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SOCIAL SECURITY

Q: It seems unfair that someone who has contributed to Social Security all his or her working life is denied benefits if they continue working after they are 65 and if their income exceeds an arbitrary amount. Have you any plans to request a change in that provision of the Social Security laws?

A: As you know, Social Security cash benefits are intended to provide protection against the loss of income from work due to retirement in old age, disability or death. When a loss of income from work occurs because of retirement in old age, for example, retirement benefits are payable as a partial replacement of the worker's earnings. The earnings test is used to determine that such a loss has actually occurred.

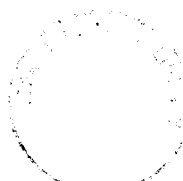
Under the test, if a beneficiary under age 72 earns more than the annual exempt amount (\$2,760 in 1976), \$1 in benefits is withheld for each \$2 of earnings above that amount. Regardless of his annual earnings, a beneficiary may receive full benefits for any month in which his earnings do not exceed the monthly exempt amount (\$230 in 1976).

Let me point out that the annual amount that Social Security beneficiaries can earn and still receive all of their benefits now rises automatically each year to take account of increases in general earnings levels. I would not favor at this time any additional increases in the earnings limitation.

Proposals which significantly raise the annual amount that beneficiaries can earn and still get all of their benefits are extremely costly to the program. Yet they benefit only a small minority of Social Security recipients. I do not believe that this sort of proposal, particularly at a time when the cost of the Social Security program is higher than the revenue it takes in, is in the best interest of the beneficiaries or the public.

I am, however, proposing legislation to make changes in the retirement test to provide more equitable treatment for those beneficiaries who do work. I propose to eliminate the monthly test of retirement now in the law and to substitute an annual exemption. This change will be much simpler and easier to understand.

SCM
4/1/76



SOCIAL SECURITY

Q: What are you doing to prevent the Social Security system from going bankrupt?

A: The value of the Social Security system is beyond challenge. I am concerned, however, about the integrity of the Social Security trust fund that enables people to count on this source of income. I am concerned because the system now pays out more in benefits than it receives in tax payments.

To prevent a rapid decline in the Trust Fund over the next few years I had to make a very difficult decision. I am proposing a small payroll tax increase of three-tenths of one percent each for employees as well as employers of covered wages. The alternative would have been to limit expected increases in retirement and disability payments. This proposed tax increase will help to stabilize the Trust Fund so that current and future recipients will be fully assured of receiving the benefits they are entitled to.

The Social Security system is also facing long-term financing difficulties. I will shortly be sending legislation to the Congress that addresses the long term problem and proposes changes to correct a flaw in the Social Security law. If left unchanged this could lead to unstable benefit levels in the future. My long-term proposal would generally stabilize future benefit levels in relation to future wage levels and, in so doing, would reduce the estimated long term problem by nearly one-half.

With regard to the rest of the long term financing problem -- most of which does not arise until after the turn of the century -- I am recommending that action be taken only after public policy makers in both the Administration and the Congress have had an opportunity to evaluate the situation in the light of the legislation that is adopted and to assess fully the long range implications of emerging economic and demographic trends.

SCM
4/1/76



MEAT IMPORTS

Q: What are you doing about excessive meat imports?

A: For 1976, the participating countries have agreed on essential elements of the import restraint program which will limit imports to 1,223 million pounds. Formal agreements with participating countries are expected to be concluded shortly.

In 1975 we negotiated voluntary import restraints equal to 1,180 million pounds. While there is some uncertainty about the statistics on the actual import quantities, the Secretary of Agriculture estimated during all of 1975 that meat imports would not exceed that level. To eliminate any uncertainty about meat import statistics, USDA is investigating the 1975 meat import data and working to improve 1976 data collection methods.

BACKGROUND

The Meat Import Law (P.L. 88-482) enacted in 1964 provides that if yearly imports of certain meats --- primarily frozen beef --- are estimated by the Secretary of Agriculture to equal or exceed 110 percent of an adjusted base quantity, quotas are to be imposed on the imports of these meats. The adjusted base quantity for 1976 is 1120.9 million pounds and the "trigger level" is 1,233 million pounds. Without the expected impact restraint arrangements with supplying countries, 1976 imports probably would substantially exceed the trigger level.

Some farm leaders have criticized the State Department for negotiating the 1975 restraint level too near the trigger level. This, in their view, increased the risk that imports would exceed the trigger level. The State Department has taken this point into account in negotiating the 1976 restraint levels. The State Department plans to restrain imports at a level about 10 million pounds below the trigger level for 1976 of 1,233 million pounds.

Farm leaders have also criticized the State Department for being slow in getting the 1976 restraint program in place. Although you took a decision last December to negotiate a restraint level for 1976, the State Department has not yet fully completed the negotiations.

The trigger level in 1975 for the imposition of quotas on meat subject to the Meat Import Law was 1,181 million pounds. However, the Secretary of Agriculture's estimate of imports, rather than the actual level of imports, triggers the quotas. For 1975 the Secretary's import estimate was 1,180 million pounds. Again, this was based on the voluntary restraint program levels negotiated with the overseas supplying countries.

Uncertainty continues regarding the statistics on the quantity of meat which was imported in 1975. Import figures from the Census Bureau of the Commerce Department, which are the U.S. official trade figures, show imports of 1,209 million pounds. Figures from the Customs Bureau of the Treasury Department, which may be more accurate, show imports of only 1,168 million pounds. There is some evidence that the higher Census Bureau figures include some imports which actually cleared customs, and therefore were imported, in December 1974. An investigation is underway to determine the reasons for the discrepancy between the Census Bureau figures and those from the Customs Bureau.

PCL
4/1/76

DAIRY AND MEAT IMPORT CONTROLS

Q: Why does your administration oppose legislation to control dairy and meat imports?

A: Because we would lose more than we would gain. Let me list some reasons for opposing S. 2598:

1. Present safeguards and legislative authority for health and sanitary controls of dairy and meat imports are fully adequate. Nevertheless, the proposed legislation would require about 650 American inspection supervisors abroad.
2. The requirements for American inspection supervisors abroad plus labeling requirements would amount to a substantial new nontariff barrier to trade. This would drastically reduce imports and would badly hurt the economies of other nations.
3. Those injured countries would probably take retaliatory measures against our agricultural exports, which are so vital to our balance of trade and to the full farm production that helps us all.
4. This would clearly hurt American agriculture as a whole and would harm the conduct of our foreign economic and trade policy.

BACKGROUND

S.2598 would impose new labeling and sanitary requirements on imports of dairy products and new labeling and supervision requirements on imports of dairy and meat products. All imported products would be required to be labeled "imported".

The Department of Agriculture knows of no evidence to indicate that these additional requirements are necessary to safeguard the health and safety of American consumers. Furthermore the use of excessive sanitary and technical standards is an old device for restricting trade. Such practices are not in the interest of American farmers who rely heavily on excessive foreign markets for their income. Thus, USDA has testified against the bill.

