

The original documents are located in Box 30, folder “State of the Union Address, 1976 - General” of the John Marsh Files at the Gerald R. Ford Presidential Library.

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FRAMEWORK FOR DOMESTIC COUNCIL REVIEW

The following set of themes and principles represents a conceptual framework for the Domestic Council Domestic Policy Review. It is intended that this framework would permit the consistent analysis of major issues and guide alternative decisions on the various proposals.

The themes and principles are consistent with the President's policy preferences. Although they are not totally interdependent, they are intended as a coherent set.

Theme 1: FORGING A NEW PHILOSOPHIC CONSENSUS

Associated Principle

A stable domestic policy philosophy should be developed which bridges the stalemate between the social-activist policies of the early '60s and the anti-centrist improved governmental management policies of the early '70s.

Theme 2: ASSURING CONTINUED AMERICAN INDEPENDENCE

Associated Principle

To assure an adequate supply of resources essential to the continued vitality of the American economy, the United States must either produce them domestically (or produce economically and environmentally acceptable substitutes); or, through foreign policy, we must assure that such supplies are available on a stable and economically acceptable basis.



Theme 3: BUILDING ON AMERICA'S PROVEN STRENGTHS

Associated Principles

- a) Governmental policy should be consistently guided by an appreciation of the essential value of work.
- b) Governmental policy should be consistently guided by an appreciation of the essential value of incentives for enterprise, initiative and innovation.
- c) Governmental policy should be consistently guided by an appreciation of the essential value of respect for the individual -- individual choice, individual dignity, and individual privacy.
- d) Governmental policy should be consistently guided by an appreciation of the essential value of the widespread distribution of power.

Theme 4: FOSTERING SUSTAINABLE ECONOMIC GROWTH

Associated Principles

- a) Government policy must be concerned about BOTH inflation and unemployment.
- b) Governmental policy must weigh the secondary costs of apparently beneficial intervention -- and consider the net relationship of benefits to TOTAL costs in setting policy.
- c) Efficient infra-structure must be viewed as essential to the economic health of an increasingly complex society.

Theme 5: MAKING BEST USE OF LIMITED RESOURCES

Associated Principles

- a) When intended benefits can be more efficiently provided without large bureaucracies and large administrative costs, limited resources ought not be spent to support these costs.



- b) The limited resources perspective must be system-wide.
- c) Limited public resources spent for the provision of services or direct benefits, in the social program area, ought to be focused on the problems of the most needy -- the poor and those unable to help themselves.
- d) Limited resources ought not to be spent on full-scale programs where the effectiveness of the basic program technology has not first been satisfactorily tested on a meaningful "pilot" scale.

Theme 6: INCREASING GOVERNMENTAL RESPONSIVENESS AND ACCOUNTABILITY

Associated Principles

- a) Government ought not to try to do on full scale what it cannot satisfactorily do on a pilot basis.
- b) Governmental roles and responsibilities ought to be allocated among levels of government in a way that places the burden of justification on those who would centralize functions (and thereby tend to render government less responsive to local preferences).
- c) The burden of justification must be placed on those who would "complexify" government -- the simpler it is, the easier it is to comprehend, to administer and to hold accountable.
- d) Administrative procedures must be devised and applied to prevent fraud and to ensure quality control.
- e) Executive functions -- whether delegated or not -- ought to be within the control and direct responsibility of identifiable elected officials.



Theme 7: RESTORING A SENSE OF FAIRNESS

Associated Principles

- a) Those situated similarly in need ought to be treated similarly.
- b) Among those expected to work -- as also among those who (by virtue of age or health status) are not expected to work -- those who earn more ought not, by governmental action, be placed in a position of net disadvantage relative to those who earn less.
- c) Those who are needy and unable satisfactorily to help themselves ought to receive some minimal set of benefits as a matter of humane concern.
- d) To the extent that a prior history of unfairness has left a group disadvantaged, governmental intervention may be justified to restore a sense of fairness.



