is of course \$3.6 billion. The current estimated deficit for FY 76 is not \$80 billion or more, it is \$76.9 billion.



Page 3 - paragraph 3

Then came a White House proposal for a \$28 billion tax cut, to be matched by a \$28 billion cut in the proposed spending -- not in the present spending, but in the proposed spending in the new budget. Well, my question then and my question now is, if there was \$28 billion in the new budget that could be cut, what was it doing there in the first place?

RESPONSE -- The proposed \$28 billion cut was not a cut in the budget as suggested in the next to last line, it was a \$28 billion cut in Federal expenditures in programs already in place. The President's proposal was an effort to prevent further increases in spending.

SOURCE: John Davies, CEA



Page 4 - paragraph 1

It would have been nice if they'd thought of some arrangement like that for the rest of us. They could, for example, correct a great unfairness that now exists in our tax system. Today, when you get a cost of living pay raise -- one that just keeps you even with purchasing power -- it often moves you up into a higher tax bracket. This means you pay a higher percentage in tax, but you reduce your purchasing power. Last year, because of this inequity, the government took in \$ 7 billion in undeserved profit in the income tax alone, and this year they'll do even better. Now isn't it time that Congress looked after your welfare as well as its own?

RESPONSE -- Inflation does indeed increase taxes. The President has recognized this and has been successful in reducing the inflation rate by 50%. He has also proposed curbing the rise in expenditures and matched this with a comparable tax cut.

SOURCE: John Davies, CEA



Page 5 - paragraph 3

Ending inflation is the only long range and lasting answer to the problem of unemployment. The Washington Establishment is not the answer. It's the problem. Its tax policies, its harassing regulations, its confiscation of investment capital to pay for its deficits keeps business and industry from expanding to meet your needs and to provide the jobs we all need.

RESPONSE -- The President's economic policies are antiinflationary. That is why he has vetoed 46 bills and saved the taxpayers \$13 billion.

SOURCE: Pete Modelin, OMB



Page 6 - paragraph 2

At the time we were only importing a small percentage of our oil. Yet, the Arab boycott caused half a million Americans to lose their jobs when plants closed down for lack of fuel. Today, it's almost three years later and "Project Independence" has become "Project Dependence." Congress has adopted an energy bill so bad we were led to believe Mr. Ford would veto it. Instead he signed it. And, almost instantly, drilling rigs all over our land started shutting down. Now, for the first time in our history, we are importing more oil than we produce. How many Americans will be laid off if there is another boycott? The energy bill is a disaster that never should have been signed.

RESPONSE -- Candidate Reagan stated we were only importing a small percentage of our oil -- actually 35%. When he stated it's almost three years -- in fact -- it is only two years March, 1974 to the present. The amount of oil that we imported during 1975 was 6.0 bm/d, and we produced 8.4 mb/d.

SOURCE: FEA, Bruce Pasternak and Jim Peterson



SOURCE: CHRIS RATHKOPH/FRANK ZARB
FEA -- Administrator's Office

Page 6 Paragraph 2

Reagan Statement:

Today, it's almost three years later and "Project Independence" has become "Project Dependence." Congress
has adopted an energy bill so bad we were led to believe
Mr. Ford would veto it. Instead he signed it.

RESPONSE:

The Energy Policy and Conservation Act passed by
the Congress in December signaled an end to the year long
debate between the Congress and the Administration on oil
pricing policy and opens the way to an orderly phasing out
of controls on domestic oil over forty months, thereby
stimulating our own oil production. Over time, this legislation, by removing controls, should give industry sufficient
incentive to explore, develop and produce new fields in the
outer continental shelf, Alaska, and potential new reserves
in the lower forty-eight states. Removal of these controls
at the end of forty months should increase domestic production by more than one million barrels per day by 1985
and reduce imports by about three million barrels per day.

More importantly, this bill enables the United States to meet a substantial portion of the mid-term goals for

energy independence set forth over a year ago. Incorporated in this are authorities for a strategic storage system, conversion of oil and gas-fired utility and industrial plants to coal, energy efficiency labeling, emergency authorities for use in the event of another embargo, and the authority we need to fulfill our international agreements with other oil consuming nations. These provisions will directly reduce the nation's dependency on foreign oil by almost two million barrels per day by 1985. The strategic storage system and the stand-by authority will enable the United States to withstand a future embargo of about four million barrels per day.



Page 7 - paragraph 3 Page 9 - paragraph 2

California was faced with insolvency and on the verge of bankruptcy. We had to increase taxes. Well, this came very hard for me because I felt taxes were already too great a burden. I told the people the increase, in my mind, was temporary and that, as soon as we could, we'd return their money to them.

This was government-by-the-people proving that it works when the people work at it. When we ended our eight years, we turned over to the incoming administration a balance budget. A \$500 million surplus. And, virtually the same number of employees we'd started with eight years before. Even though the increase in population had given some departments a two-thirds increase in work load.

RESPONSE -- The number of state employees increased from 113,779 in 1967 to 127,929 in 1975. Under Reagan, there were three huge tax increases totalling more than \$2 billion in 1967.

In 1967, there was an increase of \$967 million, the largest state tax hike in the nation's history. Of this, \$2280 million went for one-time deficit payment and state property tax relief. In 1971, the increase was \$488 million with \$150 million for property tax relief. In 1972, an increase of \$682 million with \$650 million for property tax relief. Much of this property tax relief was short term, but the overall tax increases were permanent.

State personal income tax revenues went from \$500 million to \$2.5 billion, a 500% increase. Taxable bracket levies were increased from 7% to 11%. The size of the brackets was reduced so that taxpayers reached the highest bracket more quickly and personal exemptions were reduced. Finally, after he adamantly denied that he would ever do so, the Governor agreed to a system of withholding state income taxes.

Bank and corporation taxes went up 100%. The state sales tax rose from 4% to 6%. The tax on cigarettes went up 7 cents a pack and the liquor tax rose 50 cents per gallon. Inheritance tax rates were increased and collections more than doubled.

Page 7 - paragraph 3
Page 9 - paragraph 2
continued

Under Reagan, the average tax rate for each \$100 of assessed valuation rose from \$8.84 to \$11.15. Under predecessor Pat Brown, the increase was much less in dollars and percentage -- from \$6.96 to \$8.84, and in the six years of Republican Knight's administration, it was still less -- from \$5.94 to \$6.96. One reason for the big increase under Reagan -- from \$3.7 billion to \$8.3 billion -- is that the state paid a statutory formulated percentage of the school costs -- one of the biggest reasons for local property taxes.

Despite periodic efforts to provide relief there has been a substantial increase in the burden carried by most property owners. Inflation and high assessments have helped wipe out any savings. Only \$855 million of the record \$10.2 billion budget in Reagan's final year was for tax relief for homeowners and renters.

SOURCE: Peter Kaye, PFC



Page 10 - paragraph 4

And in less than three years we reduced the rolls by more than 300,000 people. Saved the taxpayers \$2 billion.

RESPONSE -- Substitute for 300,000 and \$2 billion the following:

- 1. Drop by 20,000 persons in rolls due to correction in accounting procedures in largest county, Los Angeles.
- 2. Migratory rate of unemployed into California declined from 233,000 in 1967 to 44,000 in 1971.
- 3. 110,000 decline in rolls attributed to Reagan even though his welfare had not gone into effect when decline occurred.
- 4. Rolls for welfare families increased in 8 years of Reagan's Governorship from 729,357 to 1,384,400 and the cost went from \$32.3 million to \$104.4 million.

SOURCE: Peter Kaye, PFC



Page 11 - top sentence

And, increased the grants to the truly deserving needy by an average of 43%. We also carried out a successful experiment which I believe is an answer to much of the welfare problem in the nation. We put able-bodied welfare recipients to work at useful community projects in return for their welfare grants.

RESPONSE -- The program never touched more than 6/10th of 1% of welfare recipients. Also, the program designed to have 59,000 participants in 1st year in 35 counties, but program managed 1,100 participants in 10 counties in mostly rural farm areas.

SOURCE: Peter Kaye, PFC



Page 12 - paragraph 4

Independent business people, shopkeepers and farmers file billions of reports every year required of them by 'Washington. It amounts to some 10 billion pieces of paper each year and it adds \$50 billion a year to the cost of doing business. Washington has been loud in its promise to do something about this blizzard of paperwork. And they made good. Last year they increased it by 20%.

RESPONSE -- The figures 10 billion and 50 billion are guestimates. No one has counted the number of pages in all of these reports. Moreover, if it is liberally estimated that it costs \$100 an hour to work on these forms, the total cost to business would be \$4.3 billion.

Between December, 1974 and December, 1975, the number of reports from the Executive branch agencies excluding IRS, banking and regulatory agencies declined by 5%. However, the number of hours of burden associated with filling out the reports increased by 8%. One reason for that increase is reports required by the Congress, i.e., the Real Estate Settlements Act which requires information to be filed when house was sold added 4 million manhours of reporting burden last year. In the absence of that report the reporting burden would have declined. There are other reports mandated by Congress which have added to this burden.

Dr. Duncan can see no reason for the increase of 20% that candidate Reagan was talking about. It is also virtually impossible to estimate cost to business in completing the forms.

SOURCE: Dr. Duncan, OMB, and Roy Lawry of OMB



SOURCE: BUD MCFARLAND, NSC

Page 13

Paragraph 3

Reagan Statement:

We gave just enough support to one side in Angola to encourage it to fight and die but too little to give it a chance of winning.

Response:

The U.S. objective in supporting the FNLA/UNITA forces in Angola was to assist them, and through them all of black Africa, to defend against Soviet and Cuban intervention. Despite massive Soviet aid and the presenve of Cuban troops, we were on the road to success in Angola until December 19 when Congress adopted the Tunney Amendment cutting off further U.S. aid to the FNLA and UNITA.

Page 13 Paragraph 3

Reagan Statement:

Mr. Ford's new Ambassador to the United Nations attacks our long time ally Israel.

Response:

Governor Scranton not only did not attack Israel, his veto blocked an unbalanced Security Council Resolution critical of

Israel -- a resolution that every other member of the Security

Council voted for. In his March 23 speech in the United Nations

Security Council Gov. Scranton was simply reiterating long-standing

U. S. policy -- a policy articulated by every Administration since

1967 -- on Israel's obligations as an occupying power under international.

law with regard to the territories under its occupation.