S. 2598 was introduced in October 30, 1975 by Senator Packwood with 38 co-sponsors. It has the strong backing of several dairy and cattlemen's organizations. Similar bills have been introduced in the past without success.

The main dairy suppliers from abroad accounted for \$518 million of our total fiscal 1975 agricultural exports of \$21.6 billion. The main meat suppliers accounted for exports of \$8.4 billion. These countries bought farm products worth \$8.7 billion*, which is 40 percent of our exports. Our total dairy and meat imports were less than \$1.3 billion. So, this proposed control legislation would jeopardize \$8.7 billion worth of U.S. farm exports in order to cut back on \$1.3 billion in imports. The ratio against us is 7 to 1.

* This import figure eliminates double counting for countries which export both meat and dairy products to the U.S.

The Reagan Speech and The Facts

1. Statement:

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

The Facts

The U.S. objective in supporting the FNLA/UNITA forces in Angola was to assist them, and through them all of black Africa, to defend against a minority group armed by the Soviet Union, and Cuban intervention. Despite massive Soviet aid and the presence of Cuban troops, there was every possibility of an acceptable outcome until December 19 when Congress adopted the Tunney Amendment cutting off further U.S. aid to the FNLA and UNITA.

2. Statement:

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

The Facts

Governor Scranton not only did not attack Israel, his veto blocked ^{or} Security Council resolution critical of Israel -- a resolution that every other member of the Security Council voted for. In his March 23 speech in the United Nations Security

Council Gov. Scranton was simply reiterating long-standing U. S. policy -- a policy articulated by every Administration since 1967 -- on Israel's obligations as an occupying power under international law with regard to the territories under its occupation.

3. Statement:

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

The Facts:

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



4. Statement:

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

The Facts:

The Congress has urged the Administration to make a positive gesture toward Hanoi in an effort to obtain further information relating to our Missing in Action, and the return of the bodies of dead servicemen still held by Hanoi. The Administration, in response, has offered to discuss with Hanoi the significant outstanding issues between us. Our policy toward Hanoi was clearly set forth by the President last December in Hawaii and does not include to "seek to establish friendly relations with Hanoi." Such an assertion is totally false.

5. Statement:

In the last few days, Mr. Ford and Dr. Kissinger have taken us from hinting at invasion of Cuba to laughing it off a ridiculous idea. Except, that it was their ridiculous idea. No one else suggested it. Once again -- what is their policy? During this last year, they carried on a campaign to befriend Castro. They persuaded the Organization of American States to lift its trade embargo,

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

The Facts:

We did not persuade the OAS to lift the sanctions against Cuba. At Quito in the fall of 1974 we did not support a motion in the OAS to do so. At San Jose last summer the U.S. voted in favor of an OAS resolution which left to each country freedom of action with regard to the sanctions. We did so because a majority of the OAS members had already unilaterally lifted their sanctions against Cuba, and because the resolution was supported by a majority of the organization members. Since that resolution passed, no additional Latin American country has established relations with Cuba or lifted sanctions.

The U.S. has not lifted its own sanctions against Cuba, has not entered into any agreements with Cuba, and has not traded with Cuba. We have not engaged in cultural exchanges. We validated some passports for U.S. Congressmen and their staffs, for some scholars and for

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

We have not hinted at invasion of Cuba. What we have done is to warn Cuba that we would not tolerate further military adventures. We mean it.

6. Statement:

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

The Facts:

Negotiations between the United States and Panama on the Canal have been pursued by three successive American Presidents. The purpose of these negotiations is to protect our national security, not diminish it. The issue is not between us and Torrijos. It is between us and all other Western Hemisphere nations -- without exception. No responsible American can ignore the voices of the Latin American states.

Governor Reagan's view that the Canal Zone is "sovereign U. S. territory every bit the same as Alaska and all the states that were carved from the Louisiana Purchase is totally wrong. The Canal Zone is not and never has been "sovereign U. S. territory." Legal scholars have been clear on this for three-quarters of a century. Unlike children born in the United States, for example, children born in the Canal Zone are not automatically citizens of the United States.

7. Statement:

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

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

The Facts:

The President went to Helsinki along with the Chiefs of State or heads of government of all our Western allies,

and, among others, a Papal Representative, to sign a document which contains Soviet commitments to greater respect for human rights, self determination of peoples, and expanded exchanges and communication throughout Europe. Basket three of the Act calls for a freer flow of people and ideas among all the European nations.

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

8. Statement:

Now we must ask if someone is giving away our own freedom. Dr. Kissinger is quoted as saying that he thinks of the U. S. as Athens and the Soviet Union as

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

The Facts:

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

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

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

9. Statement:

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

The Facts:

It is wholly inaccurate, and a gross distortion of fact, to ascribe such views to Mr. Sonnenfeldt or to this Administration. Neither he nor anyone else in the Administration has ever expressed any such belief. The Administration view on this issue was expressed by Secretary Kissinger before the House International Relations Committee on March 29 as follows:

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

"Two Presidents have visited in Eastern Europe; there have been two visits to Poland and Romania and Yugoslavia, by Presidents. I have made

repeated visits to Eastern Europe, on every trip to symbolize and to make clear to these countries that we are interested in working with them and that we do not accept or act upon the exclusive dominance of any one country in that area.

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

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

THE WHITE HOUSE

WASHINGTON

THE PRESIDENT'S BRIEFING BOOK

QUESTIONS AND ANSWERS

FOR: WISCONSIN

MARCH 27, 1976

WISCONSIN

State Profile

Wisconsin, popularly called the "Badger state" ranks 26th in size among the states (21st when the boundary waters are included). Wisconsin was admitted to the Union May 29, 1848, the 30th state. The capital is at Madison. The official state symbols are: flower, wood violet; bird, robin; tree, sugar maple; fish, muskellunge; animal, badger; and wildlife animal, white-tailed deer. The state song is "On Wisconsin," and its motto is "Forward."

History

The French from Canada were the first white men to reach the Wisconsin area. Impelled by the search for a "northwest passage," the lure of the fur trade, rumours of copper deposits, or missionary zeal they came to a region inhabited by numerous Indian tribes, who frequently made war with one another and with the incoming whites.

By 1689, the Wisconsin region was regarded as an integral part of the French Empire in North America. The French and Indian War (1754-63) brought the overthrow of French dominion in continental North America. British traders, appropriating French posts, methods, and personnel, took over the fur trade. In the American Revolution that broke out, most of the traders remained loyal to the British. The treaty of 1783 made the Wisconsin region a part of the new United States.

In 1836 Wisconsin became a separate territory, with its western boundary at the Missouri River until 1838. The vigorous and populous mining area of the southwestern part of the state assumed control in organizing the territory. A great stream of immigration set in and, as the population grew, agitation for statehood developed. On August 10, 1846, a congressional enabling act permitted a call for a constitutional convention.

