

The original documents are located in Box 41, folder “Issues Group (2)” of the James M. Cannon Files at the Gerald R. Ford Presidential Library.

Copyright Notice

The copyright law of the United States (Title 17, United States Code) governs the making of photocopies or other reproductions of copyrighted material. Gerald Ford donated to the United States of America his copyrights in all of his unpublished writings in National Archives collections. Works prepared by U.S. Government employees as part of their official duties are in the public domain. The copyrights to materials written by other individuals or organizations are presumed to remain with them. If you think any of the information displayed in the PDF is subject to a valid copyright claim, please contact the Gerald R. Ford Presidential Library.

[Sept. 1976]

Remarks by the President at Vail, Colorado on August 27, 1976

Our campaign is national, and we believe -- as I said in the acceptance speech -- we concede no State, we concede no vote.

Secondly, we have refined the areas that we think important for this campaign to emphasize:

Number one, jobs, meaningful jobs with an opportunity for advancement.

Number two, an accelerated home ownership program. That is something more Americans are more interested in today than almost anything as we look at the polls that have been taken and the surveys that have been made.

Number three, quality health care that is affordable to the American people. We have to keep pressure on the costs of health care and make sure the quality of health care they are getting today will be continued and expanded.

Number four, crime. As I said in the acceptance speech, we will not tolerate the kind of crime rate increases that have taken place over the last three or four years, and we have not only a reiteration of what I have said in three or four speeches on the crime issue, but also some new thoughts and ideas that will be announced in the campaign.

The last, in the domestic area, recreation. Some -- or, I hope, all -- of you are going with us to Yellowstone Park on Sunday. We will have some announcements at that time that I think will show we are interested in the increased quality of life.

They really incorporate five points: Jobs, home ownership, quality health care, a reduction in crime and better recreation facilities. One other falls under that category, and that is in the field of education.

But, there is one other point that has to be made because it is sort of all-encompassing -- peace throughout the world. As I said in the acceptance speech, we want peace at home and peace throughout the world.

Those will be the thrust, those will be the emphasis, those will be the objectives we will try to convey to the American people that the Ford-Dole Administration of the next four years will emphasize.



PEACE

"I am proud to stand before this great Convention as the first incumbent President since Dwight D. Eisenhower who can tell the American people: America is at peace."

"Today America is at peace and seeks peace for all nations. Not a single American is at war anywhere on the face of this earth tonight."

"The world now respects America's policy of peace through strength. The U.S. is again the confident leader of the free world.

"Nobody questions our dedication to peace, but nobody doubts our willingness to use our strength when our vital interests are at stake.

"I called for an up-to-date, powerful Army, Navy, Air Force, and Marine Corps that will keep America secure for decades to come. A strong military posture is always the best insurance for peace."

--Kansas City Acceptance Speech

"We are at peace. We are at peace because we are strong."

--February 13, 1976

"Our foreign policy today is based on man's respect for man on our understanding that we are indeed riders on the earth together and a constant effort to make reason the strongest force in the conduct of nations. This is why America has always stood for freedom and justice, self-determination, the duty of the strong toward the weak, of the prosperous toward the poor.

"Americans have learned that we cannot police every remote corner of the earth, nor fill every empty bowl, but we can be an immense influence for good and for justice, for reason and for peace in this world in which we live."

--In Cleveland, Ohio, June 6, 1976



PEACE
(Continued)

"We are strong today, and our allies and our adversaries know it, and that is why America today is at peace. Let there be no doubt whatsoever, we intend to stay strong so that we can stay at peace."

--In San Diego, California, May 24, 1976

PEACE
9/3/76
JMC

Suggestion:

That the President make a foreign policy speech, before the United Nations, in late September or early October with the theme: "Atoms for Peace II".

This speech could articulate the President's policy decisions on the Fri nuclear project -- Nuclear Proliferation, Waste Disposal, and Exports.



JOB

The role of Government should be to maintain policies which protect the jobs of the 88 million people who are productively employed, and to develop policies which will permit the private sector to create the new jobs needed for our growing labor force. At the same time, we deplore the fact that we have a large number of unemployed, particularly among the young and new entrants to the labor force. We must find ways to encourage a more rapid expansion of the private sector to provide jobs for these individuals. We must not, however, do so at the risk of threatening the entire job force with a new round of inflation and recession.

It should be clearly understood that there can be no "trade off" between unemployment and inflation. Inflation causes unemployment, and excessive Government spending causes inflation. We, therefore, must reject policies which seek to temporarily alleviate some unemployment through Government spending at the expense of higher inflation later with less job security for all. Such policies invite a return to inflation and another cycle of recession and unemployment. The keystone to providing new jobs is the creation of an economic environment promising long-term economic stability; access to investment capital at reasonable interest rates; and tax policies that encourage productive investment and productive job creation. The most important contribution that Government can make to create this environment is to control inflationary Government spending. Programs like Humphrey-HawkinsGovernment spending to artificially lower unemployment ratespose a dangerous threat to the Nation's recovery and the job security of 88 million Americans now productively employed.

JOBS
9/3/76
JMC

Every American is entitled to a job.

My goal is a job -- a productive and permanent job -- for every American who is willing and able to work.

My goal is two million new permanent jobs every year.

Can we do it? In the last 18 months we created more than three million jobs.

And today, there are more Americans at work -- 88 million of them -- than ever before in our history.

Those jobs were created by competitive enterprise, not by government.

Don't forget: The job Congress gives you is a job Congress can take away.