Page 13 Paragraph 3

Reagan Statement:

In Asia our new relationship with mainland China can have practical benefits with both sides. But that doesn't mean it should include yielding to demands by them as the Administration has, to reduce our military presence on Taiwan where we have a long-time friend and ally, the Republic of China.

Response:

We have not reduced our forces on Taiwan as a result of Peking's demands. Instead, our reductions stem from our own assessment of U.S. political and security interests. We have drawn our forces down because the Vietnam conflict has ended and because the lessening of tension in the area brought about by our new relationship with the People's Republic of China has made it possible.



Page 13-14 Paragraph 3

Reagan Statement:

And, it is also revealed now that we seek to establish friendly relations with Hanoi. To make it more palatable, we are told this might help us learn the fate of the men still listed as Missing in Action.

Response:

The Congress, reflecting the views of the American people and the Administration, has called for an accounting of our Missing in Action and the return of the bodies of dead servicemen still held by Hanoi. The Administration, in keeping with this Congressional mandate, has offered to discuss with Hanoi the significant outstanding issues between us. We have not said we "seek to establish friendly relations with Hanoi." Such an assertion is totally false.

Page 14 Paragraph 2

Reagan Statement:

In the last few days, Mr. Ford and Dr. Kissinger have taken us from hinting at invasion of Cuba to laughing it off a ridiculous idea.

Except, that it was their ridiculous idea. No one else suggested it.

Once again -- what is their policy? During this last year, they carried

on a campaign to befriend Castro. They persuaded the Organization of American States to lift its trade embargo, lifted some U.S. trade restrictions, they engaged in culture exchanges. And then on the eve of the Florida primary election, Mr. Ford went to Florida, called Castro an outlaw and said he'd never recognize him. But he hasn't asked our Latin American neighbors to reimpose a single sanction, nor has he taken any action himself. Meanwhile, Castro continues to export revolution to Puerto Rico, to Angola, and who knows where else?

Response:

We did not persuade the OAS to lift the sanctions against

Cuba. At Quito in the fall of 1974 we did not support a motion in the

OAS to do so. At San Jose last summer the U.S. voted in favor of an

OAS resolution which left to each country freedom of action with regard

to the sanctions. We did so because a majority of the OAS members

had already unilaterally lifted their sanctions against Cuba, and because
the resolution was supported by a majority of the organization members.

Since that resolution passed, no additional Latin American country has
established relations with Cuba.

The U.S. did not lift its own sanctions against Cuba, did not enter into any agreements with Cuba, and did not trade with Cuba. We did not engage in cultural exchanges. We validated some passports for U.S. Congressmen and their staffs, for some scholars and for



some religious leaders to visit Cuba. We issued a few select visas to Cubans to visit the U.S. These minimal steps were taken to test whether there was a mutual interest in ending the hostile nature of our relations. This policy was consistent with the traditional American interest in supporting the free flow of ideas and people. We have, since the Cuban adventure in Angola, concluded that the Cubans are not interested in changing their ways. We have resumed our highly restrictive policies toward Cuban travel. With regard to Cuban efforts to interfere in Puerto Rican affairs, we have made it emphatically clear in the UN and bilaterally to the Cubans and other nations that the U.S. will not tolerate any interference in its internal affairs.

Page 15 Paragraph 2

Reagan Statement:

The Canal Zone is not a colonial possession. It is not a long-term lease. It is sovereign U.S. territory every bit the same as Alaska and all the states that were carved from the Louisiana Purchase. We should end those negotiations (on the Panama Canal) and tell the General: We bought it, we paid for it, we built it and we intend to keep it.



Response:

Negotiations between the United States and Panama on the Canal have been pursued by three successive American Presidents.

The purpose of these negotiations is to protect our national security, not diminish it.

Finally, Governor Reagan's view that the Canal Zone is
"sovereign U.S. territory every bit the same as Alaska and all the
states that were carved from the Louisiana Purchase" is incorrect.

Legal Scholars have been clear on this for three-quarters of a century.

Unlike children born in the United States, for example, children born
in the Canal Zone are not automatically citizens of the United States.

Page 16 Paragraph 2

Reagan Statement:

Why did the President travel halfway 'round the world to sign the Helsinki Pact, putting our stamp of approval on Russia's enslavement of the captive nations?

We gave away the freedom of millions of people -- freedom that was not ours to give.

Response:

The President did not go to Helsinki to put the stamp of approval on Soviet domination of Eastern Europe. On the contrary,

he went to Helsinki along with the Chiefs of State or heads of government of all our Western allies and, among others, a Papal Representative, to sign a document which contains Soviet commitments to greater respect for human rights, self determination of peoples, and expanded exchanges and communication throughout Europe. Basket three of the Act calls for a freer flow of people and ideas among all the European nations.

The Helsinki Act, for the first time, specifically provides for the possibility of peaceful change of borders when that would correspond to the wishes of the peoples concerned. With regard to the particular case of the Baltic States, President Ford stated clearly on July 25 that "the United States has never recognized that Soviet incorporation of Lithuania, Latvia and Estonia and is not doing so now. Our official policy of non-recognition is not affected by the results of the European Security Conference." in fact, the Helsinki document itslef states that no occupation or acquisition of territory by force will be recognized as legal.

Page 16 Paragraph 3

Reagan Statement:

Now we must ask if someone is giving away our own freedom.

Dr. Kissinger is quoted as saying that he thinks of the U.S. as Athens

and the Soviet Union as Sparta. "The day of the U.S. is past and today is the day of the Soviet Union." And he added, "...My job as Secretary of State is to negotiate the most acceptable secondbest position available."

Response:

Governor Reagan's so-called quotes from Secretary Kissinger are a total and irresponsible fabrication. He has never said what the Governor attributes to him, or anything like it. In fact, at a March 23, 1976 press conference in Dallas Secretary Kissinger said: "I do not believe that the United States will be defeated. I do not believe that the United States is on the decline. I do not believe that the United States must get the best deal it can.

I believe that the United States is essential to preserve the security of the free world and for any progress in the world that exists.

In a period of great national difficulty, of the Viet-Nam war, of Watergate, of endless investigations, we have tried to preserve the role of the United States as that major factor. And I believe that to explain to the American people that the policy is complex, that our involvement is permanent, and that our problems are nevertheless soluble, is a sign of optimism and of confidence in the American people, rather than the opposite."

Page 17 Paragraph 2

Reag an Statement:

Now we learn that another high official of the State

Department, Helmut Sonnenfeldt, whom Dr. Kissinger refers to as
his "Kissinger", has expressed the belief that, in effect, the captive
nations should give up any claim of national sovereignty and simply
become a part of the Soviet Union. He says, 'Their desire to break
out of the Soviet straightjacket' threatens us with World War III.
In other words, slaves should accept their fate."

Response:

It is wholly inaccurate, and a gross distortion of fact, to ascribe such views to Mr. Sonnenfeldt or to this Administration.

Neither he nor anyone else in the Administration has ever expressed any such belief. The Administration view on this issue was expressed by Secretary Kissinger before the House International Relations

Committee on March 29 as follows:

"As far as the U.S. is concerned, we do not accept a sphere of influence of any country, anywhere, and emphatically we reject a Soviet sphere of influence in Eastern Europe.

"Two Presidents have visited in Eastern

Europe; there have been two visits to Poland and

Romania and Yugoslavia, by Presidents. I have made

repeated visits to Eastern Europe, on every trip to

symbolize and to make clear to these countries that we

are interested in working with them and that we do not

accept or act upon the exclusive dominance of any one

country in that area.

"At the same time, we do not want to give encouragement to an uprising that might lead to enormous suffering. But in terms of the basic position of the United States, we do not accept the dominance of any one country anywhere.

"Yugoslavia was mentioned, for example. We would emphatically consider it a very grave matter if outside forces were to attempt to intervene in the domestic affairs of Yugoslavia. We welcome Eastern European countries developing more in accordance with their national traditions, and we will cooperate with them. This is the policy of the United States, and there is no Sonnenfeldt doctrine."

SOURCE: BUD McFARLANE, NSC

Page 16

Paragraph 1

Reagan Statement:

The Soviet Army outnumbers ours more than two-to-one and in reserves four-to-one. They out-spend us on weapons by 50%. Their Navy outnumbers ours in surface ships and submarines two-to-one. We are outgunned in artillery three-to-one and their tanks outnumber ours four-to-one. Their strategic nuclear missiles are larger, more powerful and more numerous than ours. The evidence mounts that we are Number Two in a world where it is dangerous, if not fatal, to be second best.

RESPONSE:

Our nation is not "in danger," but it is damaging to the interests of this country when a politician declares to our adversaries and our friends abroad -- completely falsely -- that we are in second place. Such statements are both irresponsible and dangerous. They alarm our people and confuse our allies.

-- It is meaningless to say the Soviet Army may now be twice the size of the US Army! Considering that about half of the Soviet Army is deployed on the Chinese border, that isn't all that surprising. I suppose that if

we had to defend our borders and thus doubled our forces to do it, Mr. Reagan would be happier. Simplistic rhetoric such as this reflects a disturbingly shallow grasp of what true balance is all about.

-- For example, Mr. Reagan conveniently neglects to point out that our strategic forces are superior to Soviet forces. Our missiles are far more accurate and survivable. We have over twice as many missile warheads and, after all, it is the warheads which actually reach the target. Our lead in this area has been increasing over the past several years. Mr. Reagan likewise ignores our vast superiority in strategic bombers.

In short, if Mr. Reagan wants to alarm with use of numbers he can; but it only portrays his superficial understanding of these matters and by inflaming opinion -- at home and abroad -- falsely, does not serve the public interest.

-- Let's look at actions as opposed to words. President Ford is the one who reversed the trend of shrinking defense budgets. His last two defense budgets are the highest peacetime budgets in the nation's history. Mr. Reagan should speak to the Democratic Congress about its \$32 billion cuts in defense over the past six years.

Let's examine the question of America's strength.

First, we must dispose of the numbers game. National defense is not bookkeeping.

If it were, we could point out that our missile warheads have tripled, that we lead the Soviet Union by more than two to one. We would point out that we have over a three to one lead in strategic bombers. We could point out that our missiles are twice as accurate as the Soviet Union's.