The first constitution drafted by the convention was rejected because of liberal provisions relating to the rights of married women, prohibition of banks, an elective judiciary, etc. A second constitution which eliminated the objectionable features was approved by the electorate and on May 29, 1848, Wisconsin was admitted to the Union with its present boundaries.

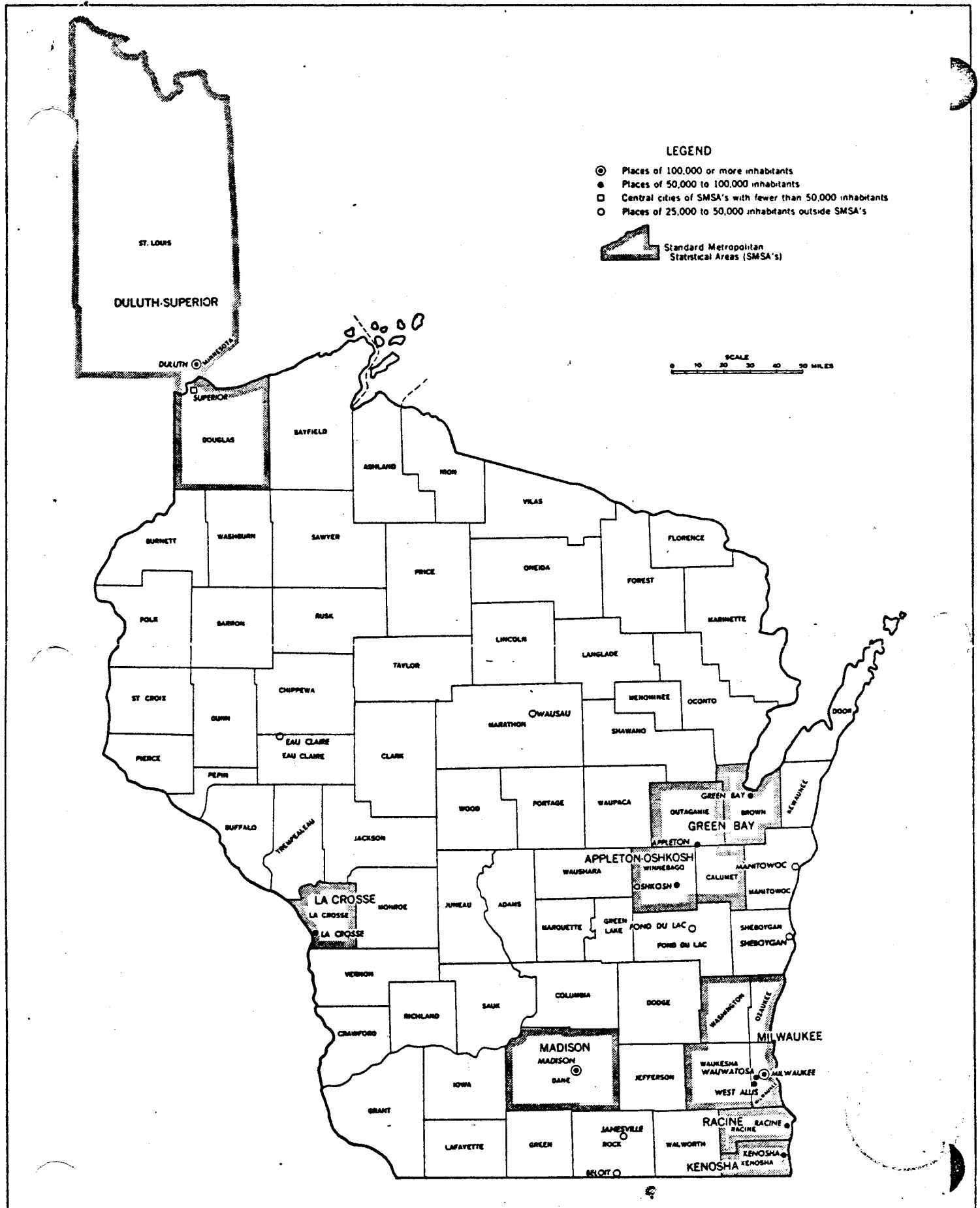
The first years of statehood were at a time of great social, economic, and political activity. The population reached 305,000 by 1850; of these, over 36% were foreign-born, with Germans predominating. The temperance crusade, the nativist, or Know-Nothing, movement, and antislavery agitation sweeping the north found strong support in Wisconsin. Wheat became the first commercial crop, and in 1860 Wisconsin produced the greatest wheat crop in its history. Lumbering ranked next to agriculture in importance, the industry spreading rapidly up the river valleys and along the eastern lake shore. Water power sites became flour mills and sawmill cities; Mississippi River and Lake Michigan harbours became flourishing commercial ports. A referendum in 1852 ended the ban on banks. Although want of capital delayed progress in railroad building, a short line began operation in 1851, and by 1858 two roads crossed the state from Milwaukee to the Mississippi. Strongly Democratic at the time of admission, Wisconsin gradually shifted its political faith. In passing on the case of an escaped Negro slave the state supreme court declared the Fugitive Slave Law unconstitutional and void in Wisconsin. A protest meeting at Ripon in March 1854 proposed that a new party be formed, to be called the Republican Party. A state organization was effected that July and in 1856 a Republican governor took office. Wisconsin helped elect Lincoln in 1860 and supported his administration during the Civil War.

In the business boom that followed the war, railroads expended rapidly and small lines were consolidated into a few powerful companies. The postwar years saw the enormous expansion of the lumber business, which reached a peak in the decade 1890-1900. The uncontrolled power of the railroads and the fall of farm prices in the panic of 1873 turned numbers of voters to a political coalition which elected a Democratic governor in 1873 and enacted the Potter Law, pioneer legislation to regulate railway rates,

which was soon repealed. With diminishing returns from wheat crops, farmers began to turn to diversified farming and dairying.

The decade of the 1890s saw a four-year reversal of the long Republican rule. The Democratic vote was largely a protest against national measures, accentuated in Wisconsin by the Bennett Law, providing for the enforcement of the teaching of English in all public and parochial schools, which many foreign-born citizens regarded as a move to outlaw parochial schools. Dissension was brewing within the Republican Party, dominated by lumber barons and railroad magnates. Against their rule Robert M. La Follette led a reformist revolt and won the governorship in 1900. Through a close working relationship with social scientists at the University of Wisconsin, known as the "Wisconsin Idea" and based on a willingness to experiment in meeting changing needs, the Progressive faction instituted a number of reforms: equitable taxation of railroads, the direct primary and civil service, and in later years a stringent corrupt practices act, workmen's compensation, state income tax and industrial commission, and other pioneer social and economic measures. After 1905, La Follette continued his reform crusade in the U.S. Senate, where he served as a leader of the progressive wing of the Republican Party until his death in 1925. His long continuance in office was remarkable in view of his open opposition to the declaration of war against Germany in 1916 and to the League of Nations. Although Wisconsin citizens, too, were divided regarding war aims, they united in prosecution of the war, sending nearly 125,000 men into service. The 32nd, or Red Arrow, Division reinforced its gallant reputation in the Pacific. In the second war over 352,000 Wisconsin citizens served in the armed forces.

