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OFFICE OF THE PRESIDENT

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WASHINGTON, D.C.

From the President: 1 This To: a.m. Date: Time p.m. In clean 2 7 maybe inopel

Excerpts of a speech by House Minority Leader John J. Rhodes, R-Ariz.) before the National Press Club, February 22, 1974.)

No one can predict with any certainty what the voters will or will not do some eight months before an election. Tublic opinion polls have an interesting history of reersing themselves before Election Day. The Democrats re fond of reminding us that this is so. They point to he dramatic come-from-behind victory of Harry Truman s an example.

like to recall 1965, when only one-third of the people aid they would vote Republican. But a funny thing happened on the way to the polls the next November. We picked up 47 seats.

do not know for sure what will happen this November. But this I can categorically state before you without the lightest hesitation—1974 does not have to be the lisastrous political year for Republicans that many people proclaim it will. Let me tell you why.

The branch of government up for judgment before the American people in November *is not* the Republican Executive. It is the Democratic Congress. And the Congress is in pretty bad shape.

...Congress is in trouble and the American people know it. The latest Harris Poll substantiates this factonly 21 percent of the American people are satisfied with the job Congress is doing...And with some reason.

'The Sapless Branch'

Consider how "the sapless branch" (as former Pennsylvania Senator Joe Clark referred to the Congress) goes about the business of spending the taxpayers' money. Every year, Congress blindly appropriates bill after bill, with no regard for either where that money is to come from or overall spending priorities. At the end of the year, Congress registers surprise when spending goes through the roof, and quite often then imposes a spending ceiling on the Executive. The ludicrous cycle is then completed when the Congress complains bitterly because the Executive impounds funds in order to stay within *their* spending limit. Then they return home every other year to lament "big spending" when they know full well that they never made the effort to create a system through which spending can be rationally controlled.

The challenge of the 93rd Congress will be to correct this. Legislation has already passed in the House which neludes the essential recommendations of the special loint Committee on Budget Control. That legislation s now in the Senate. I hope it will be adopted soon. Another fundamental problem area for the Congress is the committee system. The present system of committee jurisdictions was devised in the late 1940s, and has not been changed since. How can the Congress hope to solve the major problems of the '70s with a system of committees that was devised in the late '40s?

There is hope this year that this problem, too, can be solved. The report of the Select Committee on Committees...is a work of monumental dimension. I hope most of it will be translated into sound legislation soon.

During the past forty years, Congress has served as little more than a glorified echo chamber for the Executive Branch-usually content to approve or disapprove; rarely willing to initiate anything.

When I was elected Minority Leader, I made the observation that Pennsylvania Avenue should be a twoway street. I believe that Members of Congress should insert themselves into the legislative equation before a message reaches the Hill. I intend to work to see that this happens.

Congress at Fauit

I also said that the lack of Congressional input into policy-making is not the fault of the Executive. He, after all, has merely filled a Congressionally-created void that needed to be filled. The ultimate responsibility for the Congressional sterility that led 69 percent of the American people to give Congress a negative rating must be assumed by Congress itself. For the Congress has stood apathetically by while its influence has melted over the years, without lifting a finger to counteract the trend.

So Congress will be hard pressed to justify itself to the American voters in November. And the bottom line to this has to be the question: Who controls the Congress?

Answer: The Democrats.

As one of your colleagues, William S. White, observed just last week: "If the presidency under the Republicans is in disrepute, the Congress under the Democrats is even more so."

No investigation is necessary to conclude that the Congress is in disrepute.

And the question for the voters this November is not which party is best fit to run the Executive Branchthat one is for two years from now. This November, the question is which party is best equipped to run the Congress? let's take a look at the Legislative Branch under the mocrats. They have had iron-bound control for the st 20 years, shaping—or mis-shaping all the legislation at went to the various Presidents. And their performce has been less than inspiring.

Practically every committee in Congress is trying to t a piece of the energy action. No less than 25 comittees and subcommittees are in the process of holding arings. What kind of hard-hitting, coordinated, doe-job legislation can be expected from this jigsaw uzzle approach? Inevitably, the man on the street ffers—but the blame for his suffering lies squarely the majority leadership of Congress.

ne list of Congressionally-inspired problems is almost idless.

the nation's 300,000 pension plans are a hodge-podge ineffective and often tragically under-funded proams, who sat around for 20 years watching and doing othing? In fact, it was a Republican President who illed attention to the pension mess. Yesterday, the ouse Republican Policy Committee finalized a stateent in support of pension reform legislation. No bill as yet been passed, although two of them will be condered next week. I will predict—and I hope I'm rong—that this vital issue will also be left unreolved, because of bickering and jurisdictional strife etween two House Committees.

