

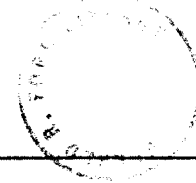
**The original documents are located in Box 31, folder “State of the Union Address, 1976 - White House Staff Suggestions (1)” of the John Marsh Files at the Gerald R. Ford Presidential Library.**

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America has built on its PROVEN STRENGTHS since 1776.

At its Bicentennial, America faces SIX GREAT CHALLENGES:



I. THE OVERRIDING CHALLENGE:  
CONTINUING AMERICA'S GROWTH -- WHILE ENSURING FISCAL RESPONSIBILITY

- Emphasizing Commitment to Growth
- Controlling Inflation/Ensuring Fiscal Responsibility
- Providing a Vision of America
- Keeping in mind "Simple Truths"

II. ACHIEVING ENERGY INDEPENDENCE

- Underlining Importance of Energy Objectives
- Emphasizing Roles of Marketplace and EIA
- Highlighting "Can Do" Theme (and "Can't Do" Congress)

III. INCREASING EMPLOYMENT AND PRODUCTIVITY

- Increasing Capital Formation and Jobs
- Modernizing Regulation
- Advancing Science and Technology

IV. ENSURING RESPONSIBLE SOCIAL POLICY

- Clarifying Social Policy Objectives
- Reforming Welfare
- Providing for Health, Education, etc.
- Domestic Tranquillity

V. REVITALIZING OUR FEDERAL SYSTEM OF GOVERNMENT

-Federal-

-State-

-Local-

- Allocating Responsibilities
- Consolidating Programs
- Eliminating "Red Tape"

VI. BUILDING A STRUCTURE OF INTERNATIONAL PEACE AND SECURITY

"America needs this NEW PHILOSOPHIC CONSENSUS on the eve of its third century."

F 28



DISCUSSION OF FISCAL POLICY  
IN THE STATE OF THE UNION

One year ago in my first State of the Union Message I stood before you and acknowledged that "the State of the Union is not good." I went on to recount the state of the economy characterized by millions of Americans out of work, inflation eroding the incomes and the savings of millions more, prices too high and sales too low. The year we had just ended was characterized by double-digit inflation and skyrocketing unemployment. Production, sales and employment were declining precipitously as the economy was midway through the deepest recession since World War II.

Change is often so incremental that it clouds our remembrance of the state of events even a year past. One year ago I declared that the time had come to move in a new direction. I am pleased to report today that much progress has been made. A brief review illustrates the substantial gains that have been achieved. The double-digit inflation of over 12 percent in 1974 was reduced during 1975 to about 7 percent. During the spring of 1975 the unemployment rate peaked at 9.2 percent. Since that time the economy has begun to recover. The size of the total labor force has grown by 1.5 million people, and the unemployment rate is 8.3 percent and falling. The Gross National Product is again rising at an annual rate of growth of about 8 percent during the last two

quarters of 1975. We began 1975 with the greatest burden of excessive inventories in our history and ended the year with inventories at approximately normal levels.

Now that the recovery is underway, it is even more important to focus upon the problems which we will confront in the coming year and beyond. Unless we proceed carefully we may exacerbate these problems and greatly increase the chances of setting off another inflation-recession cycle. We must not allow the seeds of future inflation to be planted by fiscal and monetary excesses in 1976.

Past Administrations and past Congresses have failed to resolve the recovery-inflation dilemma. This has made consumers and businessmen wary, watchful and mindful of the risks of the policy alternatives we now face. Past experience indicates that it is easy to continue expansive policies but that it is very difficult to curb budget deficits and hold monetary expansion to rates consistent with high-employment price stability. This is especially true in an election year. Past mistakes have created a situation in which the recovery itself is dependent upon confidence that policy will become significantly less expansive when and as circumstances require.

The budget deficit must be closed as the recovery proceeds. Unless we are able to curb the rapid rise in Federal spending, this

cannot be done. We cannot delay this task until after the election.

Unless this Administration and this Congress acts in 1976 we will have waited too long.

This section would continue with a discussion of the President's budget and tax programs and why they are consistent with the objective of restoring sustained economic growth without inflation and advancing individual freedom and opportunity.



E P B

OVERALL THEME FOR THE STATE OF THE UNION



The State of the Union Message provides the President a unique opportunity to outline his vision for America during the coming five years and for the remainder of the Twentieth Century. The unifying theme of his speech might appropriately be the need to maintain and advance individual freedom and opportunity. Our heritage of ordered freedom is a precious legacy in an age when it has become increasingly apparent that genuine freedom is a hard won and fragile achievement. In our increasingly complex society it is difficult for individuals to meaningfully participate in the decisions that affect their lives and not to feel swallowed up by the bigness of the institutions around them.

Moreover, the speech can emphasize that individual freedom and opportunity can be enhanced within a context of sustained economic growth, improvement in the quality of life in our land, and maintenance of a stable world order.

The achievement of these goals will not be easy. Ours and other representative governments face a series of serious challenges. Can we resist the political temptation to always respond to the demands of the present at the expense of the future? Can our government discipline itself sufficiently to restore stable high-employment prosperity without inflation? Will taxation and inflation together dry up the savings necessary for adequate investment? Can government control the pressures to



favor consumption at the expense of capital?

In answering these questions we should remember the foundations of our governmental system and of our economic greatness. Our nation was built through incentives not guarantees, through opportunity not welfare. The most serious threat to individual freedom and opportunity is that posed by the growth of massive government.

The address can outline the ways that the President has and proposes to continue his attack on the problem of massive government. His proposal for a tax reduction coupled with a spending ceiling is designed to prevent the proportion of the Gross National Product spent by the Federal Government from increasing in the next five years. He has launched a major campaign to free the economy from costly and anti-competitive government regulation. He has attempted to contain the growth of income transfer programs by requiring more stringent but equitable standards for the operation of these programs.

We must marshall the discipline to counter the bias in public policy in favor of consumption at the expense of savings; the bias in favor of the spendthrift present at the expense of the future. Capital starvation is the economic peril of Western capitalism generally and an immediate challenge to the strength and breadth of the current economic recovery. Restraint of government expenditures and limiting the size of the budget deficit are critical if adequate capital formation is to occur.

## The State of the Union Address

### Social Regulation

In our eagerness to solve urgent human problems we have created complex systems of government regulations and controls. Following the pattern begun with economic regulation of our railroads, we have set up highly administered systems which operate through the detailed application of complex government-imposed policies. Too often we have failed to recognize that these systems--designed and enforced by a remote bureaucracy--cannot be expected to make detailed business or purchasing decisions better than the individual manager or consumer faced with the ever-changing conditions inherent in our complex society. Once established, these detailed policies, rules and regulations become entangled in a web of bureaucratic red tape. Such a system discourages creative American businessmen and consumers--long the hallmark of our free society--from seeking new and better solutions to our social problems.

With the best of intentions, we have put in place a system of health and safety regulation which over the last decade has grown to become almost an industry in itself. Thousands of Federal and State government employees enforce mandatory standards and specifications for the production of most goods now sold in this country.

- The size of guard rails, width of corridors, size, shape and color of many products are set by law.
- Regulation is extremely detailed and rigid in its application from plant to plant.
- The process greatly adds to the bureaucracy both in the government agency and the company responding to the agency's requirements.
- The process requires extensive investments by companies to meet requirements. The specific degree of health and safety that is assured by regulation comes at a high cost of companies, workers, and consumers.





Federal safety and health regulations are under review in order to assess their effectiveness in accomplishing their goals and the costs they impose on the economy. It is my belief that there are often more efficient, less expensive ways to accomplish these objectives. My Administration will make appropriate administrative changes and propose new legislation to reduce the size of the bureaucracy and the current emphasis on enforcement of detailed, mandatory standards. We must reduce expenditures for regulatory activities, and the size of the bureaucracy; but even more important, we must reduce the costs of regulation, both to businessmen and consumers.

In many cases, there will be strong resistance to these initiatives by organized interest groups seeking to continue the preferential treatment they now enjoy. However, I believe that we as concerned American citizens must work together to overcome this reaction and seek changes which will have a positive impact on the Nation as a whole.