The census of 1930 revealed that Wisconsin had become predominantly urban. By this time the pattern of modern development had been set. Wisconsin was an industrial state, with manufacturing concentrated on the Lake Michigan shore and in river basin areas. Industrialization brought problems connected with metropolitan life and demands of a labor population for recognition. Farms and farmers decreased in number, but farm production rose with the advance of scientific agriculture. The dairy cow still symbolized Wisconsin's pride.



WISCONSIN

Demographics

1970 Wisconsin Population At A Glance

Total	4,417,731	Males	2,167,373
Urban	2,910,418	Females	2,250,358
Urban fringe (Suburban)	720,758	Whites	4,258,959
Rural	1,507,313	Blacks	128,224
Farm	415,206	Spanish language	41,402

How Many? Wisconsin's population in the 1970 census totaled 4,417,731, ranking it 16th among the States and District of Columbia. Its population density was 81 persons per square mile. The 1970 population was 66 percent urban and 34 percent rural.

The 1970 total was 12 percent greater than the 1960 population. Almost all of the growth was due to a natural increase of 462,000 persons (births minus deaths) during the decade. Net immigration to the State added only 4,000.

Milwaukee, the state's largest city, had a 1970 population of 717,099, a 3 percent decline from 1960. However, the 1970 population of the Milwaukee Standard Metropolitan Statistical Area was 1,403,688, a 10 percent gain over 1960.

Other large cities with their 1960-70 percentage growths were:

Madison	173,258 + 37%	Kenosha	78,805 + 16%
Racine	95,162 + 7%	West Allis	71,723 + 5%
Green Bay	87,809 + 40%	Wauwatosa	58,676 + 3%

Ethnic Groups. Major nationalities in Wisconsin's first and second generations from other countries included 234,767 from Germany (30,448 born there); 71,534 from Poland (10,628 born there); and 52,681 from Norway (4,602 born there). There were 41,402 persons of Spanish language.

Racial Makeup. The white population totaled 4,258,959 in 1970. Other racial groups included 128,224 blacks (72 percent more than in 1960); 18,924 American Indians; 2,700 Chinese; 2,648 Japanese; and 1,209 Filipinos.

Age of the Population. The median age of the Wisconsin population was 27.2 years, compared with 28.1 years for the U.S. Of Wisconsin's 1970 population, 472,865 were 65 and older and 382,227 under five years. The total of school age, 5 to 17, was 1,201,416 and the college age group, 18 to 21, numbered 309,578. The remainder, 22 to 64, totaled 2,051,645.

Income. The median income of Wisconsin's families in 1969 (the most recent year available) was of \$10,065, ranking the State 15th in the median family income. The U.S. median was \$9,586. The Wisconsin median for white families was \$10,138; for its black families, it was \$7,560.

About seven percent of the State's families (80,196 families) were below the low-income or poverty line in 1969. The 1969 poverty level was \$3,743 for a nonfarm family of four.

School. There were 1,365,450 persons from Wisconsin three to thirty-four years old enrolled in school or college at the time of the 1970 census: 16,057 were in nursery school; 839,368 in kindergarten or elementary school; 345,023 in high school; and 165,002 in college.

Of the 2,329 persons 25 or older in Wisconsin, 55 percent had completed at least four years of high school and 10 percent at least four years of college. The median number of school years finished by this age group was 12.1, the same as the national median of 12.1 years.

Among those in their working years (16 to 64), 29 percent of the men, and 21 percent of the women with less than 15 years of schooling had had vocational training of some type.

Workers and Jobs. There were 1,111,879 men workers age 16 or older in 1970; 1,069,205 of them had civilian jobs and 3,295 were in the Armed Forces. Women workers totaled 665,530 of whom 634,424 had civilian jobs and 106 were in the Armed Forces.

There were 217,009 men working as craftsmen, foremen, and kindred workers (in skilled blue collar jobs); 185,082 operatives, except transport (chiefly operators of equipment in manufacturing industries). There were also 136,856 professional, technical, or kindred workers; and 106,778 nonfarm managers and administrators.

A total of 201,363 women were employed in clerical and kindred jobs; 129,451 in nonhousehold service work; 97,166 in professional, technical, and kindred work; 85,719 as nontransport operatives; and 49,230 in sales work.

There were 33,539 Federal employees, 62,862 State employees, and 144,558 local government employees at the time of the 1970 census.

Wisconsin Housing. Housing units for year-round use numbered 1,414,105 in 1970, a 17 percent increase over 1960. They had a median of 5.2 rooms per unit, and 71 percent were single family homes. Twenty percent of the units were built between 1960 and 1970.

A total of 1,328,804 units were occupied with an average of 3.2 persons per unit. Sixty-nine percent were occupied by the owners. Median value of owner-occupied homes was \$17,300 and renters paid a median of \$113 per month.

The presence of piped water, toilet, and bath for exclusive use of the household is an indication of housing quality. In 1970, 7 percent of all year-round housing in Wisconsin lacked complete plumbing facilities, the same percent as for the United States as a whole.

Ninety-seven percent of the households in Wisconsin had television; 83 percent clothes washing machines; 58 percent clothes dryers; 16 percent dishwashers; 40 percent home food freezers; 33 percent two or more automobiles; and 6 percent owned a second home.

Farming in Wisconsin. Wisconsin, which generally ranks about 12th or 13th among states in cash receipts from farming, leads all 50 in sales of dairy products. More than half the State's cash receipts come from milk. Livestock and products earn almost four-fifths of the cash receipts; crops earn the other fifth. In recent years, out of every \$1 earned from farming, the following commodities earned:

Wholesale milk	\$0.55	Corn	\$0.09
Cattle and calves	.10	Potatoes	.03
Hogs	.07	Forrest products	.02

Farm exports generate roughly one-tenth of Wisconsin's farm income. In export rankings, Wisconsin stands second to Minnesota in dairy products and tenth in feed grain and products.

But Wisconsin's farms, like those of the country as a whole, are becoming fewer and larger. The 1969 Census of Agriculture counted 98,973 farms in the State, 17 percent fewer than in 1964. Their average size rose from 172 acres to 183 acres in the 5 years. Their 1969 average value was \$42,448; the average value per acre, \$232.

The 1970 farm population totaled 415,206, a 25 percent drop from 1960.

The market value of all agricultural products sold by Wisconsin farms was \$1.5 billion in 1969. Livestock, poultry, and their products accounted for \$1.3 billion; dairy products more than \$783 million; crops, including nursery products and hay, \$196 million; and forest products, about \$4 billion.