HOME
OWNERSHIP

HOME OWNERSHIP

"I will ask for additional housing assistance for 500,000 families. These programs will expand housing opportunities, spur construction and help to house moderate and low income families.

"But, with lower interest rates and available mortgage money, we can have a healthy recovery in 1976." (State of the Union)

"Pursue the primary goal of expanding housing opportunities" while also pursuing "the companion goal of reducing the degree of direct federal involvement in housing."

Seek "a continuous, stable and adequate flow of funds" for real-estate mortgages "at realistic interest rates."

"Urge continued incentives to support the development of low and moderate-income housing," with high priority on rehabilitation of existing housing.

Develop "a co-ordinated national urban policy...based on the principle that the levels of government closest to the cities' problems are best able to respond." (Republican Platform)

Brief Summary of Presidential Record

HOME OWNERSHIP

The goal of the Administration's housing policy has been to improve the quality of housing stock and to facilitate homeownership for low and moderate income families. To achieve this goal, President Ford has taken steps to maximize the number of families receiving assistance, widen the range of housing choice available, and increase the amount of Federal mortgage insurance obtainable toward the purchase of a new home. His actions include:

- Signing the Housing and Community Development Act of 1974, which established a new program of housing assistance for low-income families and increased the mortgage credit for single family homes by \$10,000 to \$20,000 for various types of insurance programs;
- Signing the Emergency Home Purchase Act of 1974 which extends Government National Mortgage Insurance on a limited basis to conventional mortgages;
- Signing the Emergency Housing Act of 1975, which provides emergency mortgage foreclosure relief;
- Signing the Tax Reduction Act of 1975, which provided up to a \$2,000 tax rebate for the purchase of new homes in 1975.
- In the 1976 budget, authorizing HUD to enter into subsidy agreements with more than 400,000 families;
- Approving HUD's reactivation of a revised homeownership subsidy program which will subsidize more than 250,000 new single family units.

HOME OWNERSHIP
9/3/76
JMC

Home is the best way to keep a family together.

Every American who wants to own his own home, and is willing to work for it, should have his own home.

For 200 years the opportunity to have a place you can call your own has been a traditional and worthy aspiration that built this country.

Owning a home builds good neighbors. It means belonging to a community. It means sharing American traditions and sharing American values.

A place you can always come back to gives you permanence, security and pride.



HEALTH

HEALTH CARE

"Hospital and medical services in America are among the best in the world, but the cost of a serious and extended illness can quickly wipe out a family's life savings.

"Increasing health costs are of deep concern to all, and a powerful force pushing up the cost of living. The burden of catastrophic illness can be borne by very few in our society. We must eliminate this fear from every family.

"I propose catastrophic health insurance for everybody covered by Medicare. To finance this added protection, fees for short-term care will go up somewhat, but nobody, after reaching age 65, will have to pay more than \$500 a year for covered hospital or nursing home care, nor more than \$250 for one year's doctor bills. We cannot realistically afford Federally dictated national health insurance proving full coverage for all 215 million Americans***

"But I do envision the day when we may use the private health insurance system to offer more middle income families high quality health services at prices they can afford and shield them also from their catastrophic illnesses.

"Using resources now available, I propose improving the Medicare and other Federal health programs to help those who really need protection -- older people and the poor. To help States and local Governments give better health care to the poor, I propose that we combine 16 existing Federal programs, including Medicaid, into a single \$10 billion Federal grant."

"Funds would be divided among States under a new formula which provides a larger share of Federal money to those States that have a larger share of low income families.

"I will take further steps to improve the quality of medical and hospital care for those who have served in our Armed Forces." (State of the Union)

"We will ensure the integrity of the Social Security system and improve Medicare so that our older citizens can enjoy the health and the happiness that they have earned."

(Kansas City Acceptance Speech)

"Support extension of catastrophic-illness protection to all who cannot obtain it."

Oppose compulsory national health insurance that, as proposed by the Democrats, "could require a personal income-tax increase of approximately 20 per cent."

Consolidate federal health programs "into a single grant to each State, where possible, thereby allowing much greater flexibility in setting local priorities."

Expose and eliminate fraud in medicare and medicaid.
(Republican Platform)

Brief Summary of Presidential Record

HEALTH CARE

The President has pursued the goal of insuring every American's access to quality health care by taking the following actions:

- Initiating improvements in the quality of health care available in nursing home programs;
- Encouraging the expansion of the National Health Services Corps which places health professionals in critical health manpower shortage areas;
- Coordinating rural health activities to serve individuals in rural areas;
- Initiating a program of unprecedented scope to immunize all Americans against the possible outbreak of swine flu;
- Initiating a study of alternative means of providing health insurance to Americans who are not adequately insured;
- Proposing the catastrophic health insurance program that would (1) protect the elderly against the devastating cost of a serious illness and (2) hold down the inflationary surge in health costs;
- Proposing that 16 Federal health programs, including Medicaid, be consolidated into a single \$10 billion block grant to the states.

HEALTH
9/3/76
JMC

We can have quality health care for every American, but we cannot afford waste and we will not tolerate medical profiteering.

Our doctors, hospitals and medical services are among the world's best; but making them the best has also made them expensive.

My goal is to keep costs down for those who can afford to pay and to provide as much assistance as we can afford to those who cannot.

I believe in a partnership between public and private health to provide every American access to quality care at a reasonable cost.

I do not believe a huge and expensive program of national health for all Americans would work. It hasn't in Great Britain, and it hasn't worked in other countries.