And what shall posterity say of us a decade, a century, a thousand years hence. Shall some historians in another day, another age, at another place write that the American Republic, man's greatest hope for man, perished from the earth because its people were not true to the legacy of their forebearers and lacked the will to meet the challenge of their time.

I believe that of us historians shall record that this Republic and its people in a unique moment of human history shaped a new destiny. Built a new world based on law, individual achievement and human freedom, and thereby repaid in part the debt we all owe to a tiny handfull of men, who with a firm reliance on the protection of a Divine Province, 200 years ago at Philadelphia, mutually pledged their lives ~~and~~ their fortunes, and their sacred honor that liberty might grow old.

Let us this day resolve we shall write this story for our country.



And what shall posterity say of us a decade, a century, a thousand years hence. Shall some historians in another day, another age, at another place write that the American Republic, man's greatest hope for man, perished from the earth because its people were not true to the legacy of ~~our~~ <sup>their</sup> forebearers and lacked the will to meet the challenge of their time.

~~On the contrary,~~ <sup>record</sup> I believe that of us historians shall ~~write~~ that this Republic and its people in a unique moment of human history shaped a new destiny, built a new world based on law, individual achievement and human freedom and thereby repaid in part the debt we all owe to a tiny handful of men, who with a firm reliance on the protection of a devine province, 200 years ago at Philadelphia, mutually pledged their lives and their fortunes and their sacred honor that liberty might grow old.

Let us this day resolve we shall write this story for our Country.




MEMORANDUM

THE WHITE HOUSE

WASHINGTON

November 28, 1975

MEMORANDUM FOR: DISCUSSION

FROM: BILL BAROODY 

SUBJECT: Political Strategy/State of the Union Message

The ingredients of the strategy needed for 1976 include the following:

1. understandable and all-inclusive theme (to be highlighted in State of the Union message);
2. emphasis on reducing growth in Federal spending and reducing tax burden on American citizens coupled with a new public policy formula that promises to improve quality of life and increase the nation's ability to solve all major public problems;
3. continuation of our program to return power to the states and localities through such programs as revenue sharing coupled with an implied criticism of those (most candidates) who seek primarily to reform government at all levels. The missing ingredient in today's public policy positions is that we are only dealing with one half of the problem -- the government half. There is a whole panoply of institutions in the private sector that are eager and willing to be involved in public policy formation, and more importantly, implementation. I describe them as the Fifth Branch of government. They include representatives of ethnic and voluntary associations, neighborhoods, churches and families -- in short, the value-generating institutions which provide meaning and rules for living in people's lives. Whatever we call them, we have had representatives from every one of these institutions in for many meetings in the last year and a clear foundation has been laid to maximize the fact of incumbency through implementation of a public policy formula that turns these institutions on.

I believe these groups would respond to a Presidential strategy of restructuring public policy to build around and strengthen these private sector institutions. I outline possible specific examples in the attached SOTU draft for discussion.



Discussion  
November 28, 1975  
page two

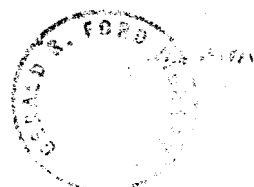
Broad Theme

The terms "rebirth of freedom" or "new birth of freedom" or "rebuilding the free society" are variations of the basic unifier I believe the President can capitalize on in this Bicentennial year to get across his basic message. It would be:

1. consistent with his rhetoric to date;
2. consistent with his basic policies, including
  - a. foreign policy,
  - b. revenue sharing, block grants and decentralization,
  - c. regulatory reform,
  - d. getting back to basics in energy and economy.

The "rebirth of freedom" or "rebuilding the free society" themes, in conjunction with a "fifth branch" or private institution-community renewal approach has great political potential. It could help to do the following:

1. restore the coalition of 1972, i. e. the new majority elements which have largely come unglued;
2. appeal to groups left out of the "action" by the Federal government that are generally GOP or conservative oriented.
3. appeal to both conservatives and left-wing libertarians;
4. provide a positive vision and not just a negative (the President in responding to Lawrence Spivak's question on Meet the Press about his lack of vision, stated that he wanted to see a society where government was not the master of the citizen. Although a worthy goal, negatives do not generally inspire great political support).
5. would restate fundamentally conservative arguments in a unique new way.



Discussion  
November 28, 1975  
page three

The only way I know to provide a concrete feel for the ideas I have described is through an illustrative State of the Union draft (attached). In reading it, you should remember that some of the specific programs and ideas discussed in the draft may not be consistent with Presidential thinking, since I have not been privy to the issues discussion in preparation for the State of the Union Message. Regardless of that, I am absolutely convinced that most if not all of the positions the President will ultimately take will be consistent with the general theme of rebuilding a free society through community renewal and fifth branch involvement.



ILLUSTRATIVE STATE OF THE UNION DRAFT

MY FELLOW AMERICANS:

A REBIRTH OF FREEDOM AS AMERICA CELEBRATES ITS TWO HUNDREDTH BIRTHDAY AND PREPARES TO EMBARK ON ITS THIRD CENTURY OF HOPE AND PROGRESS FOR THE HUMAN CONDITION IS THE STANDARD TO WHICH ALL AMERICANS CAN REPAIR.

A REBIRTH OF FREEDOM FOR THE INDIVIDUAL AMERICAN AT HOME, AT WORK AND IN HIS OR HER COMMUNITY.

A REBIRTH OF FREEDOM THROUGH COMMUNITY RENEWAL FOR THOSE FIFTH BRANCH INSTITUTIONS OF FAMILY, CHURCH, NEIGHBORHOOD, VOLUNTARY ASSOCIATION, AND ETHNIC COMMUNITY TO PARTICIPATE ACTIVELY IN THE FORMULATION AND EXECUTION OF PUBLIC POLICY AT LOCAL, STATE AND NATIONAL LEVELS.

A REBIRTH OF FREEDOM FOR STATE AND LOCAL UNITS OF GOVERNMENT THROUGH GENERAL AND SPECIFIC REVENUE SHARING TO DEAL EFFECTIVELY AND CAPABLY WITH PROBLEMS THAT PROPERLY FALL WITHIN THEIR AREAS OF RESPONSIBILITY UNDER OUR FEDERAL SYSTEM.

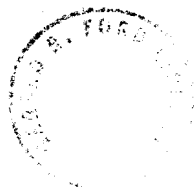


A REBIRTH OF FREEDOM FOR THE WORKER, THE BUSINESSMAN  
AND THE CONSUMER THROUGH UNSHACKLING THE BONDS OF  
OPPRESSIVE GOVERNMENT REGULATION AND ARTIFICIAL  
GOVERNMENT INTRUSION INTO FREE ENTERPRISE IN AMERICA.

A REBIRTH OF FREEDOM AS AMERICA REAFFIRMS ITS  
BELIEF IN THE BASIC VALUES THAT HAVE MADE THIS  
NATION A BEACON OF HOPE AND INSPIRATION FOR ALL  
MANKIND.

IN SHORT, MY FELLOW AMERICANS, ALL OF OUR HOPES  
FOR REBUILDING A FREE SOCIETY AND FOR REDRESSING ALL  
OF THE IMBALANCES THAT HAVE CREPT INTO THE BODY  
POLITIC OF AMERICA IN ITS FIRST TWO HUNDRED YEARS CAN  
BE REALIZED THROUGH DEDICATING OURSELVES ONCE  
AGAIN TO A NEW BIRTH OF FREEDOM.

(Specific discussions and programs for all of the above are expected  
to be contained in Domestic Council, OMB, EPB and ERC inputs with  
the exception of item two, the Fifth Branch and community renewal  
concepts. This would be the new ingredient that reshuffles the ideolo-  
gical cards and provides a new Public Policy Formula that no other  
candidate has yet addressed. What follows is an illustrative draft  
of a section of the proposed State of the Union message that deals  
with community renewal and the Fifth Branch.)