We would point out that the Soviet Army -- which the Governor says is twice the size of ours -- has the problem of guarding a long border with China with a million men, and that our borders with Mexico and Canada are peaceful.

But it is a confusing disservice to the American people to dazzle them with numbers. If we were isolated in a fortress America, then it might be important to compare numbers. But we stand at the head of a great Alliance system in Europe and are firmly tied to the strongest economic power in Asia. We have friendly relations with most of the nations of the world. These are the valuable accomplishments of all of our previous Administrations since President Truman. We cannot insult our friends and allies by pretending they do not count.

Second, we cannot ignore that whatever might be the balance of power today, it is not fixed. And in our military programs, our defense budgets, we are indeed looking to the future, to guarantee that this nation will never be in danger. Consider our defense programs.

- -- We are proceeding with the development and production of the world's most modern strategic bomber, the B-1.
- -- We are proceeding with the development and production of the world's most modern and lethal missile launching submarine, the Trident.
 - -- We are developing a new large ICBM.
 - --We are producing three new fighters.
- --We are planning the production of __15 __ new fighting ships, including __two __carriers.

It is true that you can cite a figure that the Soviets have more ships, but it is a trick to equate Soviet destroyers with our modern nuclear powered aircraft carriers.

Unfortunately, the money we have put into defense over the past several years has been inadequate. But the responsibility for slashing \$40 billion dollars must rest with the Congress.

Fortunately, under the prodding of President Ford the Congress has begun to awaken to the risks of constantly reducing our defense spending.

When the budget he proposed this year passes, then the trend will have been reversed.

So, we are in fact number one, and unless we falter, or give way to panic, we will remain number one.

E

MILWAUKEE JOURNAL

Sunday, April 4, 1976

PL/Reagan
PU2-3

THE PRESIDENT HAS SEEN.

rebuke this raw abuse of power.

f a Republican President wishes to buy votes
I thus imitate porkbarrel politicians..., then it
ime for Republican voters to say, "NO!"...
e for Republican voters to insist on a higher
andard for the highest office in the land.

We sincerely believe that Ronald Reagan, as evinced by his record of reelection as Governor, resents that higher standard which America needs The White House.

PORTANT!

mocrats, Independents and Republicans ... L can vote for Ronald Reagan in the sconsin Primary. And YOUR vote counts rexample, in Florida, if fewer than six rayoters per precinct had decided to vote Ronald Reagan, he would have carried the tire state . . . instead of the impressive % that he did carry. So, VOTE TUESDAY!



WOULD TURN OVER IN HIS GRAVE I

The Panama Canal is ours. . . is sovereign property fully paid for and legally recogn U.S. territory. Yet, Gerald Ford and Henger are fully committed to give it away to Panamanian dictator, Gen. Omar Torrijos an avowed Marxist and ally of Cuba's Flid

Republican U.S. Senator John C. Spoo Wisconsin introduced in 1902 the legislat eventually created the Panama Canal. The in the Capitol at Madison pays homage to Spooner's vision for linking the Atlantic a Pacific to foster world commerce.

What would Senator Spooner, if he we say to Gerald Ford today in response to tastic scheme to give away America's can

We believe that Senator Spooner, and Americans, would reject the frightening Ford-Kissinger plan. What do you think

NAME:	ADDRESS:
CITY:	STATE: ZIP:
	ION: \$der payable to: Florida Friends of Reagan)
OCCUPATION:	
BUSINESS ADDRESS:	uired by federal law. NO corporate contributions may be accepted.)
	NDS OF REAGAN / 705 WEST 15th STREET / PANAMA CITY, FLORIDA 32401

april 5, 1976 PL/FORD

PL/RENGAN

ST

ST25

Dear Kit:

Thank you for your letter of March 23 regarding the call by certain Republican Governors for Mr. Reagan to withdraw his candidacy for the Republican Presidential nomination. Even prior to the North Carolina primary, I had decided that such pressure from GOP leaders could have a reverse effect. Although this action was well intentioned, you called it exactly right. A combination of sympathy for Mr. Reagan, overconfidence on our part, and a very hard-hitting foreign and defense policy attack combined for a defeat which surprised all of us.

I believe the loss in North Carolina may be a blessing in disguise. It will keep us running harder through the next months and ultimately have a positive effect on the Republican effort nationwide in November. Your continued efforts on my behalf are greatly appreciated.



Sincerely,

Honorable Christopher S. Bond Governor of the State of Missouri Jefferson City, Missouri

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APR 7 1976

CENTRAL FILES

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EXECUTIVE
TR3/ST4/76
PL/Regare File
MAM 2

April 6, 1976

MEMORANDUM FOR:
BILL NICHOLSON
RED CAVANEY
FROM:
JERRY H. TOPPON

Stu Spencer reports that Reagan will be in Indiana on April 23 and 27 and May 1,2,3. This means that Reagan is going to make a major effort in Indiana, feeling that he will do well in Georgia and Alabama. Stu now feels that we should come here directly from Texas on the 29th and go back out on the road to Indiana on Sunday, May 2, and do two stops on Monday morning, the 3rd. In short, he does not believe our Indiana schedule is heavy enough.

Let's discuss.



EXECUTIVE

PHST43
PHROMPAN

April 21, 1976

Dear Jim:

Many thanks for your April 15 letter. I want you to know that I fully understand and appreciate the position you have taken in advance of the Texas Primary.

Both you and I understand the political process too well to be unaware of its realities, and of the necessity to pursue certain courses under specific circumstances. Regardless, our goal remains the same, and I am confident we will realize it on November 2.

With warmest personal regards,

Sincerely,

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TOTAL FORD

The Honorable James M. Collins House of Representatives Washington, D.C. 20515

GRF:MLF:JEB:VO:vo



4-21-76

EXECUTIVE

SP3-263 — @

PL/Reagan, Ronald

THE PRESIDENT HAS SEEN....

- A103 ... R W

PM-FORD 4-21 BY RICHARD LERNER

WASHINGTON (UPI) -- PRESIDENT FORD SAID TODAY AMERICA IS AND WILL REMAIN THE GREATEST MILITARY POWER IN HISTORY AND THAT CHARGES THAT HE ACCEPTS RUSSIAN SUPERIORITY ARE "COMPLETE AND UTTER NONSENSE."

FORD SPOKE TO THE 85TH CONTINENTAL CONGRESS OF THE DRUGHTERS OF THE AMERICAN REVOLUTION, BUT AIMED HIS WORDS AT THE CHIEF CRITIC OF HIS DEFENSE AND FOREIGN POLICIES, RONALD REAGAN.

"FIRST AND FOREMOST IS THE FACT THAT THE UNITED STATES IS TODAY THE SINGLE MOST POWERFUL NATION ON EARTH -- INDEED, IN ALL OF HISTORY. AND WE ARE GOING TO KEEP IT THAT WAY, "FORD SAID.

"RECENT CHARGES THAT THE UNITED STATES IS IN A POSITION OF MILITARY INFERIORITY AND THAT WE HAVE ACCEPTED SOVIET WORLD DOMINATION ARE COMPLETE AND UTTER NONSENSE," THE PRESIDENT SAID. FORD THUS DENIED CHARGES MADE BY REAGAN, HIS RIVAL FOR THE REPUBLICAN PRESIDENTIAL NOMINATION.

THE PRESIDENT SAID HE WELCOMES NATIONAL DEBATE ON DEFENSE. BUT, HE SAID, "UNFORTUNATELY, TOO MUCH OF THE DEBATE SO FAR HAS BEEN CAST IN EXAGGERATED RHETORIC THAT TENDS TO MISLEAD AND CONFUSE, NOT TO ENLIGHTEN AND CLARIFY."

"I BELIEVE THE AMERICAN PEOPLE -- AS WELL AS OUR FRIENDS AND ADVERSARIES ABROAD -- HAVE TOO MUCH COMMON SENSE TO FALL FOR THESE OVERSIMPLIFICATIONS; BUT AS YOUR PRESIDENT AND AS COMMANDER-IN-CHIEF; I DO HAVE A RESPONSIBILITY TO SET THE RECORD STRAIGHT. AND OBVIOUSLY, IT IS TIME FOR A LITTLE STRAIGHT TALK," HE SAID.

FORD THEREUPON GAVE ONE OF THE LONGEST AND MOST DETAILED OUTLINES OF HIS DEFENSE POLICIES, SAYING HE HAS ASKED THE LARGEST MILITARY BUDGETS IN HISTORY AND HAS GOTTEN CONGRESS TO REVERSE A 10-YEAR PRACTICE OF CUTTING DEFENSE SPENDING TO A POINT THAT THREATENED ALLOWING RUSSIA TO OVERTAKE AMERICA'S SUPERPOWER LEAD.

HIS WORDS BORE OUT NOT ONLY HIS CONCERN AT REAGAN'S POSSIBLE SUCCESS IN ATTACKING FORD'S DEFENSE POLICIES IN CAMPAIGNING FOR THE TEXAS MAY 1 PRIMARY, BUT ALSO GAVE PUBLIC EVIDENCE OF WHAT WHITE HOUSE AIDES SAID IS FORD'S PRIVATE DISGUST WITH WHAT HE REGARDS AS HIS RIVAL'S IRRESPONSIBLE CHARGES.

UPI 04-21 10:52 RES

J.

PL/ST43 (4)
PU2-3
PL/Reagans

April 22, 1976

MEMORANDUM FOR:

MAX FRIEDERSDORF

THROUGH:

CHARLES LEPPERT, JR.

FROM:

TOM LOEFFLER

SUBJECT:

Rep. Kika de la Garza (D.-Texas)

Kika has asked that the attached "Letter to the Editor" be brought to the President's attention. While Lendy McDonald will be Kika's Republican opponent in the general election, the Congressman particularly wanted the President to know that McDonald is supporting Ronald Reagan as manifested by the newspaper clipping.

Attach.