That bird sitting atop the
gold eagle on the White House
flag pole knows he's the
number 1 bird in Washington.

STATE OF THE UNION COORDINATING GROUP

Members

Cheney (or representative)
Hartmann (or representative)
EPB--Seidman (or representative)
ERC--Zarb (or representative)
OMB--Lynn/O'Neill (or representative)
NSC--Scowcroft (or representative)
Domestic Council--Cannon/Quern
CEA--Greenspan/McAvoy
Congressional Liaison--Marsh/Friedersdorf
Counsel--Buchen/Schmults (or representative)

Process

1. Six Basic Challenges approved by President
 - "Can do" theme of building on America's strengths.
 - Strengths identified.
2. Single meeting of one hour each for each of the challenges. Five-minute rule.
3. Participants have three days following each meeting to submit their proposals on what should be in the State of the Union in regard to challenge which was discussed at that meeting.
4. President will be presented a single decision paper on each challenge in order to indicate his preference on how to address that challenge in the State of the Union.
5. Presidential decisions will be incorporated in a draft message.



Schedule for Meetings

MONDAY, December 15

- 11 a.m. Brief group on process
- lay out themes and Six Basic Challenges

WEDNESDAY, December 17

- 11 a.m. I. Continuing America's Growth While Ensuring Fiscal Responsibility (Comments and papers due 12/20/75)
- 5 p.m. II. Achieving Energy Independence (Comments and papers due 12/20/75)

↖

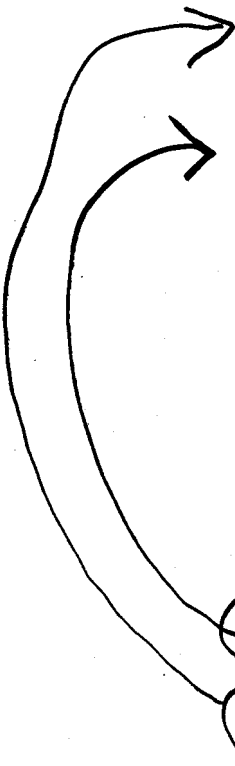
} TO Friday

THURSDAY, December 18

- 11 a.m. III. Increasing Employment and Productivity (Comments and papers due 12/21/75)
- 5 p.m. IV. Ensuring Responsible Social Policies (Comments and papers due 12/21/75)

FRIDAY, December 19

- 11 a.m. V. Revitalizing Our Federal System (Comments and papers due 12/22/75)
- 5 p.m. VI. International Peace and Security (Scowcroft) (Comments and papers due 12/22/75)



New Energy / Friday



Deadline for Decision Papers

MONDAY, December 22

2 p.m. Completion and Submission of Paper to
President on Challenges I and II.

TUESDAY, December 23

2 p.m. Completion and Submission of Paper to
President on Challenges II and IV.

WEDNESDAY, December 24

2 p.m. Completion and Submission of Paper to
President on Challenges V and VI.

WEDNESDAY, December 31

6 p.m. All issues resolved and all papers to
Hartmann.



DEC 15 1975

THE WHITE HOUSE

WASHINGTON

December 15, 1975

MEMORANDUM FOR:

DICK CHENEY
ROBERT T. HARTMANN
BILL SEIDMAN
FRANK ZARB
JAMES LYNN
PAUL O'NEILL
BRENT SCOWCROFT
ALAN GREENSPAN
PAUL MacAVOY
JACK MARSH
MAX FRIEDERSDORF
PHIL BUCHEN
ED SCHMULTS
ART QUERN

FROM:

JIM CANNON *JMC*

SUBJECT:

State of the Union Discussions

The purpose of these meetings is to provide for brief discussion of the elements of the State of the Union and to enable submission in writing of comments and suggestions on these elements. This is aimed at:

1. Ensuring a prompt compilation of possible themes and principles.
2. Identifying various specific programmatic decisions which have been, are being, or need to be made.
 - Where decisions have been made, the purpose is to determine how best to treat them in the State of the Union.
 - Where decisions are in the process of being presented to the President, the purpose is to accelerate the process.
 - Where decisions that need to be made are identified, the purpose is to determine the most expeditious means of bringing the issue to a decision.