CRIME

CRIME

"Protecting the life and property of the citizen at home is the responsibility of all public officials, but it is primarily the job of local and State law enforcement authorities***

"My recommendations on how to control violent crime were submitted to the Congress last June with strong emphasis on protecting the innocent victims of crime. To keep a convicted criminal from committing more crimes, we must put him in prison so he cannot harm more law-abiding citizens***

"Too often criminals are not sent to prison after conviction but are allowed to return to the streets.

"Some judges are reluctant to send convicted criminals to prison because of inadequate facilities. To alleviate this problem at the Federal level, my new budget proposes the construction of four new Federal facilities.

"To speed Federal justice, I propose an increase this year in the United States Attorneys prosecuting Federal crimes and the reinforcement of the number of United States Marshals.

"Additional Federal judges are needed, as recommended by me and the Judicial Conference.

"Another major threat to every American's person and property is the criminal carrying a handgun. A way to cut down on the criminal use of guns is not to take guns away from the law-abiding citizens, but to impose mandatory sentences for crimes in which a gun is used; make it harder to obtain cheap guns for criminal purposes and concentrate gun control enforcement in high crime areas***

"I have directed all agencies of the Federal Government to step up law enforcement efforts against those who deal in drugs***

"I recommended months ago that the Congress enact mandatory fixed sentences for persons convicted of Federal crimes involving the sale of hard drugs. Hard drugs, we all know, degrade the spirit as they destroy the body of their users***

"Under the Constitution, the greatest responsibility for curbing crime lies with State and local authorities. They are the frontline fighters in the war against crime***

"I would propose in the new budget that the Congress authorize almost \$7 billion over the next five years to assist State and local Governments to protect the safety and property of all their citizens." (State of the Union)

"I called for a major overhaul of criminal laws to crack down on crime and illegal drugs. The other party's platform deplores America's \$80 billion cost of crime. There is the problem again -- their own Congress won't act." (Kansas City Acceptance Speech)

Provide "automatic and mandatory minimum sentences for persons committing offenses under federal jurisdiction that involve the use of a dangerous weapon"--but "oppose federal registration of firearms."

Continue federal help for State and local agencies through the Law Enforcement Assistance Administration.

Treat drug addicts--but "remove the pushers from the street and give them mandatory sentences."

In prison reform, put "a high priority" on helping the young first-time offender.

Take strong steps against terrorism--"both domestic and international"--with "sanctions against countries that aid terrorists." (Republican Platform)

Brief Summary of Presidential Record:

CRIME

President Ford has emphasized three areas of Federal responsibility in combatting crime. These include improving the quality of Federal laws and the criminal justice system; enacting and enforcing laws covering criminal conduct which cannot be adequately regulated at the State and local level; and providing financial and technical assistance to State and local governments.

In a special crime message sent to Congress in June 1975, the President specifically called for:

- Enactment of a new comprehensive criminal code;
- Enactment of a mandatory minimum sentence law which would make imprisonment a certainty for persons convicted of (1) a Federal offense involving the use of a dangerous weapon, (2) an extraordinarily serious offense such as hijacking, kidnapping or trafficking in hard drugs, or (3) repeated offenses which cause personal injury to others.

In that same crime message, the President also proposed the following improvements in the Federal criminal justice system:

- Establishment of "career criminal" programs designed to assure quick identification and prosecution of persons who repeatedly commit serious offenses.

- Continuation and expansion of programs designed to divert certain first offenders into rehabilitation prior to trial.
- Creation by the Congress of additional Federal District Court judgeships and expansion of the criminal jurisdiction of United States Magistrates.
- Improvement of prison facilities, including the replacement of large, outdated prisons with smaller, more modern ones.
- Enactment by the Congress of legislation to provide limited compensation to victims of Federal crimes who suffer personal injury.

In the area of Federal financial aid for State and local law enforcement, the President in 1976 proposed that the Congress continue the Law Enforcement Assistance Administration through 1981 at a higher funding level which would authorize \$6.8 billion for the next five years. The bill places additional emphasis on improving State and local court systems and on funding "High Impact" crime-prevention projects in crime-ridden urban areas.

CRIME
9/3/76
JMC

Every American is entitled to safety in his home, on the street, and in his community.

I want every American to be free of any fear of violence -- to himself, to his family, to his neighbor.

To make America safe for every citizen, we must get the criminals off the street and into jail.

Most crimes today are committed by persons who have committed crimes in the past. We must work with state and local governments, who have the responsibility under our Constitution to preserve domestic tranquility, to see that they have the policemen, the prosecutors, and the judges to make sure that those who live by crime will be taken off the streets and kept off the streets.

I propose a certain imprisonment for anyone convicted of:

- a Federal offense with a dangerous weapon;
- kidnapping or high-jacking;
- trafficking in hard drugs;
- repeated crimes causing personal injury to others.



RECREATION

Suggested Draft Paragraph: RECREATION

As our quality of life improves, the complexity of daily living increases. Each American should be able to experience the simple pleasure of stretching his limbs -- and his mind -- in the open air. To secure this privilege for all citizens, I am committed to preserving and upgrading our recreational lands. To ensure that our children will inherit this natural legacy, I intend to double our recreational lands. From city parks to wilderness areas, our fragile natural resources must be protected.

EDUCATION

"We will return control of our children's education to parents and local school authorities." (Kansas City Acceptance Speech)

Propose "consolidating federal categorical-grant programs into block grants and turning the money over to the States... with minimum bureaucratic controls."