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MEMORANDUM

NATIONAL SECURITY COUNCIL

UNCLASSIFIED

MEMORANDUM FOR:

BRENT SCOWCROF

FROM:

STEPHEN LOW

SUBJECT:

Panama Canal - 1959 Memorandum from

the Governor of the Canal Zone

Attached is a copy of a memorandum of 1959 from the Governor of the Canal Zone which Reagan mentioned in his interview with CBS correspondent Barry Serrafin on April 23. The memorandum contains a number of quotes indicating that the US possesses the substance of sovereignty in the Canal Zone, among which are the following:

- The Attorney General in 1907 that it "is not an open or doubtful question".
- The Department of State in 1908 that the Canal Zone was "under the sovereignty of the Government of the United States".
- Secretary of State Hughes that it was "an absolute futility for the Panamanian Government to expect any American administration, no matter was it was, any President or Secretary of State, to surrender any part of these rights which the United States had acquired under the Treaty of 1903."
- Taft, as Chief Justice, recognized that titular sovereignty remained in the Government of Panama but conceded that it is "a question which has been subject to diverging opinions".

The memorandum concludes as follows:

THE PRESIDENT HAS SEEN ...

THE WHITE HOUSE

WASHINGTON

PL/Reagan FG 387

April 29, 1976

MEMORANDUM FOR THE PRESIDENT

FROM:

MAX L. FRIEDERSDORF

SUBJECT: FEC/Reagan

Attached is the statement in the <u>Congressional Record</u> inserted by <u>Senator Helms regarding Reagan's position</u> on the FEC bill.

MAY 5 1976 CENTRAL FILES

Mr. Huddleston, Mr. Clark, Mr. Dole, Mr. Young, and Mr. Bellmon conferees on the part of the Senate.

Mr. HUMPHREY. Mr. President, I shall take just this very brief moment to pay my respects and thanks to the staff of the Committee on Agriculture and Forestry and those who were particularly assigned to the work of this legislation. I consider their work to be of the highest professional caliber. They spent many hours to carry out the investigation that had to go into this study and the preparation of the legislation which has been adopted here by the Senate.

So I express thanks particularly to the chief of staff, Mr. Michael R. McLeod, and to all of his associates, and I shall include them by name in the RECORD: Carl P. Rose, William A. Taggart, and James C. Webster. I express thanks to

James C. Webster. I express thanks to the following personnel of the grain investigation staff: Phillip L. Fraas, Bert L. Williams, Hugh M. Williamson, and Ann C. Bond. And I also wish to thank Nelson Denlinger of my staff for his help.

I express our thanks to the General Accounting Office for the study carried out which was of major importance in

this investigation.

I also pay special recognition to those in the media, particularly in the press corps, who did such an excellent job of reporting the developments in the grain inspection difficulties and scandal. I think this was very instrumental in bringing to the public's attention some of the mistakes that were being made and some of the difficulties that we were encountering. I express to them our sincere thanks.

I also express thanks to our colleagues. This legislation, at least legislation of this kind, with whatever differences we

may have, is needed.

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The Senator from Kansas (Mr. Dole) has been a tremendous help in the preparation of legislation. He disagreed with the final bill, but he and I both know that we will work out some of these differences in conference.

I also say that every member of the two subcommittees, and the subcommittee chaired by Mr. Huddleston and the subcommittee that I am privileged to chair, worked long hours over many months to perfect this legislation. So, I express my thanks to our colleagues.

Mr. DOLE. Mr. President, let me express my appreciation to the distinguished Senator from Minnesota, the staff, and others who have brought this to light and worked on legislation.

Let me also add, as the view of the Senator from Kansas, that the bill passed by the Senate will never become law, and it is the view of the Senator from Kansas that we may now go to conference and come up with some semblance of good legislation.

There has never been any difference of opinion in the committee about the need for tightening up the pregram. I guess the only questions raised are in which direction we go, whether we go for a Federal takeover or at least a Federal-State-private working relationship. That is the position the Senator from Kansas holds.

For that reason, the Senator from Kansas voted against final passage but,

as indicated, it is the prediction of this Senator that when we go to conference it is going to be a very tough conference. The House of Representatives has some very strong reservations about many provisions in the Senate bill, but it is the view of the Senator when we come from conference we will have a bill that can be supported unanimously by the Senate. I yield the floor.

ORDER OF BUSINESS

The PRESIDING OFFICER. Who seeks recognition?

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE FEDERAL ELECTION CAMPAIGN ACT

Mr. HELMS. Mr. President, the conference on the Federal Election Campaign Act met this afternoon, as I understand it; and, as I further understand, the conference will meet again tomorrow.

This committee may or may not bring forth a finished report on the bill. Without seeing the finished text, it is fairly obvious from what we already know that no report can emerge from the conference which is worthy of approval by the Senate. However, in the event that the Senate does approve this bill in the form in which I understand it will be presented to the Senate, I hope that the President of the United States will veto it.

Mr. President, it has been reported widely in the news media—and I am certain that the reports are accurate—that the Presidential candidates are clamoring for quick passage of this bill so that the Federal Election Commission may be reconstituted and that distribution of the taxpayers' funds now being held up by the U.S. Supreme Court decision will be resumed as soon as possible. But there is at least one candidate for President, I say to the distinguished Presiding Officer, who is not clamoring for this legislation. I talked with Ronald Reagan today, and he informed me in no uncertain terms that he is full-out opposed to the bill as it now stands.

He would much rather have the President veto this bill, even though obviously there would be practical disadvantage to the financial structure of the Reagan campaign. The Reagan campaign is experiencing financial difficulties, as I understand the other are experiencing. The Reagan campaign could use the money. But as Governor Reagan put in in our telephone conversation today, this bill involves too high a price to pay for the money involved.

I compliment the distinguished former Governor of California for his stand in

this matter, because the Senator from North Carolina never has favored the distribution of the taxpayers' money for political campaigns. I voted against the concept. I am unalterably opposed to it. I consider it a rip-off of the taxpayer.

So I say again, Mr. President, that I commend Ronald Reagan for his stand; and I hope there may be some other candidates who will take a like position. But in the event that Congress does approve this bill, as I understand it to be, I hope the President of the United States will veto it. He will be well advised to do so.

QUORUM CALL

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. With objection, it is so ordered.

HOUSING AMENDMENTS OF 1

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate now proceed, without further action to be taken thereon, to the consideration of S. 3295.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 3295) to extend the authorization for annual contributions under the United States Housing Act of 1937, to extencertain low-income housing programs under the National Housing Act, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill? The Chair hears none, and it is so ordered.

ORDER FOR RECOGNITION OF MR.
HELMS ON TOMORROW AND
WEDNESDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow and on Wednesday, after the two leaders or their designees have been reognized under the standing order, Mr. Helms be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President the Senate will convene tomorrow at 12 o'clock noon.

After the two leaders or their designees have been recognized under the standing order, Mr. Helms will be recognized for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business, not to extend beyond 1 p.m., with statements therein limited to 5 minutes each.

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April 29, 1976

PL/FORD

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PUB-3

PRI

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Dear Bob:

I was fortunate enough to be in Dallas on Wednesday when your column appeared raising questions about the Reagan candidacy and what it might do to the Republican party to which I have dedicated so much of my life. I was glad to be able to read this column myself on the day it appeared, and I want you to know that I agree with many of the insights you have presented to your readers on this important subject.

Bob, of all the accomplishments of my first 20 months as President, I consider the most important to be the return to the White House of "sincerity and honestness," which you mention in your column.

I regret that my busy schedule in Dallas does not permit me an opportunity to spend some time with you. I look forward to seeing you on a quieter day in the Oval Office.

Sincerely,

Mr. Robert Baskin

**Dallas Morning News

Communications Center

Dallas, Texas 75222



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MAY 5 1976

CENTRAL FILES

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MASHINGTON (UPI) -- DESPITE JIMMY CARTER'S STRING OF PRIMARY PL/Carter VICTORIES; SEN. BARRY GOLDWATER SAID SUNDAY NORTHERN AND WESTERN PL/Reagan DEMOCRATS WILL DENY CARTER THE DEMOCRATIC NOMINATION BECAUSE HE IS A PL/Ford SOUTHERNER AND GIVE IT TO HUBERT HUMPHREY.

GOLDWATER, R-ARIZ., ALSO REFUSED TO FORMALLY ENDORSE ANY CANDIDATE FOR THE GOP NOMINATION, BUT ADDED THAT PRESIDENT FORD IS AS CONSERVATIVE AS RONALD REAGAN AND "I DON'T KNOW WHY HE SHOULD BE

DENIED THE NOMINATION."

REGARDING THE DEMOCRATS, GOLDWATER ASKED, "WILL THE NORTHERN DEMOCRATS ALLOW A SOUTHERNER TO HEAD THEIR PARTY AND RETAIN CONTROL OF IT FOR MANY, MANY YEARS? I HAVE A LOT OF REGARD FOR CARTER, BUT I DON'T BELIEVE HE'S GOING TO BE THE CANDIDATE. I STILL DON'T HAVE THAT FEELING."

GOLDWATER'S REMARKS CAME THE DAY AFTER CARTER PICKED UP 93 OUT OF 98 POSSIBLE CONVENTION DELEGATES IN TEXAS. LAST WEEK, HUMPHREY DECLINED TO BECOME AN ACTIVE CANDIDATE FOR THE NOMINATION.

"I STILL SEE HUBERT;" GOLDMATER SAID. "I LISTENED TO HIS STATEMENT OF REFUSAL THE OTHER DAY AND IF THAT WASN'T FILLED WITH HAND ENGRAVED INVITATIONS I'VE NEVER SEEN ONE. I THINK WHEN THE TIME COMES AND THE WORTHERN PARTY MEMBERS AND WESTERNERS SAY WE DON'T WANT A SOUTHERNER TOHEAD OUR PARTY THAT MAY BE THE TIME."

GÖLDWATER; THE REPUBLICAN NOMINEE IN 1964; TOLD A TELEVISION INTERVIEW (NBC'S "MEET THE PRESS") A FORMER NOMINEE SHOULD NOT

ENDORSE A CANDIDATE.

HE SAID FORD PROBABLY WILL WIN THE CALIFORNIA PRIMARY NEXT MONTH, PARTLY BECAUSE REAGAN IS A FORMER TWO-TERM GOVERNOR OF THE STATE AND "I'VE NEVER KNOWN A PERSON TO BE GOVERNOR MORE THAN ONCE AND RETAIN HIS POPULARITY."

GOLDWATER EXPRESSED FEAR CONSERVATIVE SUPPORTERS OF REAGAN MIGHT BOLT THE PARTY IF FORD WERE NOMINATED JUST AS LIBERAL REPUBLICANS REFUSED TO SUPPORT GOLDWATER IN 1964.