WISCONSIN

Economic Base

Agriculture, notably dairy products, cattle, hogs and corn; machinery, especially engines and turbines; finance, insurance and real estate; food and kindred products, especially dairy products, and beverages; electrical equipment and supplies, especially electrical industrial apparatus; fabricated metal products; paper and allied products, especially paper mills, other than building paper.

WISCONSIN

Federal Presence

1974 Share of Federal Tax Burden \$5,436,650,000; 2.03%
of U.S. total, 16th largest.

1974 Share of Federal Outlays \$4,047,285,000; 1.50%
of U.S. total, 21st largest. Per capita federal spending,
\$916.

DOD	\$381,776,000	34th	(0.56%)
AEC	\$3,859,000	24th	(0.13%)
NASA	\$3,073,000	28th	(1.03%)
DOT	\$98,920,000	30th	(1.17%)
DOC	\$6,962,000	33rd	(0.43%)
DOI	\$11,746,000	39th	(0.48%)
USDA	\$233,058,000	22nd	(1.87%)
HEW	\$2,021,442,000	13th	(2.18%)
HUD	\$13,445,000	23rd	(1.38%)
VA	\$276,753,000	17th	(2.02%)
EPA	\$84,596,000	11th	(2.69%)
RevS	\$153,140,000	12th	(2.52%)
Int.	\$271,931,000	11th	(1.32%)
Other	\$486,584,000		

WISCONSIN

LA CROSSE

The city of La Crosse, with a population of 51,000, is the largest city in Wisconsin's Third Congressional District.

The District occupies the western and southwestern parts of the state. It includes 16 counties which are highly conservative, rural (dairy farming), and are traditionally Republican.

La Crosse is set amidst bluffs and valleys at the confluence of the Mississippi, La Crosse and Black Rivers. Minnesota is located directly across the Mississippi River to the west. Iowa is 25 miles southwest.

La Crosse, settled in 1843 and incorporated in 1856, started as a trading post in Indian territory. The name "La Crosse" was given to the settlement by the French who migrated from Canada. Two theories exist. The most widely accepted theory of the name's origin is that the French saw the Indians playing a game that reminded them of the French game lacrosse, and they named the area after the game. The other version is that the French placed a cross in the ground, thus having "the cross" or in French, "La crosse."

While the 51,000 residents cannot actually be termed "ethnics", there is a large population of Norwegian and German decent. Some 50% of the population is Catholic. There are less than one hundred non-Caucasians living in La Crosse.

Three important points:

1.) Revenue Sharing

The city is well aware of the benefits of the General Revenue Sharing Program. In fact, the city's fire department is financed by the program. The philosophy of revenue sharing is important to the residents of La Crosse.

The concept of local autonomy is strongly believed there, as witnessed by the fact that a series of forums were conducted at the city level to allow community involvement in the determination of how the funds would be spent.

2.) Community Spirit & Quality of Life

The citizens of La Crosse take great pride in the up-keep of their city. Residents also enjoy many recreational activities. These range from duck hunting to ice fishing.

The City is proud of the fact that in September, 1975, in a report prepared by the Midwest Research Institute and ordered by the Environmental Protection Agency, a study was made on the quality of life in 243 metropolitan areas and La Crosse was named the Number One Small City. Buttons and other promotional items read: "America's #1 Life Style, La Crosse is God's Country." (On November 4, 1975 you sent a letter of congratulation for the award to Mayor Pat Zielke (Republican). But you had to decline an invitation to visit La Crosse last Fall to participate in ceremonies honoring La Crosse's selection.

3.) Gun Control

The citizens are against gun control. They are upset by the Wisconsin Legislature's recent passage of a bill interpreted by some to be a form of gun control.

Your position on gun control will be well received in La Crosse.

NOTE: Duck hunting is so popular in the area that the citizens regularly sponsor a fundraising, all-male party to raise money to be used to improve breeding of ducks in Canada. La Crosse is on the flight path from Canada. The event is called "Ducks Unlimited."

Minnesota is located just across the Mississippi River, which forms the western border of La Crosse. La Crescent, Minn. is a very small community whose residents work in La Crosse. This part of Minnesota is in the 1st Congressional

District, which is represented by longtime Congressman Al Quie (Republican). Some of the audience in the Mary Sawyer Auditorium will be from Minnesota and it is felt that mention of Al Quie would be appropriate.

WISCONSIN

Political Profile

Source: Almanac of American Politics, 1976

Wisconsin is a state of political anomalies. It spawned Bob LaFollette and the Progressive movement, and Joe McCarthy and his campaign against Communists in high places. Richard Nixon has carried Wisconsin, the state where the Republican Party was founded, three times, and yet the state appears now to have become one of the nation's leading producer of dairy products; a heavily urban state, yet filled with lakes and forests.

Wisconsin probably owes its unusual politics to the German and Scandinavian immigrants who first settled it. Here, as in Minnesota and the Dakotas, the immigrants left a distinctive political stamp. In all three states there developed--against the background of an overwhelming dominance by the Republican Party--a politics of almost radical economic reform and an isolationist foreign policy. The term "progressive" was coined in Wisconsin, and it was personified by Robert "Fighting Bob" LaFollette. Elected Governor in 1900, he revamped the state government before going on to the Senate in 1906. There, LaFollette supported other insurgent reformers and voted against American entry into World War I. In 1924, he ran for President under the banner of the Progressive Party, and won 18% of the nation's votes--the best third-party showing in the last 60 years. La Follette's sons sustained the tradition of Wisconsin progressivism. Robert LaFollette, Jr., served in the Senate from 1925 to 1947, and Philip LaFollette was Governor of the state from 1935 to 1942. During the 1930s, the LaFollettes ran on the Progressive Party line in Wisconsin and dreamed of forming a national third party. But the onset of World War II destroyed the plans of the isolationist reformers. And in 1946, Senator LaFollette, busy with the congressional reorganization act in Washington, was upset in the 1946 Republican primary by Joseph R. McCarthy.

How did the state produce politicians as different as LaFollette and McCarthy at roughly the same time? Part of the answer lies in the leanings of Wisconsin's ethnic groups, especially those of the largest--German-Americans. These people supported both LaFollette isolationism and McCarthy anticommunism. As Samuel Lubell pointed out, much of the impetus behind postwar hard-line anti-communism

came from those who never believed we should have fought World War II--a conflict which the United States, allied with Communists, waged against Germany. But McCarthy was far less typical of Wisconsin than were the LaFollettes. "Tail-gunner Joe" won his first primary in an upset; moreover, his two victories in the general election of 1946 and 1952 occurred in heavily Republican years, and only the first did he win by a large margin.