3. The documents produced on each "challenge" will be compiled and given to the President.

--Challenges I and V by the 19th.

--Challenges IV and VI by the 20th.

--Challenges II and III by the 21st.



Schedule for MeetingsMONDAY, December 15

11 a.m. Brief group on process
Sit Rm. --lay out themes and Six Basic Challenges

TUESDAY, December 16

11 a.m. I. Continuing America's Growth While Ensuring
Cannon's Fiscal Responsibility
Office (Comments and papers due 12/18/75)

5 p.m. V. Revitalizing Our Federal System
Cannon's (Comments and papers due 12/18/75)
Office

WEDNESDAY, December 17

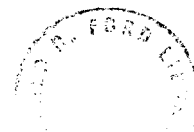
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Sit Rm. (Comments and papers due 12/19/75)

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Sit Rm. (Comments and papers due 12/20/75)

5 p.m. II. Achieving Energy Independence
Sit Rm. (Comments and papers due 12/20/75)



Deadline for Decision Papers to the PresidentFRIDAY, December 19

2 p.m. Completion and Submission of Paper to
President on Challenges I and V.

SATURDAY, December 20

2 p.m. Completion and Submission of Paper to
President on Challenges IV and VI.

SUNDAY, December 21

2 p.m. Completion and Submission of Paper to
President on Challenges III and II.

WEDNESDAY, December 31

6 p.m. All issues resolved and all papers to
Hartmann.

THE WHITE HOUSE

WASHINGTON

December 15, 1975

MEMORANDUM FOR: DICK CHENEY
ROBERT T. HARTMANN
BILL SEIDMAN
FRANK ZARB
JAMES LYNN
PAUL O'NEILL
BRENT SCOWCROFT
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2 p.m. Completion and Submission of Paper to President on Challenges IV and VI.

SUNDAY, December 21

2 p.m. Completion and Submission of Paper to President on Challenges III and II.

WEDNESDAY, December 31

6 p.m. All issues resolved and all papers to Hartmann.



THE WHITE HOUSE

WASHINGTON

December 15, 1975
12:45 p.m.

MEMORANDUM FOR:

DICK CHENEY
ROBERT T. HARTMANN
BILL SEIDMAN
FRANK ZARB
JAMES LYNN
PAUL O'NEILL
BRENT SCOWCROFT
ALAN GREENSPAN
PAUL MacAVOY
JACK MARSH
MAX FRIEDERSDORF
PHIL BUCHEN
ED SCHMULTS
JERRY JONES
ART QUERN

FROM:

JIM CANNON *JMC*

SUBJECT:

State of the Union Meeting on
Revitalizing the Federal System

The attached paper will serve as a beginning point for discussion this afternoon on a proposed section of the State of the Union Message dealing with Revitalizing the Federal System.

Attachment



V. The Fifth Challenge: Revitalizing our Federal System.

- A. We recommend that you reaffirm your faith in the unique values of the American Federal system of shared sovereignty and responsibility -- its capacity:
1. To foster diversity within unity;
 2. To encourage imagination, innovation and creativity in both the public and private sectors;
 3. To achieve balance by the division of authority between national and state governments and the separation of power among the executive, the legislative and the judicial branches;
 4. And its pluralism -- the capacity to sustain many differing beliefs which strengthen the total fabric of American society.
- B. We recommend that you explain that historic forces have distorted the relationships between the Federal partners and thus undermined the strength of the system:
1. The uncoordinated proliferation of categorical grants, with resultant duplication, conflict, inefficiency, waste and weakening of initiative and responsibility at the state and local levels;
 2. Confusion of responsibility among Federal, state and local governments, hence declining public confidence in all government.
 3. Aggravation of state and local fiscal problems by the matching requirements of grants.
 4. Effective exclusion of state governments from prior formulation of Federal programs which these governments must then administer.