## COMMUNITY RENEWAL &amp; FIFTH BRANCH SECTION

A YEAR AGO, CANDOR COMPELLED ME TO REPORT THAT THE STATE OF THE UNION WAS NOT GOOD. THERE HAS BEEN SOME FORWARD MOVEMENT IN THE INTERVENING TWELVE MONTHS, BUT ANY CANDID ASSESSMENT OF THE STATE OF THE UNION MUST STILL TODAY MIX OPTIMISM WITH CONCERN. THE CAUSE FOR GREATEST CONCERN IS THE PERSISTENT CYNICISM AMONG THE AMERICAN PUBLIC TOWARD THEIR GOVERNMENT AND THEIR PUBLIC OFFICIALS. CONFIDENCE IN GOVERNMENT, ESPECIALLY BIG GOVERNMENT, HAS BEEN THE CHIEF CASUALTY OF TOO MANY PROMISES MADE AND BROKEN. SO THE PEOPLE HAVE SUSPENDED THEIR FAITH IN GOVERNMENT'S ABILITY TO DELIVER AND OUR RESPONSE TO THAT HAS BEEN TOO OFTEN INAPPROPRIATE AND UNIFORMLY INADEQUATE.


FROM NOW ON, WE SHOULD DE-EMPHASIZE THE BUREAUCRACIES WHO WORK FOR US AND RE-EMPHASIZE THE COMMUNITIES WE WORK FOR.

AS REPRESENTATIVES OF THE PEOPLE, OUR JOINT TASK IN THIS BICENTENNIAL YEAR SHOULD BE TO DEVELOP



DOMESTIC POLICIES THAT ENHANCE OUR FREE INSTITUTIONS RATHER THAN DETRACT FROM THEM. WE SHOULD HAVE POLICIES THAT ENCOURAGE, NOT DISCOURAGE, SELF-MOTIVATION AND DEDICATION TO FREEDOM ON THE PART OF ALL AMERICANS. IN THE PROCESS, WE WILL IMPROVE THE POLITICAL CLIMATE IN WHICH WE MUST WORK, AND ELEVATE THE CONSTITUTIONAL AND DEMOCRATIC POLITICS WE MUST SERVE.

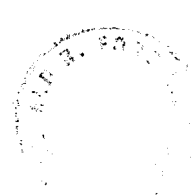
THE FOCUS OF DOMESTIC POLICIES THAT WILL ENCOURAGE DEDICATION TO FREEDOM BY INDIVIDUAL CITIZENS SHOULD BE ON FUNDAMENTAL ISSUES CONFRONTING EACH AMERICAN WHERE HE OR SHE LIVES AND WORKS -- ISSUES OF CHILD CARE, EDUCATION, HEALTH, HOUSING, LAW ENFORCEMENT AND WELFARE. THIS IS A POLICY APPROACH THAT ENHANCES ALL AREAS OF THE AMERICAN COMMUNITY AND IMPROVES EACH AREA'S ROLE IN PUBLIC AFFAIRS. IT IS TIME FOR US TO TURN TOWARD A DOMESTIC PROGRAM OF COMMUNITY RENEWAL AND TO TURN AWAY FROM BUREAUCRATIC RULE. I PROPOSE SUCH A PROGRAM FOR COMMUNITY RENEWAL IN THIS BICENTENNIAL STATE OF THE UNION MESSAGE, A PROGRAM NOT OF GRAND NATIONAL PLANS NOR OF EXTREME IDEOLOGICAL DISILLUSIONMENT, BUT A PROGRAM OF VIGOROUS LOCAL ACHIEVEMENT.



THE COMMUNITIES I REFER TO IN THIS PROGRAM OF COMMUNITY RENEWAL ARE THOSE SOCIAL, ECONOMIC AND POLITICAL INSTITUTIONS THAT STAND BETWEEN THE INDIVIDUAL AND THE LARGE STRUCTURES OF MODERN SOCIETY. FIVE SUCH COMMUNITY INSTITUTIONS ARE CRITICAL TO EACH OF OUR LIVES: FAMILY, CHURCH, VOLUNTARY ASSOCIATION, NEIGHBORHOOD, AND ETHNIC COMMUNITY. IF PROPERLY MOTIVATED AND UTILIZED, THESE INSTITUTIONS OF AMERICAN SOCIETY CAN TRULY SERVE AS A FIFTH BRANCH OF GOVERNMENT.

EACH INDIVIDUAL AMERICAN RELATES IN SOME IMPORTANT WAY TO SOME OR ALL OF THESE INSTITUTIONS. AS DISTINCT FROM THEIR INVOLVEMENT WITH GOVERNMENT, WHICH IS AT BEST OCCASIONAL AND INCIDENTAL TO MANY AMERICANS, THE INDIVIDUAL'S INVOLVEMENT WITH THESE INSTITUTIONS IS DIRECT AND MEANINGFUL, A PART OF THEIR IDENTITY. AS I SHALL MAKE CLEAR LATER IN THIS MESSAGE, MY NEW PROGRAMS OF COMMUNITY RENEWAL WHICH WOULD BE SPONSORED OR IN OTHER WAYS ENCOURAGED, BUT NOT CONTROLLED BY THE NATIONAL GOVERNMENT, WOULD SEEK TO MAXIMIZE THE SILENT STRENGTH THAT THESE INSTITUTIONS AND THE CLOSE RELATION OF PEOPLE TO THEM REPRESENTS.


IN RECENT YEARS, THESE INSTITUTIONS, THOUGH VITAL TO INDIVIDUAL AMERICANS, HAVE AT BEST BEEN IGNORED AND



AT WORST THREATENED BY THE DOMINATING AMERICAN INSTITUTION OF BIG GOVERNMENT. SO LONG AS THE PRE-DOMINANCE OF BIG-GOVERNMENT AS SOLE POLICY-MAKER AND PROBLEM SOLVER PERSISTS, THEN THE GREATEST IMBALANCE OF CONTEMPORARY AMERICAN LIFE WILL GO UNCORRECTED. FOR IN THE MINDS OF MANY, IF NOT MOST AMERICANS TODAY, GOVERNMENT AND ITS BUREAUCRACIES ARE NOT SERVANTS BUT AGGRESSORS AND PEOPLE IN THEIR COMMUNITIES ARE NOT ITS BENEFICIARIES BUT ITS VICTIMS.

THAT IMBALANCE WILL NOT BE REDRESSED UNLESS WE SHIFT OUR FOCUS FROM STRENGTHENING GOVERNMENT'S ABILITIES TO ONE OF RENEWING THE STRENGTH OF OTHER INSTITUTIONS. GOVERNMENT'S ABILITY TO TAKE AND TAX, TO REGULATE AND REQUIRE HAS ALREADY REACHED EXTRA-VAGANT PROPORTIONS. LET THAT TREND CONTINUE UNCHECKED AND IN A NARROW SENSE, OUR POWER MAY CONTINUE TO GROW.

BUT AS THE FOUNDING FATHERS NOTED, "GOVERNMENTS DERIVE THEIR JUST POWERS FROM THE CONSENT OF THE GOVERNED." AS THIS GOVERNMENT HAS EXPANDED ITS POWERS TO GIVE AND TAKE, IT HAS DIMINISHED ITS POWER TO LEAD AND RESPOND -- AND TO BE TRUSTED. LET THAT TREND CONTINUE AND AS GOVERNMENT GROWS BIGGER, IT WILL GROW WEAKER."



IF WE CHOOSE NOT TO CHANGE OUR FOCUS AND REDRESS THE IMBALANCE THAT NOW EXISTS, THEN THE GOVERNMENT WHICH NOW TAKES IN TAXES FROM THE AMERICAN PEOPLE A THIRD OF WHAT THEY EARN EVERY YEAR, WILL BY THE END OF THIS CENTURY BE TAKING FULLY HALF. WHEN THAT HAPPENS, GOVERNMENTS PRESENT ABILITY TO INFLUENCE PRIVATE DECISIONS OF FREE PEOPLE WILL BECOME THE ABILITY TO CONTROL THOSE DECISIONS. AND SHOULD THAT HAPPEN, THEN THIS WILL BE AN ALTOGETHER DIFFERENT KIND OF GOVERNMENT AND WE WILL NO LONGER BE A FREE PEOPLE.