During the McCarthy years, conservative Republicans dominated Wisconsin elections by default. The party's Progressive faction was dormant, and the Democrats had never been a factor in state politics. But in the early 1950s, a group of liberal Democrats--none of whom had even held public office--assumed control over the helm of the party, and they laid plans to make it a majority force. A simple recitation of their names gives evidence of their success: Senator William Proxmire, Senator Gaylord Nelson, Governor Patrick Lucey, Congressmen Henry Reuss and Robert Kastenmeier. The group's first victory occurred in the 1957 special election to fill McCarthy's Senate vacancy. The Republican nominee was former Governor (1951-56) Walter Kohler; the Democratic choice was Proxmire, fresh from three electoral defeats in three consecutive gubernatorial campaigns. But in 1957, the booming economy of the the mid-Eisenhower years had begun to turn sour: factories were laying off workers and the farm belt, burdened by surpluses, was beginning to revolt. Proxmire's previous campaigning finally paid off; he beat Kohler by a whopping 56-41 margin. Since then, the Democrats have won every Wisconsin Senate election, and they seem almost certain to continue to do so for at least the next ten years.

Wisconsin, for the first time in its history, now has Democrats occupying all the main statewide offices. The Republican Party seems to be vanishing. Its sole signs of life are young, moderate candidates like 6th district Congressman William Steiger and state Senator Thomas Petri, who made a favorable impression while losing overwhelmingly to Gaylord Nelson in 1974. But somehow this group seems to lack the depth of support and the feel for changes in public opinion which Proxmire, Nelson, Lucey, et al. had in the fifties.

As an index of Democratic dominance in Wisconsin, consider the state's congressional delegation. In 1968, when Richard Nixon was elected President, the most noteworthy members of the Wisconsin delegation were Republicans: Melvin Laird and John Byrnes. Republicans won seven of Wisconsin's ten House seats that year; today they hold only two of nine. The new Congressmen are liberal Democrats whose positions on issues are similar to those of Nelson and Proxmire (and George McGovern); these were not victories won by catering to the "center", but represented a major shift in the state's political attitudes.

Wisconsin has one of the nation's earliest--and sometimes its most important--presidential primaries. There is always some to-do (usually from losing candidates) about the fact that Wisconsin has no party registration, and so allows supposed Republicans to vote in Democratic primaries, and vice versa. But there is precious little evidence of mischievous crossovers, and the increasing proportion of voters who choose to participate in the Democratic rather than the Republican primary reflects only the fact that Republicans have seldom had a significant contest here and that an increasing percentage of people are voting Democratic in general elections. While Wisconsin's Democrats are inclined to favor candidates of the antiwar left (McCarthy in 1968, McGovern in 1972), its Republicans show no strain of the progressivism that once made the LaFollettes the dominant force.

The Voters

Registration No statewide registration.
Median voting age 43.
Employment profile White collar, 43%. Blue collar, 37%.
Service, 14%. Farm, 6%.
Ethnic groups Black, 3%. Total foreign stock, 17%
Germany, 5%; Poland, 2%; Norway, 1%.

Presidential vote

1972	Nixon (R).....	989,430	(55%)
	McGovern (D).....	810,174	(45%)

1968	Nixon (R)	809,997	(48%)
	Humphrey (D).....	748,804	(44%)
	Wallace (AI)	127,835	(8%)

1972 Republican Presidential Primary

	Nixon	277,601	(97%)
	others	8,843	(3%)

PFC CAMPAIGN OVERVIEW

There is no statewide partisan registration required in Wisconsin; consequently, voter turnout projections are very difficult to predict. Of the approximately 3,134,000 persons of voting age, no more than 400,000 are expected to participate in the April 6 GOP primary based on previous turnout statistics. State sources indicate that "cross-over" voting does not appear to be the problem that it was in 1972.

The Wisconsin PFC has adopted four program activities to reach potential voters: voter identification phone calls; selective direct mailings; newspaper and broadcast media advertizing; and, a get-out-the-vote telephone effort on election day.

The centralized phone bank operation began on March 15 with 17 phone centers located in 18 cities with a population of 20,000 or more. Approximately 100 telephones will be used to reach a prospective goal of 250,000 Republican households. A personalized letter from former Governor Knowles will be sent to identified undecideds who will in turn be called a second time if resources permit.

Direct mail drops consisting of a campaign '76 brochure and a letter from Governor Knowles are scheduled to be sent to 200,000 selected households on March 29. Moreover, a specified farm brochure along with a letter from a prominent state farmer will be mailed to individuals on lists acquired from the Farm Bureau and agri-business organizations.

A newspaper tabloid stressing such important state issues as agriculture and unemployment will be inserted in several major state newspapers on the Sunday preceding the primary. This special tabloid will also be distributed in areas not covered by newspapers distribution.

Recruitment and training of volunteer phones for get-out-the-vote activities on election day are currently underway. Projections call for more than 75,000 Republican households to be called with 50% of the completed calls to be made at centralized center with the balance of calls to be made by the home phone program.

Radio and television spots are scheduled to begin on Tuesday, March 16.

In terms of Presidential advocates, visits to the state are planned by Cabinet Secretaries Butz, Mathews, Richardson, and Simon. Mel Laird is scheduled to be in the state in your behalf

During the last weekend in March and Bill Seidman will be in Milwaukee on March 15 to meet with the Newspaper Editorial Board and the National Association of Accountants.

The Wisconsin PFC also plans to send to major senior citizen organizations a letter urging that transportation be provided to older voters in order to increase their turnout ratio. In addition, 25,000 brochures addressing senior citizens are to be distributed to nursing homes and retirement communities.

WISCONSIN PFC OFFICIALS

Hon. Warren P. Knowles.....Chairman
Charles O. Davis.....Executive Director
Cheryl Warren.....Office Manager
Brad McCrorey.....Fieldman, 18 key cities
Stan Piskorski.....Fieldman, Rural areas
Bill Morh.....Fieldman, 2nd Congressional
District (Madison)
Joan Boehm.....Press Relations & Scheduling
Director
Joe Salinga.....State Youth Director
Mike Ruhl.....State Phonebank Coordinator

WISCONSIN DELEGATE SELECTION

There are a total of 45 Convention delegates at stake in the April 6 primary. Four delegates are apportioned to each of the state's nine Congressional Districts with the remaining nine delegates to be selected at-large. Both the statewide at-large delegates and those selected on a Congressional District level will be determined by the "winner-take-all" rule.

Delegates are bound at the National Convention for the first ballot and for all subsequent ballots as long as the candidate to whom they are bound receives no fewer than one-third of the total Convention votes. A candidate may, however, release his pledged delegates at any time.

It should be noted that only the candidate's name will appear on the primary ballot. The state GOP has until June 1 to select delegate states and each candidate to whom delegates are bound has until June 5 to approve the state. In the event that suggested delegates are disapproved, the candidate can then file his own state.

Voters do not register by party; consequently, there is a "cross-over" potential of self-identified Republicans to defect to the Democrat primary and vice-versa. Registration closes ten days prior to the election.