C. We recommend that you propose to Congress these actions to revitalize the Federal system:

1. To strengthen the financial capacities of government closest to the people:

-- Renew General Revenue Sharing -- undergirding the program with a permanent trust fund.

2. To eliminate duplication and waste and to strengthen initiative and responsibility of governments closest to the people:

-- Consolidate Federal aid programs into these four areas, to be administered primarily by the states:

: Health

: Education

: Social Services

: Community Development

3. To strengthen and restore the authority of state governments and to decentralize the Federal regulatory bureaucracy:

-- Provide for state administration of Federal regulatory programs, based on Federal approval of state plans.

4. To rationalize the Federal system:

-- Make a clear, simple allocation of roles and responsibilities to each level of government.

5. To make revitalization of the Federal system a high priority of the Administration and to involve state governments in policy planning:

-- Propose creation of an Executive Office of Intergovernmental Coordination in the White House.



JAN 9 1976

THE WHITE HOUSE

WASHINGTON

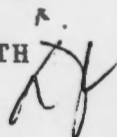
January 9, 1976

MEMORANDUM TO:

DICK CHENEY
JACK MARSH

FROM:

DOUG SMITH



The following working group will return from Williamsburg today:

Cannon, J.
Goldwin, R.
Greenspan
Lynn, J.
Baroody, W.
Messersmith, N.
Seidman, W.
Spencer, S.

The helicopter will leave Williamsburg at 12:30 PM and arrive at the Pentagon Helipad at 1:45 PM. Limosines will meet the group and bring them to the White House.

Mr. Hartmann and Mr. Friedman and two typists are planning to return Saturday afternoon by commercial jet.



JAN 15 1976

THE WHITE HOUSE
WASHINGTON

January 14, 1976

Bob
oh!
gm

MEMORANDUM FOR: MAX FRIEDERSDORF
JACK MARSH

FROM: BOB WOLTHUIS *RKW*

SUBJECT: SOTU Coverag

This afternoon I met with Russ, Bill and Vern to discuss how we handle the State of the Union Message.

- ✓ 1. If you concur, we recommend that the classic leadership in both Houses and the Chairmen and ranking Members of all committees be given an advance copy of the speech. This is a rather broad distribution and we may want to trim it.
- ✓ 2. Bill recommends that we distribute the Senate copies to Senators Scott and Mansfield and let Ken Davis or Stan Kimmitt have them placed on each Senator's desk when they return from the House Chamber.
- ✓ 3. Bill recommends the following Senators be contacted for press and television comments following the speech: Scott, Griffin, Tower, Goldwater, Weicker, Packwood and Fannin.

Bill will talk to these people once he has seen a copy of the speech and we may wish to modify the list once we see the contents.

✓ Distribution for all House Members was a serious problem to us last year. Vern recommends and I concur, that we give 300 copies to Mike Reed and 200 copies to Dennis Taylor and let them work out the post speech distribution.

✓ Vern recommends the following Congressmen for post speech comments: Rhodes, Michel, Anderson, Conable, Cederberg, and Latta. He will also make these contacts once we have the speech in hand.

✓ A member of our staff will take 150 copies into the Rayburn Reception Room for distribution to the Diplomatic Corps.



THE WHITE HOUSE

WASHINGTON

January 19, 1976

Jack:

John Warner called. Asks that he be permitted to sit with the Cabinet as "tail end man" tonight during SOTU.

I gave him no encouragement or discouragement. John's point was that since this was really the "kickoff of the Bicentennial Year" it would be more than appropriate.

Guidance.

Russ



Jimi Conna

ru G. B. O. Rep?