HE NOTED THAT IN HIS OWN STATE, ARIZONA, REAGAN BACKERS REFUSED TO NAME SEN. PAUL FANNIN R DELEGATE TO THE NATIONAL CONVENTION.

"IF THAT KIND OF DIVISION KEEPS ON ACROSS THIS COUNTRY THEN I'M AFRAID THIS LITTLE MINORITY PARTY THAT I REPRESENT IS GOING TO HAE A HARD TIME ELECTING WHOEVER THEY NOMINATE IN NOVEMBER."

ON OTHER ISSUES, GOLDWATER SAID:

- -- THE UNITED STATES COULD DO NOTHING IF CUBA AIDED BLACKS IN RHODESIA IN LIGHT OF SECRETARY OF STATE HENRY A. KISSINGER'S OFFER OF U.S. SUPPORT FOR BLACK RULE.
- -- FORD'S LOSS TO REAGAN IN TEXAS MAY HAVE BEEN A RESULT OF CROSS-OVERS BY DEMOCRTIC SUPPORTERS OF GEORGE WALLACE SEEKING TO SUPPORT REAGAN.
- -- UNLESS THE NATION WERE WILLING TO GO TO WAR OVER THE PANAMA CANAL, NEGOTIATIONS BY PAST AND PRESENT ADMINISTRATIONS OVER TERMS

EXECUTIVE PU2-1 May 4, 1976 MEMORANIUM TERRY O' DONNELL STEELS BLAK MEMORANDUM FOR: MR MR. JERRY JONES Incharge NA FROM: TERRY O'DONNELL Governor Pat Brown SUBJECT: Interview - NBC called . There is the Idelities Former Governor Edmund "Pat" Brown of California has written a book called, "Reagan, the Political Chameleon." Although his arguments aren't that well-founded, his rhetorical attack is superb. Brown says it would be an absolute tragedy to have Reagan nominated, that his simplistic approach is valueless domestically and dangerous internationally. He says that the Ex-Governor shows no compassion and basically is not competent for the position of Presidency. PFC should give our political spokesmen a brief summary of the interview so they can refer to the former Governor's comments. Since Brown was a Democrat, obviously it is not something we would want to rely on heavily but it is good background material. * # C should give our solitical spokesmen a brief summary of the interview the ten tefer to the fereneximagness whenever former flowers Brown a remments. Since he was a Democrat. of the six it is not being we would want to rely on heavily but it is good backgro

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1 J. Evans

STATE OF WASHINGTON

OFFICE OF THE GOVERNOR

OLYMPIA

DANIEL J. EVANS

May 11, 1976

Mr. Stu Spencer
Deputy Director
PRESIDENT FORD COMMITTEE
1828 "L" Street, N.W. - Suite 250
Washington, D. C. 20036

Dear Mr. Spencer:

Governor Evans asked me to send to you a copy of his remarks recently in California in behalf of the President.

He thought you might be especially interested in his news conference remarks where he challenged Mr. Reagan's record as Governor. Among other things, it deals with Reagan's claims about fully funding the teachers' retirement system and how much he increased taxes. The research was done for us by the government affairs director of the California Taxpayers' Association.

Hope these are of some help. Please realize that they are only rough transcripts.

Sincerely,

Al Fredericksen

Press Secretary to the Governor

JAF: kw

Enclosures

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PL5-2

WEST VIRGINIA

WITH 80 PER CENT OF THE PRECINCTS TALLIED:

FORD 67:467 OR 56 PER CENT.

THE PRESIDENT HAS SEEN

REAGAN 52:201 OR 44 PER CENT.

THE 28 REPUBLICAN DELEGATES THERE WERE UNCOMMITTED UNDER STATE LAW.

OMAHA, NEB. (UPI) -- THE 7:30 A.M. EDT VOTE IN THE NEBRASKA PRESIDENTIAL PRIMARY WITH 98 PER CENT (2,015) IN THE DEMOCRATIC RACE AND 98 PER CENT (2,016) IN THE REPUBLICAN RACE OF THE STATE'S 2,059 PRECINCTS REPORTING:

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REAGAN 1	11,706	55
FORD	93,117	45
DEMOCE	RAT	
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CAND.	VOTES	CENT
CHURCH	66,826	39
CARTER	65:075	38
HUMPHREY	12,787	7
KENNEDY	7:047	4
MCCORMACK	5,921	3
WALLACE	5,446	3
UDALL	4,573	3
JACKSON	2,637	2
HARRIS	843	1
BAYH	825	0
SHRIVER	388	0
*UPI 0	15-12 07	48 AED



MAY 13 1976 CENTRAL FILES Dear Don:

Many thanks for your courtesy in sending a copy of the Senator's speech before the Ripon Society.

I appreciated receiving this, and have shared it with the appropriate members of the staff.

Please know the President is most appreciative of the Senator's support.

With cordial regard.

Sincerely,

Max L. Friedersdorf Assistant to the President

Mr. Donald Kellermann
Administrative Assistant to
Honorable Jacob K. Javits
United States Senate
Washington, D. C. 20510

MLF:NK:nk



RECEIVED

MAY 25 10.

PL/Reagans

THE WHITE HOUSE

WASHINGTON

May 21, 1976

MR. MARSH:

Ann Griffiths called (Bus Mills' daughter) re the MIA situation. She said she's concerned that Governor Reagan is going to make an "adverse statement" re the MIA situation, and she'd be happy to hold a press conference this weekend to "counter-act" anything that Reagan might say -- in support of the President's statements.

She has discussed this with McCloskey.

She'd like to know what she should be doing.

Connie

PH: (714) 826-3110 - today (714) 328-4979 - weekend

> JUN 1 1976 CENTRAL FILES

Del Smith

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Marcia	18
YOU WERE CALLED BY-	YOU WERE VISITED BY-
, D	el Smith
(Organization) 638	7-5023
	HONE NO.
WILL CALL AGAIN	IS WAITING TO SEE YOU
RETURNED YOUR CALL	WISHES AN APPOINTMENT
SSAGE	

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over to "three times the price"

STANDARD FORM 63
REVISED AUGUST 1967
GSA FPMR (41 CFR) 101-11.6

PL/Reagan M PL/ST46

Reagan Wins All 3 Delegates in Virginia's 10th District

By Thomas Grubisich

Ronald Reagan won all three of Northern Virginia's, 10th Congressional District delegates to the Republican National Convention at a party caucus early yesterday.

The sweep brings the former California governor's statewide delegate total to 19. President Ford has won five delegates in district conventions held so far.

The 10th Congressional District covers northern Fairfax County, all of Arlington County, part of Loudoun County, Falls Church and Fairfax City.

Reagan's victory turned on a technicality regarding an instruction binding the

Arlington delegation to the convention to vote as a bloc for the presidential contender.

When acting chairman Wyatt B. Durrette Jr., a Republican delegate to the Virginia General Assembly from Fairfax, sought to accept the instruction, he was challenged by a Ford supporter in the Arlington delegation, Richard H. Jones.

But the convention voted, 131 to 87 to uphold Durrette, which automatically gave Reagan all of Arlington's 78 instructed delegates as well as all 19 of Loudoun's.

The effort to overturn the instruction seemed to sputter when former Rep. Joel T. Broyhill, who led a slate of "uncommitted" delegate candidates that were clearly Ford supporters, did not make an appearance at the convention. Expected there to receive a plague for the "love, affection and gratitude" of Republicans in the 10th District, Broyhill did not appear because of a "scheduling conflict."

Broyhill's name was withdrawn from the slate—to "save him from embarrassment," according to one delexate—after caucuses by individual delegations indicated that the Arlington instruction to vote as a bloc for Reagan would be upheld.

In seeking to have the instruction overturned, Ford supporter Jones quoted a letter from William C. Cramer, counsel to the Re-

publican National Committee. Jones said Cramer's highly technical discussion of the subject indicated that the instruction was not permissible.

The Reagan sweep in the 10th means he has won a total of four of Northern Virginia's six delegates to the national convention which will be held in Kansas City in August. In the Republican convention held last week in the Eighth Congressional District, which covers the rest of Northern Virginia, Mr. Ford won two delegates to Reagan's one.

One more local caucus is still to be held. The Ninth District in Southwest Virginia will hold its convention Saturday. The statewide Republican convention is scheduled for June 4 and 5, and 21 at-large delegates to the national convention will be selected then.

The question of instructed delegations will be brought up again most likely at the Republican state convention in Norfolk next month and almost certainly at the national convention as well.

The winning Reagan delegates were Naomi Zeavin of Fairfax County, who was the top vote-getter with 171; Herb Morgan of Arlington, with 169 votes, and Sandy Riley of Loudoun, 160. The total delegate vote was 227.

In other business at the convention Monday night and carly yesterday the following were elected to the

GOP State Central Committee: Patsy Drain of Fairfux County, Bill Waugh of Fairfax and Raymond J. LaJeunesse of Arlington.

All three are Reagan supporters.

The convention also elected Edward Walters chairman of the 10th Con-

gressional District Republican Committee and Dr. Cecil Reeves to the party's district elector in the Electoral College,



Washington Post Wechesday, May 26, 1976

Reagan Wins All 3 Delegating Virginia's 10th District

By Thomas Grubisich

Ronald Reagan won attaches of Northern Virginia's 10th Congressional District delegates to the Republican Stational Convention at a Saty caucus early yester-day.

The sweep brings the former California governor's statewide Gelegate total to 18. President Ford has won five delegates in district

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Filed 6/16/76
RONALD REAGAN

EXECUTIVE

Dear Ohio Voter:

Next Tuesday, June 8, you have an opportunity to change the course of our nation's government by voting in the Presidential primary election.

I present myself as a candidate for the Republican nomination for President at this critical time in our national history without offering quick, easy solutions to our problems. Our country and its citizens don't need or deserve empty election year rhetoric.

I know, from my experience as Governor of California for two four-year terms (1967-1974), that it takes energy, hard work, patience, and the cooperation of the people to really solve problems. Together we did it in California. I hope that you will consider my record before you go to the polls.