Favor a constitutional amendment so "local communities wishing to conduct nonsectarian prayers in their public schools" would be able to do so. (Republican Platform)

Brief Summary of Presidential Record:

EDUCATION

By law and tradition, State and local governments have the responsibility for providing free and universal public education. President Ford has emphasized his belief that maximum decisionmaking flexibility be provided at the State and local level and that Federal funds be used to support special needs programs.

The President has initiated a series of structural and financial reforms to achieve these goals. These include:

- Signing the Education of All Handicapped Children Act of 1975, which supports equal educational opportunity for all handicapped children;
- Proposing the Financial Assistance for Elementary and Secondary Education Act, which would consolidate twenty-four existing programs into a single program and continue to target funds on populations with special needs;
- Requesting greater support for the National Institute of Education in the amount of a 28 percent increase over the 1976 appropriation;
- Requesting full funding of the Basic Education Opportunity Grants program in 1976 and 1977, which facilitates access to a post-secondary education for any student demonstrating need.

EDUCATION
9/3/76
JMC

I want to return the education of American children to their parents, and to their teachers.

Every American is entitled to an education that matches his efforts, his ability, and his hopes.

Parents have the first responsibility for their children's education.

Parents also have the right to choose the school their children should attend.

Communities can best determine how to run their schools.

The education of our children should be determined not in Washington, but in the community where the children live and where their families pay taxes.

The real answer to a good education is what it has always been in America: a good teacher, and a willing and interested student.



[Sept. 1976]

1. Peace Scowcroft
2. Jobs Seidman, Greenspan
3. Home Ownership Lynn - O'Neill
4. Health Reichley (Support from Domestic Council)
5. Crime Cannon - Quern
6. Recreation Reichley (Support from Domestic Council)
7. Education Cannon - Quern

Vision and Overview -- Ann Arbor 9/13 or 9/14

First Debate -- Domestic and Economic Affairs

Issues Group
[Sept. 1976]

1. Peace Scowcroft
2. Jobs Seidman, Greenspan
3. Home Ownership Lynn - O'Neill
4. Health Reichley (Support from Domestic Council)
5. Crime Cannon - Quern
6. Recreation Reichley (Support from Domestic Council)
7. Education Cannon - Quern

[Sept. 1976]

To a great extent our ability to enjoy life and to contribute to life depends on staying healthy. Health care is something we Americans now expect to be of the highest quality and the widest availability.

These expectations, however, all too often bypass those with low incomes or fixed incomes. I will submit to the 95th Congress my \$10 billion program of health care for low income Americans. I will also submit again legislation assuring every senior citizen that they need never be fearful of having a lifetime of savings wiped out by the costs of illness and insist that the next Congress act.

These proposals, taken together, can end the disarray and abuse and waste which plague our current Federal health care programs.

[Sept. 1976]

My goal is homeownership for every American family that wants to own its own home and is willing to work for it. During my Administration, the Government has assisted over 400,000 families in owning their own home through the tandem mortgage plan.

There are three principal barriers to the achievement of the goal of expanded homeownership, and I intend to deal with each of them. The most important barrier, of course, is high interest rates. My economic policies, including tight control of unnecessary Federal spending, will bring interest rates down, as well as make available more funds for the private sector, including home mortgages. In addition, the growth in the economy which my Administration has brought about will put more families in a position to own their own home because of rising incomes.

The second important barrier to homeownership is downpayment requirements which often require years of saving. For those families who have proved they can hold a job and pay their bills, I shall next year be recommending one or more changes in the FHA law to reduce downpayments on lower- and middle-price houses, by 20 to 50 percent.

The third important barrier to homeownership, is the size of the monthly payments. To deal with this problem, I will order expanded use of existing authorities to lower payments in the early years of homeownership and gradually increase them as family income goes up. We already have one successful

demonstration program under section 245 of the Housing Act which is doing that on an experimental basis. I believe that that program can be expanded across the country.

JMC [Sept. 1976]

Domestic Council

Education

No one place in our society better combines the hopes and promises of our future than our classrooms. We must assure every American school child the finest education.

The real answer to improving the quality of education is what it has always been in America: a good teacher, and a willing and interested student.

To better equip schools to achieve quality education, I have sent to the Congress and will send again to the 9th Congress a \$3.5 billion simplification of 24 Federal elementary and secondary school programs. Replacing 24 programs with 1 will assure Federal support while minimizing Federal interference. Teachers can again concentrate on students instead of forms, and classrooms can be guided by their communities rather than by the Congress.

Under my Administration, the education of American children will be returned to their parents, their teachers, and their community.

We must set goals and keep after them.

My first goal is 2 million new permanent jobs every year. Can we do it?

Yes. In the last 18 months we created more than 4 million new jobs. Today, there are more Americans at work -- 88 million of them -- than ever before in our history.

~~But there are still too many Americans out of work, and in particular, too many young Americans in our urban areas~~ who cannot find a good job, or get the training and experience they need to find a good job.

Americans have long since recognized the importance of assuring that every high school graduate who is willing, able and qualified be able to go to college. We have done so through grants, loans and scholarships.

and create a I believe we can ~~to~~ ^{apply this} and should ~~create a job~~ ^{new} ^{good} ^{purpose} ~~create a~~ scholarship program for young people who choose not to go to college but want a job at which they can learn a trade, a skill, a craft or good business experience.

My "Job Scholarship Program" would provide an incentive for a high school graduate to select the kind of job he wants and train for it, and at the same time provide a financial incentive to an employer to take young and inexperienced people into apprentice jobs and train them.



[Sept. 1976]

A

Suggested Insert, Page 6 --

I am particularly concerned that there are too many young Americans who cannot find a good job, or get the training and experience they need to find a good job.