WISCONSIN ADVOCATES FOR THE PRESIDENT

<u>Speaker</u>	<u>Date</u>	<u>Location</u>
Marjorie Lynch	March. 30	Milwaukee Luncheon with Civic Leaders PFC Headquarters opening
Melvin Laird	April 1	Green Bay PFC Fundraiser
" "	April 1	Appleton PFC Fund Raiser
" "	April 2	PFC Fund Raiser City unknown at this time

REAGAN CAMPAIGN OVERVIEW

Ronald Reagan has visited the state on only two occasions. On January 11, Reagan visited Jonesville and Oshkosh. At the latter stop, he delivered a speech at the University of Wisconsin, which was marred by heckling from a group of students. On March 11, Reagan made a trip to Milwaukee and Madison during which he appeared at a high school and a technical college. The campaign has said that the former Governor will spend a total of six more days in the state before the primary, which includes his visit to Green Bay on March 22.

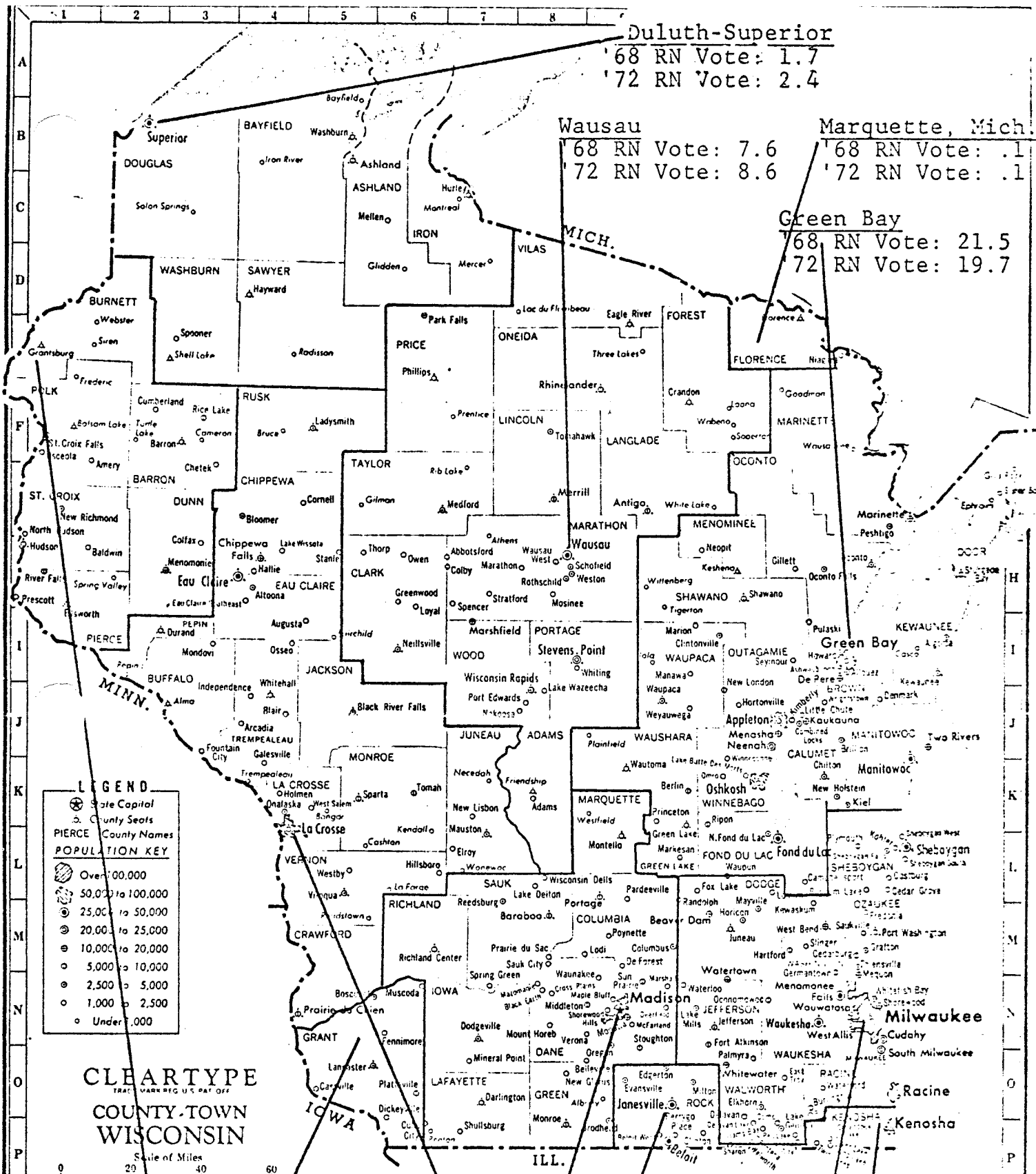
The Reagan organization had a statewide telephone campaign in operation from February 24 to March 19. Further telephone efforts are reportedly being directed at recruiting and training volunteers for getting voters to the polls on election day. Two newsletters have been sent, but supposedly only to volunteers already active in the Reagan campaign.

There have not yet been any direct mail efforts although a mailer is scheduled to be received by identified Reagan supporters the day before the primary. There has also been no radio or television advertising to date, however, the Reagan organization has recently inquired about the availability of time for the two week period preceding the April 6 primary.

In short, the Reagan campaign in Wisconsin has been scaled down considerable from the effort pursued in the earlier primary states.

REAGAN CAMPAIGN OFFICIALS

Jack D. Steinhilber.....Chairman
Jon P. Wilcox.....Vice-Chairman
Don L. Taylor.....Treasurer
Mrs. Lowell Jackson.....Secretary
Lowell P. Jackson.....Director of Planning
and Research
Thomas Piehl.....Field Operations and
Manager



Duluth-Superior

'68 RN Vote: 1.7

'72 RN Vote: 2.4

Wausau

'68 RN Vote: 7.6

'72 RN Vote: 8.6

Marquette, Mich.

'68 RN Vote: .1

'72 RN Vote: .1

Green Bay

'68 RN Vote: 21.5

'72 RN Vote: 19.7

Minneapolis-St. Paul

'68 RN Vote: 3.7

'72 RN Vote: 4.1

Eau Claire-LaCrosse

'68 RN Vote: 8.3

'72 RN Vote: 8.9

Rockford

'68 RN Vote: 3.1

'72 RN Vote: 3.1

Chicago

'68 RN Vote: 2.1

'72 RN Vote: 2.4

Cedar Rapids

'68 RN Vote: 1.3

'72 RN Vote: 1.2

Madison

'68 RN Vote: 9.3

'72 RN Vote: 10.0

Milwaukee

'68 RN Vote: 41.3

'72 RN Vote: 39.4

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THE MILWAUKEE SENTINEL

March 11, 1976

GOP Contenders Lead 6 Democrats

Respondents Give Ford Nod

By KENNETH R. LAMKE

President Ford outpiled the

Unlike his increasing support among higher income and education groups, Ford did not show a consistent rise in support as the age of respondents increased.