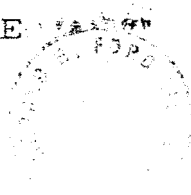
A DOMESTIC POLICY OF COMMUNITY RENEWAL IS DESIGNED TO MOVE IN A VERY DIFFERENT DIRECTION, TOWARD THE REBUILDING OF A FREE SOCIETY. IT RESTS ON THE ASSUMPTION THAT THE AMERICAN PEOPLE STILL RETAIN A STRONG AND VITAL ALLEGIANCE TO OUR CONSTITUTIONAL PROCESSES AND FREE INSTITUTIONS AND THAT THOUGH THEY MAY HAVE LOST FAITH IN THE KIND OF GOVERNMENT THEY HAVE BEEN GIVEN, THEY HAVEN'T LOST FAITH IN THEMSELVES NOR IN THE REALITY OF THE AMERICAN IDEAL.

THAT IDEAL RESTS ON THE VALUES WHICH THE COMMUNITIES OF FAMILY, CHURCH, VOLUNTARY ASSOCIATION, NEIGHBORHOOD AND ETHNIC COMMUNITY HAVE BOTH CREATED AND SUSTAINED.

THESE INSTITUTIONS REACH INTO THE ORDINARY LIVES OF INDIVIDUALS AND IF THEY ARE STRONG AND VITAL, THESE INSTITUTIONS FUNCTION AS A BRIDGE BETWEEN THE INDIVIDUAL AND GOVERNMENT AND THE OTHER LARGE INSTITUTIONS OF PUBLIC ORDER. IN A PLURALISTIC SOCIETY SUCH AS OURS, A DEMOCRATIC STATE CAN DERIVE ITS DYNAMISM AND ITS LEGITIMACY FROM THE CONSENT OF THESE COMMUNITIES. OR IT CAN SIMPLY VIEW THEM AS A TAX-BASE. THE CHOICE IS OURS -- AND IT MUST BE MADE SOON.

IN MY VIEW, A HEALTHY AMERICA CAN ONLY REMAIN SO IF ITS COMMUNITIES ARE STRONG. A POLICY OF COMMUNITY RENEWAL IS DESIGNED TO REVITALIZE, TO RENEW AND ASSURE THEIR STRENGTH.

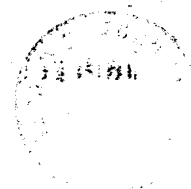
THIS CONCEPT OF COMMUNITY RENEWAL IS BY NO MEANS A NEW ONE. FOR A LONG TIME, OBSERVERS OF MODERN LIFE HAVE POINTED OUT THE DANGER IN A SITUATION WHERE NOTHING STANDS BETWEEN THE INDIVIDUAL IN HIS PRIVATE LIFE AND THE HUGE STRUCTURES OF PUBLIC ORDER. WHERE A VACUUM EXISTS BETWEEN CITIZEN AND STATE, CONSUMER AND CORPORATION, LABORER AND UNION, THERE DEVELOP INDIVIDUAL FEELINGS OF POWERLESSNESS. FROM THE



STANDPOINT OF THE VALUES OF INDIVIDUAL PEOPLE, THESE ORGANIZATIONS SEEM DISTANT. AND ON THOSE OCCASIONS WHEN THEY ARE NOT REMOTE, WHEN THEY DO AFFECT DAILY LIVES, THEY SEEM INTRUSIVE.

IT IS EASY TO BECOME FEARFUL AND EVEN ANGRY AT SUCH BUREAUCRATIC INTRUSIONS. AND SUCH FEAR AND ANGER CAN BE A TEMPTING TARGET FOR THOSE AT THE EXTREMES OF OUR POLITICAL SPECTRUM. RESPONSIBLE LEADERSHIP MUST AVOID SUCH TEMPTATIONS IF WE ARE TO SUCCEED IN THE REBUILDING OF A FREE SOCIETY. IN SPITE OF THE VIEWS OF SOME, PUBLIC DISCONTENT WITH BIG GOVERNMENT DOES NOT LEGITIMIZE THE NEGATIVE AND SIMPLISTIC COUNSEL THAT IMPLIES WE MUST GIVE UP ON OUR DECADES OF EFFORT TO IMPROVE THE QUALITY OF LIFE FOR ALL IN AMERICA.

PUBLIC DISCONTENT WITH BIG GOVERNMENT SAYS TO US SIMPLY THAT WE HAVE STRAYED FROM OUR TRADITIONS OF FREE CHOICE AND COMPROMISE FOR THE COMMON GOOD. IT IS A WARNING TO US, BUT NOT ONE THAT LEGITIMIZES A POLITICS OF DESPAIR.



LET US START FROM A BASIC ASSUMPTION WHICH I BELIEVE TO BE FUNDAMENTAL. MOST AMERICANS LIVE LIVES OF QUIET HONOR. AND THE BUREAUCRATIZATION OF AMERICA HAS OFFENDED THEIR HONOR AND STIFLED THEIR PROGRESS.

THE DEBUREAUCRATIZATION OF AMERICA IS WHAT A POLICY OF COMMUNITY RENEWAL IS ESSENTIALLY ALL ABOUT.

I WILL PROPOSE TO THE CONGRESS SPECIAL PROGRAMS DESIGNED TO IMPLEMENT SUCH A POLICY BY ALLOWING THE NATIONAL GOVERNMENT TO ASSIST DIRECTLY AND INDIRECTLY THE INSTITUTIONS OF FAMILY, CHURCH, VOLUNTARY ASSOCIATION, NEIGHBORHOOD AND ETHNIC GROUP. THE OBJECTIVE OF THESE PROGRAMS WOULD BE NOT TO SUBORDINATE THESE GROUPS TO NATIONAL POLICY BUT TO MAKE THEM FULL PARTNERS IN ITS FORMULATION.

A POLICY OF COMMUNITY RENEWAL, IN ITS MOST BASIC TERMS, IS AN EFFORT TO CREATE THAT PARTNERSHIP. AS ONCE I PROPOSED A MARRIAGE NOT A HONEYMOON BETWEEN CONGRESS AND THE EXECUTIVE, AND THAT THERE BE COMPROMISE, CONCILIATION, COMMUNICATION AND COOPERATION BETWEEN THE BRANCHES OF GOVERNMENT, SO DO I NOW PROPOSE THE SAME BETWEEN THE BASIC INSTITUTIONS OF AMERICAN SOCIETY, GOVERNMENTAL AND NONGOVERNMENTAL.



TURNING FROM THE PRINCIPLES OF COMMUNITY RENEWAL  
TO CONCRETE PROGRAMS, I WILL PROPOSE TO THE CONGRESS  
SPECIAL PROGRAMS DESIGNED TO ALLOW THE NATIONAL  
GOVERNMENT TO ASSIST DIRECTLY AND INDIRECTLY THE  
INSTITUTIONS OF FAMILY, CHURCH, VOLUNTARY ASSOCIATION,  
NEIGHBORHOOD AND SUBCULTURAL GROUP TO ENGAGE IN THE  
ACTUAL MAKING AND ADMINISTERING OF DOMESTIC POLICY  
IN THE AREAS OF CHILD CARE, EDUCATION, HEALTH, HOUSING,  
LAW ENFORCEMENT AND WELFARE.

FIRST, WE SHALL SEEK TO IMPROVE NATIONAL METHODS FOR  
LISTENING TO THE NEEDS OF THE AMERICAN COMMUNITY,  
INSTEAD OF STRENGTHENING THE FEDERAL GOVERNMENT TO  
DICTATE POLICY CHOICES TO THE AMERICAN COMMUNITY.

OVER THE PAST YEAR OR MORE I HAVE TRAVELLED EXTENSIVELY  
IN THE UNITED STATES, ENGAGING IN NUMEROUS SESSIONS ON A  
RANGE OF POLITICAL ISSUES WITH BROAD SEGMENTS OF OUR  
CONCERNED CITIZENRY, PEOPLE FROM ALL WALKS OF LIFE,  
ALL POLITICAL PERSUASIONS AND ALL GEOGRAPHICAL AREAS.  
[OPTIONAL: I WILL SEEK LEGISLATION THAT WILL PROVIDE  
FUNDS FOR EXTENSIVE TRAVELLING BY ALL CABINET AND  
SUBCABINET OFFICIALS, NOT FOR THE PURPOSE OF GOVERNMENT  
PROPAGANDA BUT FOR THE PURPOSE OF GAINING INSIGHT INTO

WHAT OUR COMMUNITIES WANT FROM THEIR NATIONAL GOVERNMENT. ATTENDANCE AT THESE FORUMS, OVER THE LENGTH AND BREADTH OF THE UNITED STATES, WOULD BECOME PART OF THE REQUIRED DUTIES OF FEDERAL OFFICERS AFTER JANUARY 1977.]