Americans have long since recognized the importance of assuring that every high school graduate who is willing, able and qualified be able to go to college. We have done so through grants, loans and scholarships.

I believe we can apply this same good principle and create a program for young people who choose not to go to college but want a job at which they can learn a trade, a skill, a craft or good business experience.

[Sept. 1976]

A

Suggested Insert, Page 6 --

I am particularly concerned that there are too many young Americans who cannot find a good job, or get the training and experience they need to find a good job.

Americans have long since recognized the importance of assuring that every high school graduate who is willing, able and qualified be able to go to college. We have done so through grants, loans and scholarships.

I believe we can apply this same good principle and create a program for young people who choose not to go to college but want a job at which they can learn a trade, a skill, a craft or good business experience.

[sept. 1976]

Suggested Insert B, Page 9 --

We must find ways through the tax system to alleviate the burden on the families who choose to send their children to private schools and colleges.

[Sept. 1976]

Suggested Insert B, Page 9 --

We must find ways through the tax system to alleviate the burden on the families who choose to send their children to private schools and colleges.

[Sept. 1976]

- 1. Peace Scowcroft
- 2. Jobs Seidman, Greenspan
- 3. Home Ownership Lynn - O'Neill
- 4. Health Reichley (Support from Domestic Council)
- 5. Crime Cannon - Quern
- 6. Recreation Reichley (Support from Domestic Council)
- 7. Education Cannon - Quern

Variable Rate Meeting -

Every American is entitled to safety in his home, on the street, and in his community.

I want every American to be free of any fear of violence -- to himself, to his family, to his neighbor.

To make America safe for every citizen, we must get the criminals off the street and into jail.

Most crimes today are committed by persons who have committed crimes in the past. We must work with state and local governments, who have the responsibility under our Constitution to preserve domestic tranquility, to see that they have the policemen, the prosecutors, and the judges to make sure that those who live by crime will be taken off the streets and kept off the streets.

I propose a certain imprisonment for anyone convicted of:

- a Federal offense with a dangerous weapon;
- kidnapping or high-jacking;
- trafficking in hard drugs;
- repeated crimes causing personal injury to others.

THE WHITE HOUSE
WASHINGTON

September 9, 1976

MEMORANDUM FOR: DICK CHENEY

FROM: JIM CANNON

JMC

SUBJECT: Issues Group

The Issues Group is moving ahead. At this point, we have these meetings scheduled:

1. Friday, 9/10, with Jim Baker *briefing*
2. ~~Monday, 9/13, Home Ownership Reviews for options~~ ^{Sat.} *10:30*
3. Tuesday, 9/14, with Bob Teetor ^{briefing} + Baker 9:30
4. Thursday, 9/16, Steering Committee 11:00

*Kris:
pls. schedule*

Sit Rooms

Lynn May



Thursday, Sept. 9

MEMO TO: MR. CANNON
FROM: CAMERON
SUBJECT: Issues Group Mtgs.

Jim Baker's office called today to confirm the Issues Group mtg. tomorrow, Friday, at 4:30. Baker thinks you mentioned to him that you might just call-off this mtg. Is the mtg. still on?

YES

NO

We have also scheduled an Issues Group mtg. for next Tuesday at 9:30 a.m. Is Baker to be invited to this mtg.? Teetor will be briefing.

YES

NO

late pm Mon. Home Ownership reviews for options

Wed. Steering Committee

See note dictated



James Group Mtg.

Thurs

THE WHITE HOUSE
WASHINGTON

5-6:00

Mr. Cannon:

Foster said the only time Jim Baker could make it Thursday is 11:00. Foster suggests that we start the meeting at 10:30, take care of the other business, then Jim Baker could come at 11:00, and end the meeting at 11:30 so you could have 1/2 hour to prepare for your 12:00 meeting with the President.

OK, SET UP _____

OTHER _____

Cancelled 6:15 9/7

(cd)

k Jeanne

457-6400



THE WHITE HOUSE
WASHINGTON

Kris:

Check with JMC about when you should do the inviting for the 9:30 mtg. next Tuesday.

cd

Also, Baker +
Tector - when
briefing?

THE WHITE HOUSE
WASHINGTON

Cameron:

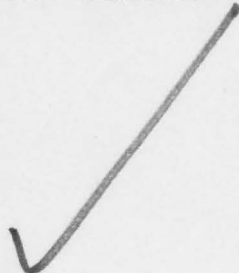
Have I called all the
members of the Issues Group?
This is all I have - is it
correct?

k

Yes

THE WHITE HOUSE
WASHINGTON

September 3, 1976



MEMORANDUM FOR: JIM CAVANAUGH
FROM: DICK CHENEY

You've got the action to work with Jim Cannon on the Issues Group.

Make certain all that stuff moves forward.

Jim Cheney
~~*Cavanaugh*~~

| | | | | |
|-------------|------------------|---------------------|---------------------------------|--|
| <i>9/10</i> | <i>Friday</i> | <i>- w/ Baker</i> | <i>Home ownership group</i> | <i>James & optional Morton</i> |
| <i>9/13</i> | <i>Wednesday</i> | <i>- w/ Factorz</i> | | |
| <i>9/14</i> | <i>Tues</i> | <i>- w/ Factorz</i> | | |

Thursday
9/16 *w/* *Specs; Committee*

cc:



ISSUES GROUP MEETING
Friday, September 10, 1976
4:30 p.m.
Situation Room



~~18 states~~
18 states

9/14/76

met again Thursday.

Both sides Big states

Catholics - Key. How
will we be doing
or how

will in my and
PA and

Lower end Catholics better
near to the church.