04.

THE WHITE HOUSE

WASHINGTON

January 19, 1976

Meeting with the Cabinet
4:00 p.m. (15 minutes)
The Cabinet Room

From: James E. Connor

I. PURPOSE

To give the members of your Cabinet a preview of your State of the Union Message.

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

A. Background: This meeting has been arranged to give the Cabinet members the opportunity to hear personally from you what you plan to emphasize in your SOTU Message this evening. Certain of the Cabinet members took advantage of the invitation yesterday to come to the Cabinet Room to read an advance copy of the message, but not all of them have seen the advanced text.

B. Participants: Attached at Tab A.

C. Press Plan: Announcement to the Press. David H. Kennerly Photo.

III. TALKING POINTS:

I appreciate your coming here this afternoon. As you know, the State of the Union Message is one of the most important speeches made by the President during the year, and I wanted to have the opportunity to discuss briefly with you what I plan to tell the Congress and the American people tonight.



Meeting of the Cabinet to Preview the SOTU Message
January 19, 1976 - 4:00 pm

Attendees:

The President

The Vice President

Secretary of the Treasury, William Simon

The Attorney General, Edward Levi

The Secretary of the Interior, Thomas Kleppe

The Secretary of Agriculture, Earl Butz

The Secretary of Commerce, Rogers Morton

The Secretary of HEW, F. David Mathews

The Secretary of HUD, Carla Hills

The Deputy Secretary of Defense, William Clements (Secretary Rumsfeld
is preparing for his trip to NATO)

The Under Secretary of Labor, Robert Aders (for Secretary Dunlop)

The Deputy Secretary of Transportation, John Barnum (for Secretary Coleman)

The Counsel to the President, Philip Buchen

The Special Representative for Trade Negotiations, Frederick Dent

The Counsellor to the President, Robert O. Hartmann

The Director of OMB, James Lynn

The Counsellor to the President, Jack O. Marsh

The Ambassador to the UN, Daniel P. Moynihan

James Cannon, Assistant to the President

Richard Cheney, Assistant to the President

James Connor, Secretary to the Cabinet

Alan Greenspan, Chairman, CEA

Ronald Nessen, Press Secretary

L. William Seidman, Assistant to the President

Brent Scowcroft, Assistant to the President

Frank Zarb, FEA

Note: Secretary Kissinger will be on his way to Moscow and Secretary Robert
Ingersoll is out of town, so there will be no State Department
Representative according to Secretary Kissinger's office.



[ca. 1/19/76]

1976 State of the Union: A Summary

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

Substantial Progress Already Made

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

- inflation was cut nearly in half -- down to about 7%.
- the economy was brought out of recession and is now enjoying a healthy recovery.
- two thirds of the jobs lost in the recession have been restored.
- to those critics who were asking whether we had lost our nerve, the U.S. has shown that it remains a strong and reliable partner in the search for peace.

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

Programs to Build Upon Past Progress

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

1. In the Economy

A. Curbing Inflation

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

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

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

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

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

more



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

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

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

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

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

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

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

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

-- Veterans were assured of high quality medical care.

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

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

more



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

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

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

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

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

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

-- He promised action to strengthen the intelligence establishment.

#

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

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



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

[ca. 1/19/76]

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

-- Broadened stock ownership so that middle and lower income Americans will be given tax deductions of up to \$1,500 for investing in American owned companies.

-- Greater Federal support to spur the construction or rehabilitation of 225,000 housing units.

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

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



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

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

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

6. In Crime -- Law enforcement remains primarily a local and State responsibility, but Washington can and must help. The President is proposing: mandatory sentencing laws, more



Federal prosecutors, more Federal judges, and more Federal prisons so that judges will be willing to send more criminals to jail. The President also promised a further crackdown on drug pushers.