Petty Disputes

wo years ago, the Education and Labor Committee ecided to look into the pension situation. They set up Task Force to study pension plans. This angered yays and Means Committee members. They in turn bean work on their own bill. This past month we have een in a hassle trying to keep these two committees rom committing internecine warfare on the House loor.

consider another example of how petty jurisdictional isputes prevent progress. When they couldn't have heir own way on the Fair Labor Standards Act-better nown to us all as the minimum wage bill-the Democatic Leaders refused to act at all. The President vetoed bill that he felt was unreasonable. Was there any atimpt at compromise? Not at all. The result was that illions of workers were denied the chance to earn ther wages-all because the Democratic Leadership wild not see its way clear to enact a sound sensible ...If our mass transit systems fall far short of providing adequate transportation, who was it that sat on their hands for 20 years while rolling stock, roadbeds and service deteriorated? It is also ironic that the Democrats hold the vast majority of urban area seats in Congress-areas now hard-hit by the lack of transit foresight.

Who is Responsible?

If some people do not pay enough taxes—if there are loopholes—if the tax structure is hopelessly complex who is responsible? Who has raised taxes 14 times since 1900, thus fulfilling the dour forecast of the late Senator Harry Byrd who said 50 years ago that these taxes would become an onerous burden on the common man?

If it is true that power has flowed too freely to Washington, reducing the states to a network of vassals of an all-powerful centralized Federal Government, who was it that established the alphabet soup agencies, split functions into dozens of programs, pre-empted the major sources of tax revenue, and then cracked the whip to make localities jump to secure grants and loans?

If the welfare system grew from a humanitarian program of assistance to a way of life—who was it that enacted the vague laws, committed huge sums and failed to supervise the program?

The examples are many. I am talking about *accountability*. We hear this word often, particularly in reference to Watergate. Who is accountable for the lack of Congressional relevance over the years? It is the party that has controlled the Congress.

Twenty years is a long time to control things, yet for 20 years we have had Democratic control of Congress. We feel that this is a reasonable time period in which to prove ability on Capitol Hill. We feel it is time for a change-new directions, new ideas, and the vigor and vitality needed to produce for the American people.

And so we intend not to turn to the defensive in this "year of Watergate." And why should we? The official Republican Party had nothing whatsoever to do with the disgraceful abuses that took place in 1972. We intend to take the offensive. We are going into every District to tell the people that the only way they can get Congress off dead center is to change the guard-break up the old crony club. We are going to take the Democratic Party's Congressional record to the people and make their candidates wear it around their necks during the campaign.

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matter, we are not exempting any Demos effort. I happen to know a lot of Demoongress, many of whom I respect and like But they are inhibited by a rigid party at literally controls their caucuses. Often e forced to support Party positions that omplete odds with their personal moral osophy toward Government. The penalty integrity for Congressional Democrats is ss of party seniority and privilege. The onference, on the other hand, does not ers to any position or point-of-view.

what it is, the Democrats will try to shift where. We won't let it happen-not with-Elections for seats in the United States and not be "referendums" for anything, st, which candidate is best qualified and party should control Congress.

uestion of who controls Congress is so imyear that it may even outweigh the perations of the individual candidate. This is be talking about the Democrat failures in is is why we will "pin the tail on the

Fight Like Tigers

iss than honest with you if I tried to condoes not present unusual problems for o not minimize the difficulties we face as a licans will have to fight like tigers to make the American people. And any Republican ared in this political year-indeed, any ineither party who is not scared-does not hat this political year is all about.

ng that a case for Republicans can easily fall. I have always believed that during ial elections, the focus of the parties rected toward Congress. That, coupled is of strength that we see emerging on may serve to create in effect a "Congresican Party." That would suit me fine. Behat the Republican Members of the Conextremely able group of individuals. If 5 can present to the voters of the antisensible. On the impeachment question, every Member must vote according to his or her conscience. Party position should not be a factor. We must all weigh the evidence, then do the right thing-that is what I intend to do.

That the American voters are capable and willing to cast their votes on the basis of extra-Watergate issues and what the Congress has or has not done to solve these issues—is reasonable to expect from an informed and sophisticated electorate.

I have traveled quite widely around the country. The people are tired of Watergate. They remain concerned. They want to see it resolved. But they are of the opinion that Watergate has inhibited the effectiveness of their government. And they are correct.

The answer for Republicans in 1974 is to remain responsible on all the Watergate-related issues; to remain committed to seeing the matter proceed to a vote in the House of Representatives or in the House Judiciary Committee—and then to address the other genuine issues of concern to the American people—an energy crisis that won't go away, an ever-growing Federal bureaucracy, and the wide range of localized issues that always dictate, to a large extent, the outcome of any election.

The Republican Party—in the year of Watergate and beyond—will strive to be honest with the American people and outline what needs to be done in order to solve the nation's problems. That would seem to be a pretty effective political strategy for any year.