[ALSO, AS PART OF AN EXTENSIVE PROGRAM OF LISTENING TO WHAT OUR AMERICAN COMMUNITY HAS TO SAY ABOUT NATIONAL POLICY, I WILL SEEK LEGISLATION FOR REORGANIZING CERTAIN FEDERAL DOMESTIC DEPARTMENTS IN ORDER TO DECENTRALIZE THEIR ACTIVITIES. I HAVE IN MIND HERE SUCH AGENCIES AS HEALTH, EDUCATION AND WELFARE, HOUSING AND URBAN DEVELOPMENT, AND TRANSPORTATION.]

[FINALLY, IN ORDER TO PROVIDE CLOSER LINKS BETWEEN WHAT WE DO HERE IN WASHINGTON AND WHAT OUR VAST CITIZENRY HAS TO SAY TO US, I WILL PROPOSE THE ESTABLISHMENT OF A NATIONAL OMBUDSMAN SYSTEM WHEREBY GRIEVANCES OF PERSONS AGAINST OUR SPRAWLING BUREAUCRACY CAN BE READILY, SYMPATHETICALLY AND SYSTEMATICALLY ANSWERED ON A FULL-TIME BASIS BY RESPONSIBLE OFFICIALS. NOT ONLY HAS THE OMBUDSMAN SYSTEM BEEN SUCCESSFULLY IMPLEMENTED IN NORTHERN EUROPE FOR A NUMBER OF YEARS, BUT SOME OF



OUR OWN STATES AND ORGANIZATIONS IN THE PRIVATE SECTOR  
HAVE ADAPTED THIS INSTITUTION TO THEIR OWN NEEDS. WE  
WANT OUR NATIONAL GOVERNMENT TO MOVE CLOSER TO OUR  
COMMUNITY LIFE, AND WE WANT OUR COMMUNITY LIFE  
EXPRESSED IN ITS FULL POWER WITHIN OUR NATIONAL GOVERN-  
MENT.]

MOVING FROM METHODS OF GIVING OUR COMMUNITIES A MORE  
FORCEFUL VOICE IN NATIONAL AFFAIRS TO PROGRAMS THAT  
WILL FOSTER COMMUNITY RENEWAL IN AMERICAN LIFE, IT  
IS IMPORTANT FIRST TO UNDERSTAND WHAT HAS PREOCCUPIED  
GOVERNMENT POLICYMAKERS IN THE LAST TEN YEARS.

THE FOCUS OF GOVERNMENT POLICY THUS FAR IN THE LATE SIXTIES  
AND EARLY SEVENTIES HAS BEEN AN INWARD ONE. THERE HAS  
BEEN A PROPER BUT BY NO MEANS COMPREHENSIVE CONCENTRATION  
ON PUTTING GOVERNMENT'S OWN HOUSE IN ORDER.

MOVING TOWARD PROGRAM CONSOLIDATION AND BLOC-GRANT  
MECHANISMS, WE HAVE TRIED TO DECENTRALIZE THE FEDERAL  
GOVERNMENT AND RE-DISTRIBUTE THE POWERS AND RESPONSIBILITIES  
ACCUMULATED IN WASHINGTON BACK TO THE STATES  
AND LOCALITIES.



THE INNOVATION OF REVENUE SHARING HAS BEEN A KEYSTONE OF THAT EFFORT. I BELIEVE IT SHOULD BE CONTINUED AND STRENGTHENED. BUT TO RETURN TO MY THEME OF COMMUNITY RENEWAL, IT IS BY NO MEANS ENOUGH FOR GOVERNMENT TO PUT ITS OWN HOUSE IN ORDER.

A PUBLIC POLICY WHICH FOCUSES ON GOVERNMENT ALONE AS PROBLEM SOLVER, BY DEFINITION FAILS TO FOCUS ON THE ABILITIES OF PEOPLE AND INSTITUTIONS OUTSIDE GOVERNMENT.

REVENUE SHARING, IN MY VIEW, WILL NOT HAVE FULFILLED ITS FULL POTENTIAL AS A VEHICLE FOR A TRANSFER OF POWER FROM THE FEDERAL GOVERNMENT IF THE LINES OF TRANSFER EXTEND ONLY FROM BIG GOVERNMENTAL BUREAUCRACIES TO SMALLER ONES.

A POLICY OF COMMUNITY RENEWAL ENVISIONS A CONTINUATION OF THAT TRANSFER OF POWER TO REDUCE THE SIZE OF THE FEDERAL GOVERNMENT AND ENHANCE THE CAPABILITIES OF STATE AND LOCAL GOVERNMENT. BUT IT ALSO ENVISIONS AN EXTENSION OF THAT PROCESS SO THAT POWER CAN BE TRANSFERRED TO LEGITIMATE NON-GOVERNMENTAL INSTITUTIONS -- SUCH AS THE FAMILY AND THE NEIGHBORHOOD -- IN WAYS I WILL SHORTLY OUTLINE FOR YOU.



FOR MOST AMERICANS LIVING TODAY, THIS MAY REPRESENT A VERY NEW APPROACH TO MEETING THE NEEDS OF THE AMERICAN PEOPLE. BUT LET ME ASSURE YOU AND THEM, THAT THOUGH THIS MAY BE RADICALLY DIFFERENT FROM THAT TO WHICH TWENTIETH CENTURY AMERICANS HAVE GROWN ACCUSTOMED, THERE IS NOTHING RADICAL ABOUT IT. THIS IS A PROGRAM OF COMMUNITY RENEWAL WHICH IS DESIGNED TO PUT THE NATION'S HOUSE IN ORDER, NOT JUST THE GOVERNMENT'S. SO LONG AS WE CONTINUE, THROUGH REVENUE SHARING OR ANY OTHER PROGRAM, TO EMPHASIZE WHAT GOVERNMENT DOES TO THE EXCLUSION OF WHAT PEOPLE CAN DO, WE CONTINUE THAT IMBALANCE I SPOKE OF. CONSCIOUSLY OR NOT, WE MAKE IT US, THE GOVERNMENT, AGAINST THEM, THE PEOPLE. AND NO MATTER HOW WELL ORDERED OUR SIDE OF THE HOUSE MAY BE, THIS COUNTRY WILL REMAIN A HOUSE DIVIDED.

SO LET US TURN NOW TO SOME OF THE SPECIFIC INGREDIENTS OF A POLICY OF COMMUNITY RENEWAL.

PERHAPS WHAT IS MOST MISSING FROM PUBLIC POLICY TODAY IS THE IMAGINATION IT TAKES TO COMBINE PROBLEMS THAT SEEM UNRELATED AND COME UP WITH COMMON SOLUTIONS. THE RISING DEMAND FOR CHILD CARE SERVICES MAY SEEM



TOTALLY DISASSOCIATED FROM THE PROBLEMS OF OUR ELDERLY POPULATION. AND INDEED THE TWO MAY BE VERY DIFFERENT PROBLEMS, BUT I WOULD SUGGEST THERE MAY BE A COMMON SOLUTION.

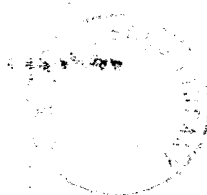
THE DEMAND FOR CHILD CARE IS GROWING AS A LEGITIMATE OUTGROWTH OF THE ENTRY OF MANY WORKING MOTHERS INTO THE NATIONAL LABOR FORCE. THERE IS, AS OF NOW, A VERY REAL DANGER THAT BIG GOVERNMENT WILL BE CALLED UPON TO SUPPLY THAT DEMAND IN A TYPICALLY IMPERSONAL BUREAUCRATIC WAY, THROUGH THE CREATION OF LARGE, INSTITUTIONAL AND EXPENSIVE CHILD-CARE CENTERS. THIS INDEED WOULD BE ONE SOLUTION TO THE "CHILD-CARE PROBLEM." BUT THERE IS CONCEIVABLY ANOTHER. FROM THE STANDPOINT OF THE TAXPAYER, IT WOULD HAVE THE VIRTUE OF BEING LESS EXPENSIVE. FROM THE STANDPOINT OF THE PARENT, IT WOULD HAVE THE VIRTUE OF BEING LESS IMPERSONAL. AND FROM THE STANDPOINT OF THE CHILD, IT WOULD HAVE THE VIRTUE OF BEING MORE CLOSELY AKIN TO THE FAMILIAL ENVIRONMENT IT IS INTENDED TO AUGMENT.