By nearly a one million-vote majority I had been elected Governor of the nation's most populous state (if it were a nation, California would be the world's seventh ranked economic power). But what I inherited was a state government on the verge of bankruptcy. It was spending over a million dollars a day more than it was taking in. Bookkeeping tricks had been used to make the budget appear to be balanced when it wasn't. The situation was not unlike that of New York City in recent months. California's state payroll had been growing by more than 5,000 workers a year. Programs such as welfare were running wild. The population was growing and state services had to keep expanding.

I went to Sacramento not as a politician. I saw myself as a citizen, there to represent my fellow citizens to government. The team I assembled to help me was made up of men and women who did not covet careers in government. They wanted to get a job done--to make government more efficient and responsive. Aided by expert citizen task forces, we set out to streamline the bureaucracy and introduce fiscal responsibility into state programs.

We balanced the budget the first year and kept it that way for all eight, turning over to our successors a surplus of \$500 million and a Triple A bond rating -- the highest available.

At first, a tax increase had been necessary, but I considered it temporary. As soon as we could, we began turning it back to the taxpayers. By the end of those eight years we had returned \$5.76 billion in all in the form of tax rebates and credits. And, during that time we put into effect a major tax reform program to provide relief for property taxpayers, the elderly, and

In welfare reform, we were able to save the taxpayers almost two billion dollars in additional costs. The savings made it possible to increase grants to the truly needy by an average of 43%.

Despite population increases, inflation and increased workloads, we left office with virtually the same number of state employees as when we began. And, in terms of constant dollars, the cost of actual state government operations was less when we left than when we began.

Our programs and reforms were implemented with the support of the people, many times over the heads of a hostile legislature. For seven of those eight years, the Democrats controlled the legislature, but we took our case to the people time and again. And it worked.

I know that common sense and good business practices can work in government. I am convinced that the reforms we accomplished in California can also work at the federal level. I believe in the people. They can make government work.

Still, one great problem--if it isn't solved--may make it impossible to solve the domestic problems facing us. That is our national security.

Our nation is in danger, and the danger grows greater with each passing day. We are becoming Number Two in military strength in a world where it is dangerous--if not fatal--to be second best.

America's decline from military superiority was recently underscored by Secretary of the Army Martin Hoffman who said "American military strength is no longer superior to that of the Soviet Union." Dr. Malcolm Currie, chief of research and engineering at the Department of Defense, said recently, "The momentum is on the side of the Soviet Union and it is staggering."

Despite concessions granted by our government to the Soviet Union while pursuing detente, the Soviets' belligerent attitude toward us and our allies has not changed. Now, our friends and allies throughout the world question not only our military capability, but also our will to resist Communist aggression and to reassert effective moral leadership.

I believe that the American people still have the will to rebuild our superiority. But I don't believe the Washington Establishment is going to solve this or any other problem for us. We, the people, must take the lead.

I need the support of thousands of Ohio Republicans, Democrats, and Independents in the Republican primary on Tuesday. I need your support. My only promise to you is to try -- with God's blessing -- to lead our nation back to the course of strength and freedom which I believe the citizens of Ohio -and the whole nation -- want to take.

Sincerely,

anald Reagan

Ronald Reagan

Reasons for Reagan:

He'll work to return government to the people.

As government continues to grow we find ourselves losing control of our own destiny. Basic decisions affecting the way we live, work and raise our families are being handed down to us from Washington.

Decisions that were once made by the people themselves are now made by faceless Washington bureaucrats and government officials who seem totally insensitive to the needs and feelings of the people whose taxes pay their salaries.

Ronald Reagan knows that the time has come to reverse the flow of power to Washington to bring government back to the people. Back to where it belongs.

"What I propose," he said recently, " is nothing less than a systematic transfer of authority and resources to the states - a program of creative federalism for America's third century. I am calling for an end to giantism, for a return to the human scale — the scale most human beings can understand and cope with.

"It won't be easy. There will be howls of protest from every carpeted anteroom and chauffered limousine in Washington, but we must turn a deaf ear to them if our nation is to survive."



Paid for by Citizens for Reagan, Chairman, Senator Paul Laxalt, Treasurer, Henry M. Buchanan

The Reagan Record

When he was a candidate for governor of California, Ronald Reagan told the people what he would do if he were elected. And what he said he would do . . . he did.

- In spite of tremendous population growth and a corresponding increase in state services, he kept the size of the state government virtually the same.
- He reduced welfare rolls by more than 300,000—yet increased benefits to the truly needy by an average of 43%.
- He balanced the budget. When he took office the state was spending a million dollars a day more than it was taking in. When he left office he turned over to his successor a \$500 million surplus.
- He obtained substantial tax relief for property owners, renters and senior citizens.
- During his administration state support of education increased dramatically, making possible cuts in local property tax rates.
- Government positions were filled not with political "buddies" but with experienced, highly qualified people who were not seeking political careers but could be counted on to tell the governor if they found their job or department unnecessary.

Ronald Reagan is a man of integrity who *means* what he says. He was that kind of governor. He'll be that kind of President.

What he says he'll do . . . he'll do. He's proved it.



To Ohio Voters:

Like many of you, I have been concerned about the course of events in our country. The old ways aren't working. The federal bureaucracy grows bigger and bigger, spends more and more billions of our dollars, meddles more and more in our lives yet can't seem to solve any of our problems.

Clearly, it is time for strong new leadership — leadership that is not part of the Washington establishment which is responsible for our troubles. That's one of the main reasons why I am supporting Ronald Reagan for the Republican nomination for President. He is the one candidate who stands for change — and can make it happen.

I urge you to read this material carefully. It presents some solid reasons for backing Ronald Reagan. As you will see, he feels about things the way most of us here in Ohio feel. He proved, as a two-term governor of our most populous state, that he has the leadership and administrative skill to govern effectively.

I hope you will join me in this important effort. Thank you.

Senator Paul Laxalt National Chairman Citizens for Reagan

STATE HEADQUARTERS Ohio Citizens for Reagan 232 South High Street Columbus, Ohio 43215

Reasons for Reagan:

He has common sense answers to America's problems.

• Inflation. "The one basic cause of inflation is government spending more than it takes in. When Washington runs in the red, year after year, it cheapens every dollar you earn; it makes a profit on your cost-of-living wage increases by pushing you into higher tax brackets; it borrows in the capital market to cover its deficits, cutting off business and industry from that capital which is needed to fuel our economy and create jobs; it robs your savings of value; and it denies retired people the stability they need and expect for their fixed incomes.

"The cure: a balanced budget. The federal government must set a timetable, a systematic plan, to balance the budget — and it must stick to it."

- **Unemployment.** "If a recession causes you to lose your job, or makes it hard for you to find one, you need help, but the long range solution to unemployment is to bring an end to inflation which, in turn, causes recessions."
- Social Security. The Social Security system
 must be strengthened and improved so that those
 counting on it will continue to receive their monthly
 check and so that their benefits won't decline in
 purchasing power, but will keep pace with inflation.

"There are inequities that must be corrected affecting women, people 65-and-over who want to continue to work, and younger workers. But reforms must be made with care so that they don't jeopardize those already retired, those now working, or those who will enter the work force in the future."

• Crime. "We must remember that the principal reasons for locking up criminals are punishment and isolation — to keep them from hurting law-abiding citizens, and to serve as a deterrent to others. When a would-be lawbreaker knows he can kill without facing the ultimate penalty, when he knows that parole or probation may come easy for him, we cannot say we have effective deterrents to increased crime."

 Détente. "We are told that Washington is dropping the word 'détente,' but keeping the policy. But it's the policy that is at fault."

"Mr. Ford says détente will be replaced by 'peace through strength.' Well, that slogan has a nice ring to it, but neither Mr. Ford nor his new Secretary of Defense will say that our strength is superior to all others."

"We must do more than change our rhetoric — we must change our policy."

 Defense. A decade ago we had military superiority. Today, we are in danger of being surpassed by a nation that has never made any effort to hide its hostility to everything we stand for.

The Soviet Army outnumbers ours more than two-to-one and in reserves four-to-one. They out-spend us on weapons by 50%. Their Navy outnumbers ours in surface ships and submarines two-to-one. We are outgunned in artillery three-to-one and their tanks outnumber ours four-to-one. Their strategic nuclear missiles are larger, more powerful and more numerous than ours. The evidence mounts that we are Number Two in a world where it is dangerous, if not fatal, to be second best.

Is this why Mr. Ford refused to invite Alexander Solzhenitzyn to the White House? Or, why Mr. Ford traveled halfway around the world to sign the Helsinki Pact, putting our stamp of approval on Russia's enslavement of the captive nations? We gave away the freedom of millions of people — freedom that was not ours to give.

Now we must ask if someone is giving away our own freedom. Dr. Kissinger is quoted as saying that he thinks of the U.S. as Athens and the Soviet Union as Sparta. "The day of the U.S. is past and today is the day of the Soviet Union." And he added, "... My job as Secretary of State is to negotiate the most acceptable second-best position available."

I believe in the peace of which Mr. Ford spoke — as much as any man. But peace does not come from weakness or from retreat. It comes from the restoration of American military superiority.



"I do not for one moment believe that four more years of business-as-usual is the answer to our problems, and I don't think the American people believe it either."

232 South High Street **Bulk Rate** Columbus, Ohio 43215 U.S. Postage PAID June 8 is vitally important. Permit No. 1631 Columbus, OH. Here's some information I think you'll be interested in AGNES MICHAK 8076 MAPLEGROVE AVE NORTH ROYALTON OH 44133



June 24, 1976

EXECUTIVE PLANT PLANT

Sincerely,

JERRY FORD

The Honorable George N. McMath Chairman Republican Party of Virginia Onley, Virginia 23418

GRF:CM:BN:RLE:MJ:mss



EXECUTIVE
PLASTIS
PAReagan

June 25, 1976

Dear Larry:

Thank you for your recent thoughtful note to me concerning the lowe state convention. I am appreciative of the fact that you supported most of the delegates pledged to my candidacy and assure you that I look forward to working with all the members of the Republican Party as we move towards the November election.

Governor Reagan and I have known and respected each other for many years. If I am the nominee, he will receive due consideration for the Vice Presidency and other positions commensurate with his outstanding ability.

Thank you for taking the time to write to me directly, and I appreciate your support.

With warmest personal regards,

Sincerely,



Mr. Larry Keig Upper Iowa University Fayette, Iowa 52142

GRF:HJF:dv

PL/FORD PL/REAGAN

June 30, 1976

Dear Joseph:

Thank you for your recent thoughtful letter concerning the National ticket. Governor Reagan and I have known and respected each other for many years. If I am the nominee, he will receive due consideration for the Vice Presidency and other positions commensurate with his outstanding ability.