Issues beyond abortion
Catholics not in

non-public when
frankly moral issues



not as well as the
mid-west.

S of Columbus - D - heavily
conservative.

Two - generalizations:

1) Catholics - very much group

2) Rural vote - farm vote -
continue to be a
major problem.

will carry web & Kamm.

next in ~~out~~ will

M, Ohio, Pa -

Rural ?

Gand -



Common
Crime

Personal safety -
fear - of
robbery
House broken into

Inflation / Economy

Britain
it is
drug
related.

Foreign Affairs

Civil
Bugs

Inflation
unemployment

Debt

6 out - FIP

15 out - UP.

21 out - Au issues



P - run through anti-law

P - can change run + values of
society.

Factor - "Parental guidance"
missing ~~because~~ of causes earlier
to

Keep foreign affairs up to at
a high level -

Need about 70 - 36

non - college - families -

~~to~~ 10 - 15,000 more.

Is GPF sweat up to be

Is DC unstable?

in a week's package
like dog food



Unemp large Section states

Balance of lateen / unemp $\frac{1}{2}$ / $\frac{1}{5}$
towards unemployment

Expected return of economy -

Inflation + Unemp almost
= issue except in large
states, e.g. Ohio.

$\frac{2}{3}$ of people we want is
views on social issues.

Crime in streets,

Hobby.



Strive to change his personal
perception.

"He shows my problems and
is trying to help me."

Not Big Texan - it doesn't
say much.

1) Long 29% apparent rating

Use in middle - "
my problems."

Health.

Aspirations: Good Health

Think getting
like way
don't wait then
like with it

Best case -
1) not going up
too fast - be
pulled out
2) cancer/heart &
illness.

Wishes
Health
w/...



58.39% = 100 Big a profit by doctors

Group - Extra don't
talk about it -
or get the oil out.

"we are a
Nation of economic illiterates"

Under 30
Two - miners
30% who go to college - very liberal -

Under 35 - non-college - is
40% eligible voters in 76
but ~~not~~ likely to vote that
out of vote.



Good Health

Low Reluctance to Good.

When
elderly people

Buy own Home

818

Tax credits for elderly + tuberc
Home ownership



[9/20/76]

InterviewCARTER/MONDALE CAMPAIGNInterview With Jimmy Carter: COMBATING THE BIG SPENDER LABEL

Republicans in Kansas City charged that five programs that you've talked about would cost more than \$100 billion and would cause personal taxes to rise by 50%. How do you respond to the charge that you're a big spender?

Well, I've never been a big spender. I've always been careful with my own money and careful with whatever taxpayers' money I had under my charge. They are trying to cover up their mistakes. I intend as President to achieve a balanced budget by 1980. With a modest growth in gross national product to about 4% to 6% a year, and an unemployment rate of 4% to 4 1/4% at the end of that time, with careful planning and meticulous detail work, and phasing in the programs that we've evolved, we would have a balanced budget by 1980.

As to welfare reform cost, I think our total net cost would be much less than the roughly \$17 billion that we're spending this year on welfare payments and unemployment compensation. Health programs? I don't think the net cost to our country would be any substantially greater figure.

I would be very careful in phasing in programs in accordance with available income. I think eliminating gross waste in government, duplicative programs, excessive numbers of agencies, would save a great deal. So there would be no disturbance to our national economy, no need for an increase in taxes to carry out the promises that I've made.

We've heard that you are considering holding government spending to around 21% of GNP, near the current level. How would you impose this restriction and still fund the programs you've talked about?

Well, that's a goal for me, and I'm not sure about the 21% figure. The existing percentage of federal government spending compared to GNP has been fairly stable over the last couple of decades, and that would be a goal that I would set for myself. There will be very careful pacing of initiation of new programs as old ones are phased out.

This talk of savings reminds us of the Vietnam "peace dividend." Is there a chance that these savings will also disappear?

The savings are there to be realized. I don't say that we're going to cut that much out of total spending and give it back to the taxpayers, but to help programs be more efficient. I think we have now some 300 programs in health, administered by about 76 agencies. There's no way now to decide in Washington who's responsible for errors, who is in charge of the management of government. A clear delineation of authority, a reduction in the number of agencies responsible for the same function, combined with a reassessment of priorities on an annual basis under zero-based budgeting, would result in substantial savings. We figure that over a four

year period we'll have at least an increased income for the federal government—not in savings, but in dividends—of about \$60 billion cumulatively.

You know, I'm a businessman . . . and I'm very conscious always of costs, projections, balanced budgets, and that will be part of my consciousness as President.

Recently, we've detected from some of your staff that they are equating the fight against unemployment with the fight against inflation. How do you think that you can carry out these two apparently contradictory efforts?

I don't believe that they are contradictory as far as inherent characteristics are concerned. When President Truman went out of office, after enormous drains on our economy, with the Marshall Plan, with the Korean War, aid to Turkey and Greece, and so forth, we had an inflation rate of less than 1%. We had an unemployment rate less than 3%. Interest on a

home loan was 4%. The budget, over his six or seven years in office, was balanced. There was an average surplus of about \$2.4 billion. Now we have had an average inflation rate of almost 7% under Nixon and Ford, and the highest unemployment rate we've ever had since the Great Depression. This shows that they're not necessarily countervailing forces. When inflation goes up, under Nixon and Ford, unemployment has gone up along with it, and there's such an enormous drain on our economy just to finance the cost of people not being at work. Presidents Nixon and Ford have tried to fight the evils of inflation with the evils of unemployment. This has brought the highest combination of inflation and unemployment in this century. So I don't think there's an inherent economic law that says when inflation goes up, employment goes down, or vice versa.