I AM SUGGESTING HERE A CONCEPT VERY CLOSE TO THE FOSTER GRANDPARENTS PLAN THAT HAS BEEN TRIED WITH SOME SUCCESS ALREADY. RATHER THAN ESTABLISHING COLD



AND IMPERSONAL DAY CARE FACILITIES, WHY COULD THE ELDERLY NOT BE EMPLOYED IN NEIGHBORHOOD CENTERS AND FAMILY-LIKE SETTINGS TO LOOK AFTER SMALL NUMBERS OF CHILDREN. PUBLIC FUNDS COULD BE USED, EITHER IN DIRECT PAYMENT OF STIPENDS TO THE ELDERLY OR THROUGH INDIRECT TAX CREDITS TO THE PARENTS AND THE LEGITIMATE PUBLIC DEMAND FOR CHILD CARE WOULD BE SERVED AS WOULD THE VALID PUBLIC INTEREST IN PROVIDING MEANINGFUL AND REWARDING AND REMUNERATIVE OCCUPATION FOR THOSE OLDER AMERICANS WHO EITHER NEED OR SEEK SUCH INVOLVEMENT.

GOVERNMENT SHOULD NOT, THROUGH ITS WELFARE LAWS, FORCE MOTHERS OUT OF THE HOME AND TO THE EXTENT THAT WELFARE LAWS AND REGULATIONS PRESENTLY TEND IN THAT DESTRUCTIVE DIRECTION, I WILL SEEK AMENDMENT. BUT WHERE ECONOMIC CIRCUMSTANCE OR PERSONAL PREFERENCE LEADS A MOTHER TO SEEK EMPLOYMENT, GOVERNMENT POLICY SHOULD ENCOURAGE THE CREATION OF SUCH NON-BUREAUCRATIC CHILD-CARE OPPORTUNITIES AS I HAVE DESCRIBED. AND I INTEND TO PROPOSE PROGRAMS WHICH CAN ENCOURAGE THE CREATION OF SUCH OPPORTUNITIES.



ALSO IN THE FIELD OF CHILD CARE, I SHALL INTRODUCE PROGRAMS TO PROVIDE NEEDED ASSISTANCE TO PARENTS WHO WISH TO CARE FOR THE HANDICAPPED CHILD IN THE HOME, AS OPPOSED TO SEEKING INSTITUTIONALIZED CARE. I DO NOT THINK IT RIGHT OR JUST THAT ONLY THOSE PARENTS WHO DECIDE TO INSTITUTIONALIZE THESE CHILDREN SHOULD HAVE ACCESS TO PUBLIC HELP. DIRECT AID OR A COMBINATION OF SUCH AID ALONG WITH TAX DEDUCTIONS COULD MAKE IT POSSIBLE FOR MANY SUCH PARENTS WHO SO DESIRE TO KEEP THE CHILD AT HOME AND WITHOUT BY THAT DECISION, FORSAKING THE PROFESSIONAL GUIDANCE WHICH IS SO OFTEN ESSENTIAL IN THESE SITUATIONS.

THESE ARE TWO CONCRETE EXAMPLES OF WAYS IN WHICH PUBLIC POLICY COULD SEEK TO ENHANCE RATHER THAN DEBILITATE THE STRENGTHS WHICH ARE INHERENT IN FAMILY LIFE. AND THE STRONG LIKELIHOOD THAT SUCH NON-BUREAUCRATIC SOLUTIONS TO SUCH VERY PERSONAL PROBLEMS COULD ALSO STRENGTHEN AND TEND TO HUMANIZE PUBLIC POLICY IS WORTH EMPHASIS.

IN THE SAME SPIRIT, I INTEND TO INTRODUCE PROGRAMS OR MORE GENERAL RECOMMENDATIONS WHICH CAN OFFER WAYS TO

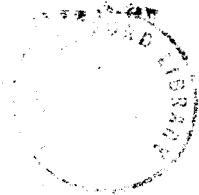




CONTINUE OUR DRIVE TO MEET SPECIFIC PROBLEMS AND CHALLENGES IN AMERICAN LIFE THROUGH A NEW EMPHASIS ON FOSTERING COMMUNITY RENEWAL. THESE WILL ENCOURAGE THE INSTITUTION OF GOVERNMENT TO ALLY ITSELF WITH, RATHER THAN IGNORE OR PREEMPT AS IN THE PAST, THE STRENGTHS INHERENT IN OTHER AMERICAN INSTITUTIONS.

IN THE FIELD OF EDUCATION, I SHALL VIGOROUSLY SUPPORT INITIATIVES TO END GOVERNMENTAL PRACTICES WHICH MILITATE AGAINST FREE MORAL CHOICE, AND EQUALITY OF OPPORTUNITY. FORCED BUSING OF CHILDREN TO SCHOOLS OUTSIDE THEIR OWN COMMUNITIES, RESTRICTIONS ON THE PUBLIC USE OF RELIGIOUS SYMBOLS IN THE SCHOOLS INHIBIT FREE CHOICE AND I SHALL SEEK REMOVAL OF THOSE INHIBITIONS.

BUT OPPOSITION TO FORCED BUSING STEMS CHIEFLY FROM ITS COERCIVE ELEMENTS. SOME PARENTS, FOR REASONS OF THEIR OWN EDUCATIONAL OUTLOOK WOULD NOT, IF GIVEN THE CHOICE, SEND THEIR CHILDREN TO THEIR OWN NEIGHBORHOOD SCHOOL IN ANY EVENT. TODAY, THE LOWER INCOME PARENT WHO WOULD PREFER AN ALTERNATIVE TO PUBLIC



EDUCATION LACKS THE RANGE OF CHOICE OPEN TO UPPER INCOME PARENTS.

A VOUCHER SYSTEM OF EDUCATIONAL ASSISTANCE WOULD BROADEN THEIR RANGE OF CHOICES AND WOULD, IN ADDITION, STRENGTHEN EDUCATION IN THIS COUNTRY BY OPENING IT UP TO THE DYNAMICS OF COMPETITION. I SHALL OFFER TO THE CONGRESS MY PROPOSAL FOR THE IMPLEMENTATION OF SUCH A FREEDOM-OF-CHOICE SYSTEM.

THERE ARE VARIOUS VERSIONS OF THE VOUCHER CONCEPT WHICH HAVE BEEN DISCUSSED, BUT THE BASIC IDEA IS QUITE SIMPLE. RATHER THAN CHANNELLING PUBLIC FUNDS DIRECTLY TO THE SCHOOL SYSTEMS, WHICH PRESENTLY HOLD AN EFFECTIVE EDUCATIONAL MONOPOLY IN MOST JURISDICTIONS, A VOUCHER PLAN WOULD DISTRIBUTE THESE SAME FUNDS DIRECTLY TO PARENTS WHO WOULD THEN BE FREE TO CHOOSE BETWEEN A NUMBER OF DIFFERENT SCHOOLS.

SUCH A PLAN WOULD HAVE A NUMBER OF BENEFITS. BUT MOST SIGNIFICANTLY, IT WOULD CONVERT PARENTS FROM BEING PASSIVE OBJECTS OF EDUCATIONAL POLICY TO BEING ACTIVE PARTICIPANTS IN THE FORMULATION OF THAT POLICY. PARENTS WOULD BE FREE TO CHOOSE FOR THEIR CHILDREN




THOSE SCHOOLS WHICH MOST CLOSELY CORRESPOND TO THEIR OWN CULTURAL AND MORAL VALUES. IN THIS WAY, THE SCHOOLS WOULD BE STRENGTHENED BY THE FAMILIES STRENGTHS AND THE FAMILIES STRENGTHS WOULD BE REINFORCED.

SUCH A VOUCHER CONCEPT CAN BE SO DESIGNED AS TO PROTECT THE RIGHTS OF EDUCATIONAL UNIONS AND ASSOCIATIONS AND TO PREVENT THE ABUSE OF RACIAL AND SOCIO-ECONOMIC EXCLUSIONSISM.