1.3 Million Americans Sign Support Petitions

The first one million signatures of Americans supporting President Nixon gathered by the National Committee for Fairness to the Presidency have been delivered to the President and to members of Congress.

Rabbi Baruch Korff, who organized and heads the Committee, reported that another 300,000 signatures have been received by his group and are being processed. The 1.3 million signatures obtained by the Committee are all of registered voters and came from all of the 50 states.

The Committee, which started in Providence, R.I., has opened a Washington office at 1221 Connecticut Ave..

REVIEW & OUTLOOK

A Veto-Proof Congress

Because of rising expectations tion to pass in a form the President among the Democrats, Congress has can accept. The only reason George been drawn into the orbit of the Meany submerged his opposition to campaign season much earlier than usual. In nonpresidential election years the strutting and posturing on Capitol Hill generally begins no earlier than June, and there is thus at least a half a year for serious legislative work before the politicking begins in earnest.

The difference this year is the anticipation of a Democratic landslide in November and a "veto-proof" 94th Congress next January. It now need only knock out the necessary work on appropriation bills and authorization extensions, with time out for a summer vacation. Better to put off the major issues, according to this thinking, until it is no longer necessary to arrange compromises with the White House. Come January, it will not matter what Republican is in the White House. Congress will be running the country.

No Democrat would admit this kind of treading of the waters is going on, and it is probably not conscious policy. But it is the avowed strategy of one of the major forces that drives legislation on Capitol Hill. The AFL-CIO will do all that it can to keep Congress asleep for the remainder of the year so it can raise the roof with the 94th; the other segments of the Democratic coalition are catching on. The President's national health-insurance bill is going nowhere. Labor prefers to push through something closer to Senator Kennedy's program next year, expecting to Le able to sustain it over the President's veto. "Labor is holding to a very tough position." Max Fine of the Committee for National Health Insurance told The National Journal. "We will resist action this year because we need a veto-proof Congress to get a bill past Nixon."

The President is also readying a new version of the Family Assistance Plan that the liberal Democrats managed to strangle every time Mr. Nixon sent it up during his first term. But it will not make the slightest difference how expensive new guaranteed-income plan. If the ber, To arrive at that ethereal state, Democrats hold off for a year, they not only can draw it to their own design, they can enact it without hav- a \$79 billion health-insurance. ing to share credit with a GOP Press scheme, a \$3,579 guaranteed-income ident.

the trade bill last year, when it passed the House, was his belief in early 1973 that he would have to deal with a strong President for a full four years. The AFL-CIO now says economic conditions have changed, and "It's a totally new ball game." But it is really the political conditions that have changed. Mr. Meany no longer has to do business with a President whose impeachment he is campaigning for. In 1975, with a veto-proof Congress, we could expect to see the Burke-Hartke bill wheeled out for another go.

Even with a bad back, Wilbur Mills can see what's afoot and draw some conclusions. A huge influx of freshmen Democrats in the 94th Congress will be putty in the hands of those liberal party colleagues of Mr. Mills who want to strip the Ways and Means Committee of its power. As far as the liberals are concerned, too many members of Ways and Means understand economics. Better to take its jurisdiction over the substance of health. welfare and trade legislation and give it to committees that don't worry about economics. To pay for such schemes, Ways and Means can be left with the power to raise taxes.

Is it any wonder that Mr. Mills would like Mr. Nixon to resign immediately or sooner? Or that Sanator Buckley and Representative Ashbrook are calling on Mr. Nixon to courageously step down? None of these gentlemen fear for their own political hides. Each surely is panicked with the vision of a government run, even for two years, by George Meany, Edward M. Kennedy and Vance Hartke.

It would indeed be an exhilarating period. When before has there ever been a veto-proof Congress controlled by a party other than the President's? At the very least, it would make for interesting history.

But then, we have our doubts that we'll see a "veto-proof" Congress, no matter how many Republicana and grandoise Mr. Nixon makes his are run out of Congress this Novem-1 the Democrats would have to interpret their success as a mandate for plan and a neo-isolitionist trade bill. Nor can we see good reason for If they did so, most of them would !



from Washington May 25, 1974

Don't Count on Congress

If it weren't for the impeachment story we would be worrying about double digit inflation. The beauty of Watergate is that it takes our mind off our troubles. It is giving America the best melodrama since Joe McCarthy. What fun. People are tossed back and forth like trees swaying in a breeze. What would the newspapers and TV do without it? Don't think a lot of congressmen aren't aware of advantages. Few are watching them. Reform bills are smothered while people read the transcripts. Debate is ignored. I went to a hearing last week chaired by Hubert Humphrey and at the end of the session there were present one senator, one witness, two reporters and seven tourists. Witness was asserting that at the end of the year US inflation, after a lull, will be bounding up again. Better not think of it. There's always Watergate.