To fight inflation, you said that you would like to attack the supply side. How do you get the private sector to go along and get involved in the supply side, to prevent capacity bottlenecks?

It's hard for me to answer that question. There are supplies of different types. One would be automobiles. Another would be food, another would be recreation, and so on. Some of those are determined directly by the government at all levels; others are almost exclusively the prerogative of business. I don't see how the federal government could tell the business sector to produce more autos, or more motor scooters, or more bikes, but I think at the same time a more predictable government policy on taxation, transportation, regulatory agencies, energy, exports, imports would have a greatly beneficial effect on the confidence of the business community as it made plans for the future . . . As a matter of general philosophy, my own belief is that the best way to control inflation is not to make money scarce, not to try to drive interest rates up, and not to try and keep people out of work and depend on welfare and unemployment compensation benefits to meet those hardships, but rather to put our people back to work, to hold interest rates down, and keep our economy growing, at a reasonably high rate.

You have said that you thought that wage and price increases should be announced 30 or 60 or 90 days in advance and that labor and management should set voluntary price goals. What kind of mechanism do you have in mind to make this work?

I would like to keep the present Council on Wage & Price Stability intact. I would like to meet with business and labor leaders and ask them to exercise voluntary restraint. If they could communicate with each other on a regular basis, maybe through me, and just lay down some general voluntary guidelines that they would pursue, let the council be informed 30 days or 45 days ahead of time for projected, substantive price or wage demands, and let the pressure of public opinion be focused to see whether or not the need is justified—that in itself would have a greatly beneficial effect.

Do you foresee then, in addition to this prenotification procedure, voluntary price or wage guideposts?

Yes, what I would like to do, and what we are doing now in an embryonic way, is to talk to business and labor leaders to find out what sort of guidelines they would self-impose. I think the President can induce business and labor leaders to say publicly: "We'll try to hold down our price increases, our wage increases, to this level."

Now, I can't tell you what the figure would be. I want them to be involved in the initial decision about what their voluntary restraints might be.

In a recent speech you promised to maintain farmers' income while insuring stable prices for consumers. How do you do this and how much would it cost?

It wouldn't cost any more than it costs now. All of the target prices, all of the loan prices that prevail now in the agricultural industry are substantially less than prevailing prices for farm products. The thing that we have suffered under with Agriculture Secretary [Earl L.] Butz and lack of leadership in the White House is unpredictability—the farmers don't have any idea what we're going to do next.

We oversold wheat in '73 because Butz didn't know how much the Russians were buying, and he didn't realize that our own reserves were so low. This was a major inflationary factor. But the farmers want to produce, they want to sell. The average American thinks that if we sell a bushel of wheat to Russia, you're taking bread out of their kids' mouths. But we are now exporting 60% of our total wheat production. We export 50% of all our soybeans, 50% of all our rice, 25% of all our corn. And if this were predictable, if the markets were assured, if our customers knew they could buy good quality grains from us, it would help a great deal.

The other point I make is this. We've had disgraceful performance in grain quality inspection because Secretary Butz and President Ford have blocked the professionalized inspection service. They still permit private inspectors, representing companies whose directors serve on the boards of the grain exporters, to be responsible for the quality of wheat that we ship overseas. Butz and Ford are blocking the shift away from private grain inspection for export. This is the kind of thing that really disturbs the farm community.

In your acceptance speech, you said: "It's time for a nationwide, comprehensive health program for all our people." What kind of program do you have in mind, and how much will that cost?

As I said earlier, the net cost probably won't be substantially greater. My own inclination is to have a package of basic health care that's available to all Americans. Whether it's financed by large groups in a major corporation like Kaiser or U. S. Steel or through private insurers, or through general revenues, that's not very important to me. Coverage to indigents would be furnished by the government. But there would be an emphasis on preventive health care, which we don't have now. There would be a tight control over

I would like to keep the present Council on Wage & Price Stability intact

any sort of charges for hospital care or doctor's care under reasonable levels of cost. But to participate in the program, doctors would have to adhere to peer review, doctors checking on doctors' prices.

Another thing that we need to do is to use more medical personnel in addition to medical doctors, and have a broader distribution of medical care for people that don't get it now. Along with the initiation over a period of time, three or four years, of the kind of health programs that I've described to you, with the private sector doing as much as possible, I think that we could have no substantial increase in overall health care cost. There might be some additional cost to the federal government, maybe \$10 billion.

In the few countries that have comprehensive health insurance, the usage of the health services has gone up. Have you thought about what that would do to costs?

I have, a great deal. There have been studies made by the Rand Corp., the Brookings Institution, by governmental agencies, that show that this is not necessarily the case. We now have tremendous pressure on the part of doctors, hospitals, insurance companies, to put people in long-term care. I read some statistics the other day that show that a person who goes to the hospital in Brooklyn, the average stay is 13 days. The person who goes to a hospital in San Diego with the same medical problems has an average length of stay of four days. You have twice as much chance of being operated on if you go into the hospital in Brooklyn as you do if you go into the hospital, say, in Michigan. Many insurance policies won't pay off if you get outpatient care. You've got to be an inpatient, with tremendous additional cost, before you can get coverage.

Many of the suggestions you have made concerning U.S. relations with the Third World have been tried by the Ford Administration. Do you believe that commodity price deals can be negotiated with the less developed countries?