THE PATH TO BETTERMENT OF OUR PUBLIC SCHOOLS LIES IN THE RENEWAL OF PRIVATE INSTITUTIONS. IF THE TWO ARE STRENGTHENED AND BROUGHT TOGETHER IN A MEANINGFUL PARTNERSHIP, EACH CAN BE RENEWED.

A FINAL WORD ABOUT FORCED BUSING: THE PERCEIVED NEED FOR THIS POLICY ARISES FROM THE VERY REAL SEPARATION WHICH STILL PERSISTS IN MANY OF OUR NEIGHBORHOODS.

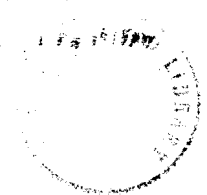
I WILL WORK STRENUOUSLY AND ENUNCIATE POLICIES TO END THE HOUSING AND ZONING DISCRIMINATION WHICH PERPETUATE, BY ARBITRARY AND CAPRICIOUS LEGAL STANDARDS, THIS DISCRIMINATION. TO THIS END I SHALL PROPOSE DECENTRALIZATION OF OUR DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND WILL SEEK STRONG LEGAL POWERS FOR THESE DECENTRALIZED INSTRUMENTS



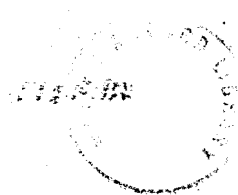
OF GOVERNMENT TO INTERCEDE ON BEHALF OF PARTIES  
ADVERSELY AFFECTED BY BLATANT HOUSING AND ZONING  
DISCRIMINATION.

CRIME IS A SOCIAL PROBLEM WITH MANY FACETS, AND IT  
IS CLEAR THAT THERE CAN BE NO SINGLE, SIMPLE SOLUTION  
TO IT. STRENGTHENING POLICE FORCES AND COURT  
SYSTEMS MUST CERTAINLY BE PART OF THE SOLUTION. BUT  
WHERE CRIME IS LOW, IT IS USUALLY BECAUSE THE INFORMAL  
COMMUNITY PRESSURES ARE STRONG ENOUGH TO PREVENT IT  
-- AS, FOR EXAMPLE, IN OLD-STYLE ETHNIC NEIGHBORHOODS, IN  
WHICH PEOPLE KNOW EACH OTHER, CARE ABOUT EACH OTHER,  
AND WATCH OUT FOR EACH OTHER. IT SHOULD BE PUBLIC  
POLICY TO ENCOURAGE AND UTILIZE SUCH COMMUNITY  
PRESSURES WHERE THEY EXIST, AND TO HELP CREATE THEM  
IN PLACES WHERE THEY ARE ABSENT.

PUBLIC POLICY SHOULD BE GEARED TO CONVERTING URBAN  
NEIGHBORHOODS INTO CRIME-PREVENTING SITUATIONS. THIS  
HAS PHYSICAL ASPECTS, MOST APPLICABLE TO NEW CONSTRUCTION:  
THERE SHOULD BE AS LITTLE SPACE AS POSSIBLE THAT  
WILL BE EMPTY AT CERTAIN HOURS; CONVERSELY, ACTIVITIES  
SHOULD BE SO SPACED THAT PEOPLE ARE CONTINUALLY



PRESENT ALL OVER A GIVEN AREA. THE SOCIAL ASPECTS ARE MORE IMPORTANT, THOUGH. NEIGHBORHOOD AND BLOCK ASSOCIATIONS, AS WELL AS OWNERS AND TENANTS ASSOCIATIONS, CAN BE STRENGTHENED TO PERFORM CRIME-PREVENTION FUNCTIONS. INDIVIDUALS NORMALLY LOCATED IN STRATEGIC PLACES CAN BE FORMALLY RECOGNIZED AND REMUNERATED FOR SUCH CRIME-PREVENTING PERFORMANCES-- THE RETIRED PERSON, SAY, WHO LIKES TO SIT AT THE WINDOW OR ON THE STOOP TO WATCH WHAT GOES ON IN THE STREET, OR THE OWNER OF A SMALL STORE AT A CORNER WHERE YOUNGSTERS TEND TO CONGREGATE, OR THE DRIVER OF AN ICE-CREAM TRUCK CIRCULATING REGULARLY IN THE AREA. AS HAS BEEN WIDELY RECOGNIZED BY POLICE OFFICERS, THIS TYPE OF COMMUNITY LAW-ENFORCEMENT IS BY NO MEANS A NEW VIGILANTISM IN COMPETITION WITH THE POLICE; ON THE CONTRARY, IT SUPPLEMENTS AND FACILITATES THE WORK OF THE POLICE. IT DOES NOT BESTOW RIGHTS THAT CITIZENS DO NOT POSSESS ALREADY. WHAT IT DOES DO IS TO GIVE PUBLIC RECOGNITION AND REWARD TO THE EXERCISE OF THESE RIGHTS -- AT A FRACTION OF THE COST OF FORMAL LAW ENFORCEMENT.



AS A FINAL NOTE, LET ME OBSERVE THAT I HAVE NOT INTENDED TO OUTLINE ANY LIST OF LARGE DOMESTIC NATIONAL GOALS IN THIS ADDRESS. I HAVE SET FOR MY ADMINISTRATION, BUT ONE PRE-EMINENT GOAL, THE REBUILDING OF A FREE SOCIETY THROUGH THE POLICY OF COMMUNITY RENEWAL. THE OBJECTIVE OF SUCH A POLICY IS TO MOVE OURSELVES AND THE COUNTRY TOWARD ACCEPTANCE OF A MORE LIMITED GOVERNMENT AND A LESS LIMITED CITIZENRY.

SO LONG AS THE COMMON GOOD MAY BE DEFINED ONLY BY WE IN GOVERNMENT, THEN THE DANGER EXISTS THAT THE COMMON GOOD MAY BE SUBORDINATED TO OUR OWN VIEW AND TO THAT ALONE. THE FIRST PHRASE OF OUR CONSTITUTION ENVISIONS A MORE BROADENED BASIS FOR NATIONAL POLICY. "WE THE PEOPLE" ARE TO BE ITS SHAPERS, NOT MERELY WE THE GOVERNMENT.

IN MY TRAVELS OVER THE PAST YEAR, I HAVE BECOME ACUTELY AWARE OF THE FRUSTRATIONS OF GOOD PEOPLE ALL ACROSS THIS COUNTRY WHO HAVE LABORED FOR YEARS IN GOOD CAUSES BUT WHO HAVE HAD TO DO SO IN ISOLATION FROM THE RESOURCES AND EXPERTISE WHICH THEIR GOVERNMENT HAS DEVELOPED AND CHANNELLED INTO NARROW AVENUES OF

BUREAUCRATIC UTILIZATION.

FOR TOO LONG, THESE GOOD PEOPLE, WORKING ON THEIR OWN HAVE BEEN VIEWED BY THEIR GOVERNMENT AS JUST SO MANY SPECIAL INTERESTS. IN A VERY REAL AND VERY LEGITIMATE SENSE, THAT IS PRECISELY WHAT THEY ARE. BUT IN AN EQUALLY REAL AND VITAL SENSE, UNLESS THESE DIVERSE SPECIAL INTERESTS ARE BROUGHT TOGETHER INTO A UNIFIED WHOLE THERE CAN BE NO DEFINITION OF THE PUBLIC INTEREST.

FOR IN AMERICA, NO SINGLE CONCENSUS DEFINITION OF THE PUBLIC INTEREST CAN BE IMPOSED, NOT EVEN BY REPRESENTATIVE GOVERNMENT. A COMMON SENSE OF THE COMMON INTEREST MUST EMERGE FROM THE VARIOUS SPECIAL INTERESTS OF OUR DIVERSE AND PLURALISTIC SOCIETY, FROM WE THE PEOPLE.

I WOULD PROPOSE THAT THE ONLY SURE WAY TO THAT END IS THE REBUILDING OF A FREE SOCIETY.



THE WHITE HOUSE  
WASHINGTON

December 11, 1975

MEMORANDUM TO: JACK MARSH

FROM: RUSS ROURKE

Jack, as we discussed Bob Hartmann has indicated that he would be happy to serve as the central reference person for SOTU materials.