I appreciate your taking the time to write to me directly, and I look forward to working with you towards a great Republican victory in November.

Sincerely.

The Honorable Joseph J. Rotso Chairman Lake County Republican Central Committee P.O. Box 325 Crown Point, Indiana 46307

GRF:HJF:dv



PUREagan
PUREagan

July 2, 1976

Dear Senator Conway:

Thank you for your recent thoughtful letter concerning the New Mexico Republican State Convention. I appreciate the fact that you worked hard for me and ran as a pledged Ford delegate. Governor Reagan and I have known and respected each other for many years. If I am the nominee, he will receive due consideration for the Vice Presidency and other positions commensurate with his outstanding ability.

I appreciate your taking the time to write to me directly, and I urge your continued hard work on behalf of my candidacy.

With warmest personal regards,

Sincerely,

The Honorable John E. Conway Minority Leader 2352 Apache Lane Atamogordo, New Mexico 88310 GRF:HJF:dv



July 6, 1976

PL/STOS PL/FORD PR7-2 PL/REASAN

Dear Mr. Oldham.

Thank you for your kind letter. I enjoyed our conversation very much and I remain deeply grateful for all you did on my behalf in Missouri. While the results were not as we would have wished, I am nevertheless confident of victory at the Convention. Friends like you will make the difference.

I send my warmest good wishes and appreciation to you and your wife.

Sincerely,

GERALD R. FORD

Mr. Woodson Oldham

Box 367

Webb City, Missouri 64870

GRF:BN:RLE:jas

JUL 91976
CENTRAL FILES

Grateful for all La did in

PLI-1/ST30 PLI-1/ST30

July 7, 1976

Dear John:

Thank you for sending me a copy of the resolution which you are going to introduce at the next meeting of the New Jersey delegation. I certainly concur with you that it is going to be important for all Republicans to work together so that November 2nd will be a banner day for all our candidates from the courthouse to the White House.

The resolution is one which I endorse wholeheartedly, and I thank you for sending along a copy to me directly. I look forward to seeing you in Kansas City.

With warmest personal regards,

Sincerely,

JERRY FORD



Mr. John M. Strichek 29 1/2 Sherman Place Jersey City, New Jersey 07307

GRF:HJF:dv

NUE SELENCE SUNDAY, JULY 11, 1976

EXECUTIVE PROPERTY

ANALYSIS OF TEST RACES REVEALS
SHIFTS IN VOTING PATTERNS SINCE '72

By George Gallup

PRINCETON, N.J. -- Analysis of the latest test
elections -- between President Gerald Ford and Jimmy Carter
and between Ronald Reagan and Mr. Carter -- reveals sharp
shifts in voting patterns since the 1972 presidential
election.

Traditionally, the candidate choices of Protestants and Catholics have been widely divergent. Today, however, Protestants and Catholics have remarkably similar preferences in the case of both trial heats with a majority of both faiths supporting Carter.

Although Jews have consistently voted overwhelmingly Democratic in presidential elections in recent decades, Ford scores remarkably well with this voting bloc. Carter leads Ford by only a 5-to-4 margin. His margin over Reagan, however, is considerably wider, 7-to-2.

PL/FORD PL/REAGAN

July 14, 1976

Dear Dr. Hunters

I enjoyed the opportunity to meet with you and Harry Dent recently and am pleased that you will be in charge of "Physicians for President Ford" in South Carolina. I am confident that November 2 will be a banner day for Republicans from the courthouse to the White House and urge you to continue your fine efforts.

It was good to see you at the White House, and I look forward to seeing you in South Carolina in the near future.

With warmest personal regards,

Sincerely,

DERRY FORD

William H. Hunter, M.D. One Hunter Court Clemson, South Carolina 29631

GRF:HJF:dv

cc: Jim Field



32mg

July 19, 1976

PL/CONNOlly, John PL/CONNOlly, John PL/REAGEN, ROWALD PL/-1/5725

Dear Ms. Manning:

Thank you for your recent thoughtful letter concerning the selection of a Vice Presidential nominee. As you know, I have not excluded anyone from consideration as my running mate and will be giving close personal attention to the matter over the next several weeks.

Thank you for your thoughts on Senator

BARRY Goldwater and former Governor Connally, John
and I appreciate your taking the time to
pass them along to me.

Both Betty and I look forward to seeing you in Kansas City.

With warmest personal regards,

Sincerely,

Thu blu

Ms. Gilda Manning 1322 North Main Independence, Missouri 64050

GRF:HJF:dv

POB

cc: Jim Field

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CENTRAL FILES

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July 19, 1976

Dear Dr. Tibbs:

President Ford has asked me to thank you for your thoughtful letter of support and enclosures. He is grateful to you for your encouragement and for sharing the results of your research. He also appreciated your comments and expression of concern for our country, and he welcomed your continuing interest in the election campaign. You may be sure that your opinions have been fully noted.

With best wishes.

Sincerely,

Roland L. Elliott Director of Correspondence

Dr. J. W. Tibbs, Jr.

Director of Elections and Research

Ceorgia Voters Education Association

Fost Office Box 92026

Atlanta, Georgia 30314

cc w/ copy of incmg to John Calhoun
cc w/ copy of incmg to President Ford Committee

RLE:CM:jas

PRIS

PLIFORD

PLICARTER

CARTER, JIMMY

P. FORD WARRAWY

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JUL 3 0 1976

DENTRAL FILES

Pe/ford Pe/Reagan July 20, 1976 Dear Maria: Thank you for your recent thoughtful letter. I appreciate your strong support of my nomination and went you to know that I have not excluded anyone from consideration as my running mate. Covernor Reagan and I have known and respected each other for many years. I am confident that with the hard work of Republicans, like yourself, that November 2 will be a banner day for Republicans from the courthouse to the White House. Both Betty and I look forward to seeing you in Kansas City. With warmest personal regards, Sincerely, Mrs. Raymond J. Fontana 47 Normandy Road Longmeadow, Massachusetts 01106 GRF:HJF:dv cc: Jim Field

EXECUTIVE

July 22, 1976 F61-2

PL/FORD PL/REAGAN

Dear Bob:

It was good to hear from you again and to receive your first-hand assessment of the Montana State Convention. I was particularly delighted to learn of the fine job Tom Kleppe did as my representative there.

I thank you also for your own able assistance. I am very much counting on your continued help during the fall campaign.

With warm personal regards, wantion. We had a

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nert to follow when Forada Reagan a appearance nert, but under the ofrometances be represented

> incerally) yours, The Honorable Robert L. Woodahl Attorney General for the State of Montana State Capitol Helena, Montana 59601

Cc: President Ford Committee, attn: Barbara Wise

GRF:CM:BN:RLE:jas PC B

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JUL 27 1976

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EXECUTIVE (C)
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AURGENT

AWITH WIREPHOTO

ABY DOUG WILLIS

AASSOCIATED PRESS WRITER

LOS ANGELES (AP) - Ronald Reagan said today he has selected U.S.

Sen. Richard S. Schweiker of Pennsylvania as his vice presidential Running mate if he wins the Republican nomination for president.

AMORE

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P. R. Mar

THE WHITE HOUSE

WASHINGTON

PL/ Reagan, Ronald PR16 PL/ Schweicker, Richard S.

July 27, 1976

MEMORANDUM FOR:

RON NESSEN DAVE GERGEN

FROM:

JIM SHUMAN

SUBJECT:

SMITH COMMENTARY

Here is a copy of the Howard K. Smith comment on Reagan's choice of Schweicker.

Susan had prepared it, following my instructions last night, but apparently it stuck to another piece of paper and Ray missed it when typing the summary.

It was one of those unforeseeable accidents, but I have told the staff to be doubly careful in their handling of copy.

FORD TOWNS ANN SELECTION

Attachment

Howard K. Smith (ABC)

Only the Kansas City convnetion will show whether Mr. Reagan's early choice of Sen. Schweicker is an act of dispair on the edge of defeat, or a bold stroke aimed at victory. But on first blush, it looks like the latter, a gain for Reagan.

Sen. Schweicker is a little-known, but altogether constructive liberal northern senator. The argument that the choice of such a man will hurt Reagan with his ultra-conservative supporters seems weak. Since George Wallace was destroyed by Carter, which incidentally, by crossovers of Wallace supporters, rescued Reagan from early elimination in the primaries, since then, that conservative constituency has had no place to go but to Reagan.

The argument that Reagan needed a southern team mate to counter-balance Carter may be stronger, but not very strong. Liberal and moderate southerners are likely to go for Carter no matter what and conservative southerners for Reagan no matter what. After all most elections show the people vote for presidential candidates and not vice presidential ones.

No, Reagan's supreme problem is to prove to delegates that he is electable. His obstacle has been his identification, fair or not, with Sunbelt Birchites, whose support — as was the case with Goldwater — is the kiss of death. The choice now of a liberal from the third most populous northern industrial state helps to meet that problem and, incidentally, gives Reagan a leg up in the region where most elections are still lost and won.



PLIST38 H PLI-1/ST38 PLI-1/ST38 PLI-Arra PLI Reagan

THE WHITE HOUSE WASHINGTON

July 28, 1976

Mr. President:

The attached material may be duplicatory, but in the event it is not, I wanted to bring it to your attention before your meeting with Senator Scott, According

Jack

RECEIVED

AUG 4 1976

CENTRAL FILES



29

July 29, 1976

PL/Ford PS/Reagan STILO

Dear Governor Bennett:

The President has asked me to thank you for your letter of July 24 concerning the Republican National Convention and selection of a Vice Presidential candidate.

The President has been seeking the opinions of many Republican leaders in regard to whom would be the most qualified person for the Vice Presidential position. I can assure you that the ideas expressed in your letter, as well as the results of our conversation in Indiana, will be considered in his decision.

Sincerely,

Stephen G. McConahey Special Assistant to the President for Intergovernmental Affairs

The Honorable Robert F. Bennett Governor of Kansas Topeka, Kansas 66612

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JUL 30 1976

CENTRAL FILES

PL/REAGAN

July 30, 1976

Dear Pam:

Thenk you for your recent thoughtful letter. I am appreciative of your support for my candidacy and understand the circumstances under which you have been elected in the State of California. We are all going to work hard in Kansas City to unite the entire Party so that November 2 will prove to be a banner day for Republicans from the courthouse to the White House.