Yes. I can't guarantee that I've got the answer to every question. But I do think that the best approach is to have a better bilateral relationship toward developing nations, and not treat them as a homogeneous group, which they aren't. Let them know that we understand their problems and send top diplomatic officials to represent us in their nations. Treat them with respect, jointly search the trade items that might be exchanged more readily. Lower the barriers to their finished goods, keeping in mind all the time that we have to keep our people employed, and have long-range trade agreements with them, arranged through the private sector.

I strongly believe that the best approach to the developing countries is in increased trade, building up their own economies, long-range mutual agreements, and some increase in our stockpiles of basic commodities, which will tend to level out the wild fluctuations in price.

One of the first problems you may face if you're elected is a 15% hike in oil prices by the OPEC countries. How would you handle that?

Well, we can't go to war over it. The one thing that we can do is to reduce our consumption of oil. Hopefully, by next year we'll have the oil pipeline from Alaska in operation, which will help. [So will a] shift toward coal and a shift of . . . our oil purchases as much as possible to more stable suppliers.

You have spoken of the need to stabilize or reduce the present worldwide consumption of oil. How can this be done without interfering with economic growth?

Lots of ways. We now use about 70 or 71 quads of energy [1 quad = 1 quadrillion Btu] in this country. It's estimated by several independent groups that the total consumption will be in the neighborhood of 100 quads by the end of this century. So the growth is going to be fairly modest compared with what we've experienced in the past.

We can [also] shift toward coal. At the present rate of



fair competitive chance to get those kinds of industries.

You told the AFL-CIO that housing is in a slump, and you talked at great length about the high cost of construction. How would your program of guaranteeing mortgages and subsidizing a portion of mortgage interest rates cope with the problem of high housing costs?

One of the reasons that houses cost so much is that there are so few of them being built. In multifamily home units in July alone, there was a 30% decrease in housing starts. Overall, there was a 9% decrease in that month alone. Ordinarily, we've been producing about 2 million houses per year. Last year we only produced about 1 million new home units. We've got about an 18% unemployment rate in construction. We don't have any government programs that are predictable except the Section 208 program, which subsidizes rent. Inevitably, we're going to have to shift toward more condominium dwellings, multifamily dwellings, a tighter concentration of home locations, closer correlation between job location and where people live to minimize use of transportation. I would also concentrate on reducing interest rates. I think there needs to be a better long-range commitment to housing programs, with some last-resort government payment of interest rates if they exceed a certain level.

But the main thing about the housing industry is predictability—similar to farming. You have to know three years, four years, five years ahead of time what the government is going to be doing, and the hit-or-miss approach to better housing construction is one of the things that exacerbates inflation.

Have you done any refining on the specific programs that you proposed earlier to solve the structural unemployment problem among young people, women, and minorities?

In general, when unemployment goes up in this country, the people most severely affected are minors, minority groups, women. I believe the present unemployment rate among young black Americans is about 40%. The first step would be to have a general emphasis on employment through business incentives and [incentives] for better housing construction, [with] public-service jobs as a last resort. I would favor a CCC-type of program, similar to what we had during the Depression years, for young people, and I think it should be oriented toward urban areas, instead of rural, as much as possible.

Will organized labor go along with this?

Yes, but it would have to be designed as much as possible to be noncompetitive with regular jobs. I'm talking now about additional employment, and as you know we now have a substantial amount of federal budget revenues going for this purpose. The federal share of the narrowly defined welfare budget is about \$5 billion, and I think the total amount of money now spent in CETA [Comprehensive Employment & Training Act] programs, job training, is around \$14 billion.

Some of the businessmen who had lunch with you at the '21' in New York the week after the Democratic convention believed that what you told them about business' role in the economy is not compatible with the tone of the speech you made before the Ralph Nader meeting in Washington shortly thereafter. How do you reconcile this difference?

The audiences were different, but I don't think what I said was different: I responded in both instances to questions, and when the businessmen asked me a question about international trade, [said I'm] for international trade. When the consumers ask what I think about a certain emphasis on appointing members to regulatory agencies that would be oriented toward consumers, I said that's what I favor. And in both instances my statements were accurate and reflect my long-standing positions. It would be suicidal for me, politically speaking, to make a different kind of answer to the same question. But the tone might very well be shaped by the origin of the audience or the type of questions I get.

consumption, we've got about 300 years of coal in this country alone. [But] we don't have any strict conservation measures yet. Conservation has got to be implemented regardless of what else we do about energy.

So to summarize, I think we need to shift from oil to coal, have strict conservation measures, have an additional emphasis on solar power. The Oak Ridge people, who primarily are into atomic power, say anywhere from 2 to 8 quads can come from solar power by the end of this century. The Federal Energy Administration says as much as 20 quads—I think that's probably too optimistic. And then whatever energy needs we can't make up with those methods, we'll have to make it up with atomic power.

You appear to oppose the deregulation of natural gas prices immediately. How would you stimulate the exploration for natural gas in the U. S.?

I have advocated the deregulation of new natural gas for a limited period of time—four to five years—and [said that] at the end of that time we should reassess to see if the deregulation should be extended. This would involve continuing the present contract prices and commitments for the delivery of natural gas and the renewal of those contracts as they expired at the existing price. This deregulation of newly discovered natural gas would be an incentive to explore. We are wasting too much natural gas because of the extremely high intrastate prices and the very low interstate prices. I favor the increased price of natural gas in the interstate market.

One other adverse factor is the unwarranted shift of industry that uses natural gas as a heat source or as a basic raw material toward those few states that produce natural gas. This robs New England, it robs all the other states of a

Business Week, 9/20/76)