THE WHITE HOUSE

WASHINGTON

December 1, 1975

MEMORANDUM FOR: JACK MARSH

FROM: TED MARRS *TM*

I think the attached might be a good item for the State of the Union message. This is the hard core information about Bicentennial throughout the nation and the world.

Attachment

*Agree -*

*R - is there a  
central reference on SOTU  
Let's have D/C set up*

*M*



*D/ - R/M re above*

## STATE OF THE UNION

Next year marks the beginning of our Third Century as an independent nation and the 200th anniversary of the American Revolution. For two centuries our nation has grown, changed and flourished. A diverse people, drawn from all corners of the earth, and joined together to fulfill the promise of democracy.

As it should, commemoration of this historic occasion, rather than centered in one area and in one program, is producing an encompassing swell of activity throughout the nation with Americans in communities of all sizes involving themselves in programs and projects dedicated both to our heritage and to our future.

The American Revolution Bicentennial Administration (ARBA), currently lists over 25,000 programs and projects for 1976. They also show more than 7,500 Bicentennial communities covering over seventy-five percent of the population. In all 50 states and five territories there are active Bicentennial Commissions.

Since its inception, The American Revolution Bicentennial Administration, and its predecessor, the American Revolution Bicentennial Commission, have issued over \$41.2 million in appropriated fund grants. This includes some \$7.5 million in administrative; \$17.6 million in project matching; and \$16.0 million in Title X grants. In turn, this has generated over \$34.0 million in matching state and private sector funds.



The Title X funds developed from Public Works and the Economic Development Act, through the Department of Commerce, cover 118 projects and have been used to benefit several thousand workers who are involved in Bicentennial activities.

Non-appropriated funds generated thus far have exceeded \$23.0 million. Monies have been distributed to each state on a matching fund basis. The states, in turn, have redistributed to localities to support recognized Bicentennial programs.

Virtually every Bicentennial Commission at state and local levels has an ethnic-racial advisory council or section. ARBA also has an ethnic-racial-native American committee. All are designed to assure full participation by these groupings of Americans in commemorative activities.

Two specific programs which are covering the country bringing Bicentennial to the cities, towns, and hamlets, are the Wagon Train and the Freedom Train. The Wagon Train now has 22 Conestoga wagons with more than 500 riders and has traveled over 2,700 miles. By next May, it is expected to have increased to 60 wagons representing all 50 states and will be moving toward Valley Forge, Pennsylvania for July 4th rendezvous. Thus far, over 500,000 Americans along the route have signed the "Pledge of Rededication" which is being carried by the Wagon Train.



The Freedom Train has now been visited by more than 20.0 million, logging about half of its projected 17,000 mile journey across the nation. The project operates 14 hours a day and can accommodate 16,000 visitors daily.

Nations around the world have also been absorbed with the spirit of the Bicentennial. Both foreign governments and the private sector abroad have manifested programs which are designed to bring the Bicentennial to their citizens.

In addition, at least 60 foreign countries have developed some Bicentennial project to be accomplished in the United States and in their own countries. A recent estimate of the cost of foreign government participation in our 200th anniversary so far indicates a figure of about \$16.7 million. There are currently 28 foreign Bicentennial committees or working groups abroad.

I have been extremely gratified with the manner in which Americans all over have responded to the established themes for our Bicentennial observation. The expansiveness of this activity will truly give us a Bicentennial celebration which is fully in concert with the intent of Congress, that the commemoration be not centered in any one geographic location, but that it take place throughout the land.



THE WHITE HOUSE

WASHINGTON

December 19, 1975

MEMORANDUM FOR JERRY JONES  
VIA: JACK MARSH  
FROM: MIKE DUVAL  
SUBJECT: SOTU - INTELLIGENCE

This memorandum is intended to provide you some guidance on how to treat the subject of intelligence in relation to the State of the Union process.

We expect a Decision Book to go with the President to Vail. There is likely to be a series of meetings after Vail to make the intelligence community decisions. (See schedule in Tab A.)

The intelligence issue must be dealt with by the President in the time frame of the SOTU. However, we will not know how much "substance" the President will have until he reacts to the Decision Book. I think it is a fair estimate that there will be enough for a page or two in the SOTU -- at a minimum -- and perhaps enough for a separate Message.

If the end product is weak, I suggest the following:

- First week January - NSC meeting (to discuss intelligence issues)
- Second week January - NSC meeting (for President to set down his guidelines and other decisions)
- January 18-20 (?) - One or two pages in SOTU
- January 26-30 - Backgrounders
- January ?? - Swear in George Bush at CIA-Langley -- strong speech



If the end product is strong, I suggest the following:

- January 1-14                    - Decision meetings of "expanded" NSC (including Levi and Simon); also, separate meetings with Defense forces -- including JCS -- and intelligence community officials -- including Colby.
- Backgrounders

OPTION 1 (announce before SOTU)

- January 14-16                - Major speech announcing his intelligence decisions.

(Note: rest follows Option 2)

OPTION 2 (announce after SOTU)

- January 18-20 (?)        - Very brief mention in SOTU
- January 24-25 (?)        - Meeting with Congressional leaders
- January 26 (or later) - Speech to Nation (Option 2 only) and Message to Congress; background
- January ??                - Swear in Bush at CIA-Langley (speech geared to need for effective CIA)



INTELLIGENCE DECISION PROCESS

<u>Date</u>	<u>Event</u>
12/17	Issues paper (informational) to President
12/23, Tues.	Preliminary decision papers to the President covering: <ol style="list-style-type: none"><li>1) President's basic goals and principles</li><li>2) Oversight and restrictions</li><li>3) Organization and management</li><li>4) Secrecy</li></ol>
12/23 - 1/1	President reviews papers
About 1/2, Fri.	"Expanded" NSC meeting to discuss preliminary decision papers
1/7, Weds.	Submit revised decision papers to the President
1/10, Sat.	"Expanded" NSC meeting
1/12, Mon.	Meeting with President on legislative strategy and timing issues
1/14, Weds.	Draft SOTU section on intelligence



DEC 19 1975

THE WHITE HOUSE  
WASHINGTON

December 19, 1975

MEMORANDUM FOR ROBERT T. HARTMANN  
FROM: MIKE DUVAL *Mike*  
SUBJECT: STATE OF THE UNION MESSAGE - INTELLIGENCE

Attached is a copy of an "issues paper" which we sent to the President today. It is designed to present an overview of the current issues involving the intelligence community.

Jack Marsh and I thought this might be useful as background information for your speechwriters.

Attachment

cc: Jack Marsh ✓





~~TOP SECRET~~

*Classified info deleted.*

ANALYSIS OF ISSUES

I. PRINCIPLES AND POLICY

A. Purpose

There is widespread agreement that the intelligence gathering activities of the United States should provide for national defense needs and should assist achieving foreign policy objectives. This conclusion was endorsed by the Murphy and Rockefeller Commissions.

The public appears to agree. According to a September 1, 1975 Harris poll, a 78 to 12% majority believe "it is very important that the United States have the best foreign intelligence agency in the world, even if it does make some mistakes." (See Appendix for details)

The best starting point for determining the appropriate purposes for the United States foreign intelligence community, is the National Security Act of 1947. Paraphrasing from this Act, the Central Intelligence Agency has the duty, under the direction of the National Security Council, to: (1) advise the NSC about intelligence activities relating to national security of the various departments and agencies of the Executive Branch; (2) make recommendations to the NSC concerning such intelligence activities; (3) evaluate intelligence and disseminate it to appropriate government officials; (4) be responsible for protecting intelligence sources and methods from unauthorized disclosure; (5) perform for the benefit of the intelligence agencies, such as in the Departments of Defense and State, additional services where there is a common need for national intelligence, which can best be accomplished centrally; and, (6) perform such "...other functions and duties related to intelligence affecting the national security as the National Security Council may from time to time direct." (This is the most often cited statutory source for the agency's authority to conduct covert operations.)

Most of your advisers believe the following "goals" should be the responsibility of our foreign intelligence community:



DECLASSIFIED

E.O. 12356, Sec. 3.4 (b)

White House Guide Lines, Feb. 24, 1983

By JAD NARS, Date 1/13/86

~~TOP SECRET~~