Thank you for taking the time to write to me directly, and both Betty and I look forward to seeing you in Kansas City.

Sincerely,



Miss Pam Grigeby Route 4, Box 93A-38 Woodlend, California 95695

GRF:HJF:dv

cc: Jim Field

August 5, 1976

PL/REAGAN, ROWALD
PLI-1/ST25

Dear Lawrence:

Thank you for your recent thoughtful letter.
I can assure you that the President Ford
Committee looks forward to working with the
*Citizens for Reagan Committee and the members
of the Republican National Committee to insure
that our Convention runs smoothly and fairly.

I appreciate your taking the time to write to me directly and look forward to working with you and the members of the Missouri delegation in Kansas City.

Sincerely,

Jany 1000.

Mr. Lawrence J. Meisel
48 Frontenac Estates
Saint Louis, Missouri 63131

GRF:HJF:dv

| Po B
cc: Jim Field

33

101 hat Concerted



August 5, 1976

PL/FORD PL/Reagen PL/Rockefeller

Dear Tom:

Thank you for passing on to me the ideas developed during your conversation with Clem Stone.

You may have received a letter which I am sending to all of the delegates to the Convention by now. Of course I am asking for the names of five potential nominees in order of preference. However, I am glad to have your letter apparently written prior to your receipt of my request, because it obviously reflects the views of Clem Stone also.

I am trying very diligently and I am certain I will be successful in selecting a candidate who will be acceptable to all of our Party.

With an a park ortal, it

Warmest personal regards.

Sincerely, and interest the second.

JEANY FOR

Mr. Thomas J. Lankford 9209 Farnsworth Drive Potomac, Maryland 20854

GRF:m1

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CENTRAL FILES

August 5, 1976

PL/REAGEN ThoreNTON, Paul

Dear Jesse:

Thank you for your recent thoughtful telegram.

I can assure you that the President Ford

Committee looks forward to working with the

Citizens for Reagan Committee and the members

of the Republican National Committee to insure

that our Convention runs smoothly and fairly.

I appreciate you and Paul taking the time to write to me directly and look forward to working with the members of the Texas delegation in Kansas City.

Sincerely,

July 1000

Mr. Jesse W. Brookshire P.O. Box 5765 Texarkana, Texas 75501

POB

GRF:HJF:dv

cc: Jim Field



August 6, 1976

PL/CONNAlly, John
PL/REAGAN, PONAL

PL/BUSH, George
PL/Simon, Wm.

Dear Henson:

On behalf of the President, I have been asked to thank you for providing him with your recommendations with respect to the selection of the nominee for Vice President. Further, I have been requested to assure you that the confidentiality of your suggestions will be maintained.

With kindest regards,

Sincerely,

Max L. Friedersdorf Assistant to the President

The Honorable W. Henson Moore House of Representatives Washington, D.C. 20515

bcc: w/incoming to Dick Cheney for further handling

MLF:JEB:VO:vo



August 6, 1976

PL/REAGAN, RONALD

PL/Richardson, Elliot

PL/CONNAlly, John

PL/ANDERSON, John

PL/McCloskey, PAUL

Dear Al:

On behalf of the President, I have been asked to thank you for providing him with your recommendations with respect to the selection of the nominee for Vice President. Further, I have been requested to assure you that the confidentiality of your suggestions will be maintained.

With kindest regards,

Sincerely,

Max L. Friedersdorf Assistant to the President

The Honorable Alphonzo Bell House of Representatives Washington, D.C. 20515

WEE: JEFINGOMEng to Dick Cheney for further handling

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CENTRAL FILES

ALPHONZO BELL
27th DISTRICT
CALIFORNIA

RICHARD BLADES

SUITE 14220 11000 WILSHIRE BOULEVARD Los Angeles, California 90024 213-824-7222

Congress of the United States House of Representatives Washington, D.C. 20515

COMMITTEES:
SCIENCE AND TECHNOLOGY
EDUCATION AND LABOR

CRAIG VAN NOTE
LEGISLATIVE-ADMINISTRATIVE ASSISTANT
2329 RAYBURN HOUSE OFFICE BUILDING
202-225-6451

August 5, 1976

The President
The White House
Washington, D. C. 20500

Dear Mr. President:

Following are my suggestions for a Vice Presidential running mate, in order of preference, pursuant to your request directed through Minority Leader John Rhodes (I have also forwarded a copy of this listing to John):

1) Ronald Reagan. He would be a major unifying factor for the party. If thirty or forty percent of the party are "turned off" because of strongly pro-Reagan bias, that is thirty or forty percent of the party the President might not get in the way of votes and support. If possible this should be corrected. The acceptance of Reagan on the ticket would, I believe, largely correct this problem.

How would Reagan help get Democrats? He is a great campaigner on TV, or by any standard. Remember, he received great Democratic support in California to win his election as Governor.

Also, the very fact that he would go along with a Reagan-Schweiker ticket demonstrates that he would be flexible to the President's philosophy. In other words, it proves he is not as inflexible in his beliefs as touted.

Governor Reagan is the second strongest Republican, and a Ford-Reagan ticket would tend to consolidate the Party's strength. Most important, he would help us in getting California, the largest electoral state.





2) Elliot Richardson. It is my belief that Carter would be very difficult to defeat in the states of the old Southern Confederacy. No one on the Republican ticket is going to add any more states of importance than those the President could get himself in that area. Although possible assurance of Texas could come from either Reagan or Connally, it seems that the area of greatest opportunity for Republicans is the Northeast. Richardson fits this requirement perfectly.

I am sure you are cognizant of the likely use of the 'Watergate' issue, "The Pardon", etc. in the campaign. With the new book and the new films, this may be one of the big issues used against us. It is hard to beat peace, prosperity, and employment with 'We can do it better." Therefore, the only propaganda point they have against us is inferences relating to Watergate.

As a victim of the Saturday Night Massacre, and being clean as a hound's tooth, Richardson would dull the effectiveness of this attack. He also has a record of high competence in many areas of Government service. He is highly qualified!

He has no voting record of liberality, as does Schweiker. He cannot clearly be identified as "far more liberal" than the President.

3) John Connally. The reason for his being my third choice, rather than first, is obviously because of his closeness to Nixon and the milk fund indictment. Despite his being proven not guilty, these matters and the whole Watergate episode have tarnished his previous excellent image. We must face the fact that the whole Nixon-Watergate problem will be a very live issue in the coming campaign. To that extent, Connally as a Vice Presidential candidate may have, initially, an adverse affect on the ticket.

Despite the above, I still place him as my third choice. Next to Governor Reagan, my first choice, he is unquestionably the best known of all potential Vice Presidential candidates. He would

unquestionably be helpful in winning Texas. He has strong ties with the South and is probably equal to Reagan in getting Southern support. He is also very strong in the West and Midwest, and could be helpful in getting some extra money if required from the business community.

Very important also is that he is the only one equal to Reagan on the stump. He is a very effective campaigner, which will be very much needed in this campaign. Finally, he ranks with Nelson Rockefeller as the most competent potential Vice President, and, I believe, is very qualified to be President.

4) John Anderson. He would be an excellent choice from the standpoint of competence and campaign effectiveness. As he would become better known on the ticket, his help to the ticket would increase substantially. He is also highly intelligent, and qualified to be President.

The only reasons for his being fourth choice instead of first are because he comes from the same area of the nation as the President, and he is lesser known than the previous three.

He would, however, be a great help in picking up support from minorities because of his excellent voting record in Civil Rights and his more moderate stance in many areas. He is a highly articulate speaker and excellent in debate.

and more moderate to liberal groups, yet has a voting record that (except for Vietnam War matters) is not liberal, but moderate to conservative. Also, his strong anti-Nixon stance would tend to counter the Watergate issue.

Page 4

He is fairly well known nation-wide because of his campaign against President Nixon. He would help to bring California into the Republican camp.

I hope these suggestions will prove beneficial to you. With warmest personal regards,

Sincerely,

ALPHONZO BELL United States Congressman

AB:jgg



KEEULLE

August 9, 1976

PLI PL/ RENGAN, ROUBIL

Dear Mary:

Thank you very much for your letter of August 4 supporting the suggestion that Governor Reagan and I engage in a formal debate at the Republican National Convention.

As I have stated publicly, it is my belief that the major issues have been debated in a vigorous, comprehensive way in the course of a long and spirited primary campaign. Now, as we approach our National Convention and the fall campaign, it is surely in our Party's best interest to move quickly toward minimizing any differences between us and uniting the Party for what promises to be an uphill election effort.

I look forward to working with you towards making November 2 a banner day for Republicans from the courthouse to the White House.

Sincerely,

de

JERRY FORD

Mrs. Mary A. Bourdon 8283 Deerwood Clarkston, Michigan 48916

GRF:HJF:dv

cc: Jim Field



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August 9, 1976

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PhRichadson, Elliatt
PhBush George

Dear Jack:

On behalf of the President, I have been asked to thank you for providing him with your recommendations with respect to the selection of the nominee for Vice President. Further, I have been requested to assure you that the confidentiality of your suggestions will be maintained.

With kindest regards.

Sincerely,

mari

Max L. Friedersdorf Assistant to the President

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The Honorable John W. Wydler House of Representatives Washington, D.C. 20515

plut bcc: w/incoming to Dick Cheney for further handling

MLF:JEB:VO:vo

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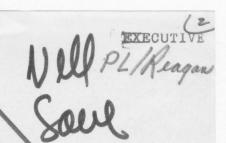


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gal

Filed: 12/2/26

INFORMATION FROM STU SPENCER:



GOVERNOR REAGAN WHILE GOVERNOR SIGNED AT LEAST 2

LEGISLATIVE PAY RAISES. THEY WENT FROM \$16,000 to \$19,200

and from \$19,200 to \$21,021.

REAGAN'S SALARY AS GOVERNOR:

In 1970

\$44,100

In 1971

49,100

These were bills that were passed by the Legislature that had to be signed by him.

In addition to his salary, he was given:

\$15,000	Annual rent for his house.
\$17,400	Support of Residence
\$15,000	Contingency Fund