It is possible of course, it is just possible, that out of Watergate will come changes, constitutional amendments and all that. Rarely has the situation been more malleable. But don't count on Congress for reforms; if they come, public anger will bring them, channeled not by political parties but by public interest groups.

Let's run down the list. If there's one thing Watergate proves it's that campaign spending must be regulated. The Senate passed a moderate reform bill April 11, 53-52, over a last-ditch filibuster by Sen. Allen (D, Ala.) but now it's stuck in the House where Rep. Wayne Hays (D, Ohio) has stalled a similar effort for 16 months. He promised to have a bill out in March. Why should congressmen, half from safe seats, who follow the crowd, who have slaughter for years, who are appalled at great issues that sweep the nation and threaten their comfortable rise through seniority—why should they approve federal limits on campaign funds, let alone (God forbid) public financing that might aid their rivals? This is the frightened flock that oddly enough now threatens Mr. Nixon; poor man, what a fate, to be run over by stampeding sheep.

The indignant public may reform Congress; Congress won't reform itself. The House committee structure hasn't been modernized since 1946 and power has drifted into the hands of a few big committees, of which the most important is Ways and Means, under senior satrap Wilbur Mills. If we are to have an effective counterweight to the Imperial Presidency the House committee structure must be reformed. Speaker Albert asked Rep. Richard Bolling to try to do it. He got a first-rate 10-man committee of five Democrats and five Republicans that unanimously recommended sweeping changes. What happened? The Democratic caucus just considered the reform and voted it down (or sidetracked it) 111 to 95, in a clever secret vote so that nobody could tell how they lined up. These were not Republicans, mind you, these were Democrats, who are unctuously condemning Watergate and waiting for an anti-Nixon landslide this fall. They will probably get it, and won't deserve it. Or take another reform, postcard registration, backed by such a subversive organization as the League of Women Voters, plus organized labor and others, and already through the Senate. Yes, but easier registration might bring riffraff to the polls, blacks and poor. Voting percentages have steadily declined for 16 years: 64 percent of eligible voters voted in 1960; only 55 percent in 1972. Five or six states already use the system. Canada uses it. (The Canadians are now preparing to do most of the things in their parliamentary elections under their new Election Expenses Act that seem so radical to timid USA.) The House killed easier registration 204 to 197, Democrats voting 166 to 44 for the reform, Republicans 20 to 160 against. Again, ask yourself, how far can we rely on this body to counterbalance the arrogant Executive?

The list is too long. We have roaring inflation. Congress after 200 years still doesn't have a system whereby it can weigh income against outgo. "We simply cannot constrain inflation in this country until the Congress gets its fiscal house in order!" testified John Dunlop, director of the Cost of Living Council. He calls it "the single most important structural change needed in government." Congress talks about getting around to it. Yes, someday it says it is going to get good and sore at that President who is eroding its fiscal powers. You can hear Congress beating its chest angrily every morning from 8:00 to 8:15 before taking its plunge in its taxprovided pool.

Every other industrial country has a national system of health insurance and Congress has talked about establishing such a system this year. But Teddy Kennedy (and we don't blame him too much) has decided that his fellows won't override a Nixon veto (or maybe a Jerry Ford veto) and has cut back his ambitious proposal to let the insurance companies operate it, arguing in a courageous face-to-face confrontation with trade union leaders at the Miami Beach union-management conference, that a toe-in-the-door approach is wiser under the circumstances. Kennedy, incidentally (it seems to this column) is edging closer and closer to becoming a 1976 presidential candidate all the time.

We aren't at all certain the Democrats will win in 1976. They have no discernible organized doctrine. They are split. Republicans elected Hayes despite the Grant scandals, and Coolidge despite the Harding scandals. Jerry Ford is just the likeable mediocrity the country. suffering a guilt complex, could rally around after ousting Mr. Nixon.

Don't expect too much from the Democratic Congress. It's not used to responsibility. It won't do much on tax referm or social improvements, or anything of that sort. Congress recently quietly dropped a 13-year-old disclosure law designed to curb junkets abroad that cost one million dollars a year. Rep-Hays, whose subcommittee handles the matter, took the House dining room headwaiter with him to a 1963 NATO parliamentarians' conference in Paria on a junket like that. Don't put too mak hope in Congress in the presidence mess. Watergate isn't all bad after all m it takes our mind off our troubles. The Washington Post's Mary Russell see cinctly put the matter recently, the post tion of Congress on reform is (inaudi ble), its action in the public interest (unintelligible) and its performance and whole (expletive deleted).

THE WHITE HOUSE

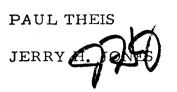
WASHINGTON

September 24, 1974

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR:

FROM:



The attached was returned in the President's outbox and is forwarded for your information. The following notation was made:

-- In cleaning out briefcase I found some material I had collected. May be useful.