7. In Federal Program Consolidation -- The President proposed that some 60 Federal programs be collapsed into 4 block grants -- health, education, child nutrition and community services. The biggest block grant would be a \$10 billion health grant for medicaid, other purposes; money would be distributed on basis of which state has most low income families. Purpose of consolidation to wipe out red tape, give those closest to the problems greater flexibility to solve them. They would be similar to revenue sharing, a program for which the President urged re-enactment.

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

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

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

-- He promised legislation and executive actions to strengthen the intelligence establishment.



RECORDED
JAN 21 1976

THE WHITE HOUSE
WASHINGTON

JAN 21 1976

January 21, 1976



MEMORANDUM FOR THE PRESIDENT

FROM: JIM CANNON *J Cannon*

SUBJECT: Comment on State of the Union

Congressman Joe Waggoner telephoned me yesterday to offer his observations on your State of the Union Address. In sum, he said:

"Of the 15 State of the Union Addresses I have heard since I have been in Congress, this is the best."

cc: Jack Marsh ✓
Robert T. Hartmann
Max Friedersdorf



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Washington Post

Thurs., January 22, 1976

George F. Will

State of the Union: A Matter of Numbers...

On the eve of the State of the Union address, it was alarmingly reported that President Ford has been reading a classic of political literature. Fortunately, the rash aide who started this consciousness-raising exercise placed in the presidential hands a copy of Tom Paine's "Common Sense" rather than, say, Hegel's "Philosophy of Right."

Hegel gets rather chewy as he tries to prove that the bureaucracy of the mo-

Speaking of national health insurance for all Americans, Mr. Ford said: "We cannot realistically afford" it. Here again, and not for the last time, he was sounding a note that is being sounded by chief executives of states from sea to shining sea.

It is not surprising that California's Gov. Edmund Brown, Jr., who enjoys this sort of thing, took just 11 minutes to give his budget message: no tax in-

now are "less government; less spending; fewer government employees; less interference in the lives of our citizens and businessmen."

Carey is governed by numbers: business bankruptcies increased 25 percent in New York last year, so Carey reversed his decision to seek new taxes. Instead, he promised cutbacks in services beyond the \$600 million in cuts already planned.

Employment in New York State has

industry with lower taxes. Like Carey, Bryne said it is time to re-examine environmental laws—the most cherished Flowers of recent liberalism—to see if they are discouraging industrial growth in the state.

In Connecticut, Gov. Ella Grasso, a third northeastern Democrat having an unpleasant rendezvous with reality, says 5,000 (one-eighth) of the state's 40,000 employees could be eliminated.

Charles McC. Mathias

By George Rebb for The Washington Post

...And Things Left Unsaid

In his State of the Union Message, President Ford drew upon some of the finest themes in American history. He called on all of us to recognize both the best in our past and the best in our present, and I certainly share his vision of an America whose greatness transcends her troubles. But what is to me most remarkable about his message is not what it says, but what it leaves unsaid. Many of the most important issues of our time were either quickly brushed aside or not even referred to

only will create the new jobs necessary immediately, but also will provide stability so that these jobs do not vanish on the next economic downturn.

Clearly, this would include tax and other incentives to hire and train new people, and cooperative activities with labor and management aimed at expanding apprentice programs and removing artificial barriers to job opportunities. Our complex society is opening up new demands for public service in many fields; these must be

confront millions of Americans? More than three-quarters of the American people now live in urban areas. Urban problems are a very real measure of national problems. What happened in New York City, I think we all acknowledge, was in part due to conditions prevailing in cities throughout the nation. With many cities in a state of physical decay and financial chaos, I cannot consider any report on the state of the union complete without some mention of this pervasive and growing

the use of our land are in a state of complete disarray?

And, finally, why has there been no attempt to focus on the significance of human life and the challenge of the individual spirit? It seems to me that more Americans are concerned with this question than with any other. They are worrying about the significance of human life in modern society, about the relationship of each individual to the nation, to the community, to the family and to each other. While government