Moderates Key For Reagan

By KEITH SPORE

Despite Ronald Reagan's

For example, 22% of self-described Democrats said they would vote for Reagan rather than Humphrey, but only 14% of self-described Republicans voted for Humphrey over Rea-

ISSUES IN BRIEF

WISCONSIN

Issues In Brief

1. Agriculture - A major Wisconsin industry, notably dairy products, hogs and corn. A variety of questions and answers follow.
2. Defense - Is American defense capability adequate.
3. Economy - Can we sustain the recovery and prevent a future recession.
4. Energy - Nuclear safety is a paramount concern.
5. Foreign Policy - Are we giving up too much to the Soviets.
6. Government - There may be questions on the role of government, taxes, spending and deregulation.
7. Postal Service - Concern over rising costs, decreasing service and threatened closure of small, rural post offices.

WISCONSIN ISSUES

Abortion

As in most other states, the abortion issue is sensitive and arouses strong opinions. You should be aware that active pro-life group is at work in the state and questions are liable to arise over your position on abortion and the earlier statements of your wife.

Agriculture

Wisconsin, ranking 12 or 13 in cash receipts from farming, leads all other states in sales of dairy products. Wisconsin dairy farmers have expressed concern with your two vetoes of milk price supports. The action taken recently by Secretary Butz in providing for a 3.5¢ per gallon increase in supports has had little positive impact in the state and is considered in most quarters to be merely a "sop". The farmers believe the middlemen are receiving most of the mark-up on retail prices and that they, the farmers, are not getting their fair share.

Your recent initiative in establishing the Agriculture Policy Committee has received favorable comment. There has been, however, a somewhat limited penetration of this issue among the electorate at large.

The Soviet Grain sales embargo and the five-year exports agreement is another major problem area among farmers and those connected with the agricultural-related industries. As elsewhere in the midwestern farm block, farmers are strongly in support of free and open international trade.

Your recently announced proposal to nearly triple inheritance tax exemptions has been well received in Wisconsin as it was in Illinois. As a result, most of the criticism which centered around your State of the Union proposal has now been neutralized.

Busing

Federal Judge John Reynolds has ordered busing to be conducted in Milwaukee and the emotional outcry that generally follows such court orders has broken forth in Wisconsin.

Crime

Street crime and concern for personal safety are issues in Wisconsin, particularly in the Milwaukee suburbs and in the smaller outlying areas which, while their own problems may not be great, fear that the problems of the central cities are moving into the smaller towns. In a survey conducted by the President Ford Committee in late January, concern for crime ranked fourth on the list of important problems facing the Nation today.

You should also be aware of the state legislature's passage early in March of a bill providing compensation to crime victims. Under the legislature's plan, payments would be permitted to crime victims who suffer bodily injury and mental disorders. Amounts of compensation would range from \$200 to \$10,000. Determination of the amount would be made under the same kinds of standards now used for workers compensation for on-the-job injuries. Crimes for which victims could be compensated include murder, rape, robbery, aggravated assault, burglary, theft, homicide, manslaughter, battery, abandonment of a child and sex with a child. According to state estimates, approximately 109,000 crimes ostensibly covered by the bill were committed in 1975 and about 400 claims would have been made according to the estimate. Opposition to the measure came mainly from Republican State Representative John Shabaz, Minority Leader of the House. Shabaz maintained the bill was another example of how some people believe government should provide everything for everyone.

Defense

Defense and detente questions cut both ways in Wisconsin. During the Vietnam War, there was strong anti-war sentiment throughout the state. Attacks by Bill Proxmire and Les Aspin on DOD spending have tended to make voters critical of defense programs. By the same token, recent criticism by Scoop Jackson and Ronald Reagan of our military weakness has raised concern among conservative voters in the outlying

regions of the state. This concern, however, has yet to reach the level that was evident in Illinois.

Economy

As elsewhere in the nation, inflation and unemployment rank as the most important concerns among Wisconsin citizens with the cost-of-living the greater of the two. You should be aware that in Bill Steiger's District, unemployment reportedly remains at a rate of approximately 9%. The standard array of questions pertaining to the economy can be anticipated.

Energy

The safety of nuclear power plants remains a concern and is an issue pushed by environmental groups. State contacts indicate that approximately 20 percent of Wisconsin's energy supply is from nuclear sources. In addition, a new nuclear plant is being constructed in the Lake Koshkenog area.

Last week, a "seminar," sponsored by the AFL-CIO and several other groups, was held in Milwaukee to discuss the energy problems in the state. The "seminar" may generate some energy questions similar to those you have handled elsewhere.

Environmental activists have been very vocal on the strip mining issue, reflecting strong sentiment in the state toward the preservation of Wisconsin's natural beauty.

Environment

There is strong sentiment against actions which would diminish the state's beauty.

As was the case in Illinois, farmers have reacted negatively to the Environmental Protection Agency and its various regulations and prohibitions.

Government Spending, Regulation and Taxes

There has been an increasing tide of criticism over excessive government spending and the increased size of government bureaucracy. Many Wisconsin residents consider themselves harassed by IRS, OSHA, HEW and similar agencies. The "get the government off our backs" attitude does have an impact. In 1972, George Wallace campaigned with great success not only against busing but also against "pointy-headed bureaucrats in Washington."

There is strong support for Federal, State, and local tax relief. In a survey conducted by the President Ford Committee in late January, concern over government spending and high taxes accounted for 13% of the responses among Wisconsin Republicans. Concern over wasteful government spending was particularly great in the city of Milwaukee, its surrounding suburbs, and Dane County.

It should be noted that your proposal for the extension of revenue sharing is popular within Wisconsin. Of particular note is the fact that earlier this year Democrat Governor Patrick Lucey was quoted as saying he would rather have you in the White House than Jimmy Carter because of your strong belief in revenue sharing.

Potential Base Scandal

A corporation involving Republican State Senator James C. Devitt and business associates of George R. Dreske, a convicted Federal tax felon, is attempting to gain free title to a \$3 million former Air Force radar base near Osceola according to a story first broken by the Milwaukee Sentinel on March 11.

The newspaper reported that HEW is processing an application that could result in the Federal government's giving the 82 acre facility to the Wisconsin Institute for Social Research and Development, Inc. (WISRD). WISRD, a nonprofit corporation, intends to convert the former radar base into a child care facility that eventually would be supported by about \$2.8 million a year in state funds.

Transportation

One of the more controversial state topics is transportation. The state's Chamber of Commerce is supporting an interstate highway system running from Milwaukee to Green Bay. Environmentalists and conservationists are adamantly opposed to the construction of I-43.

Reform of the nation's railroads has created some anxieties in Wisconsin in regard to concern that there may be an elimination of many of the small lines which Wisconsin farmers depend upon to transport their produce to market.

Mississippi Barge Canal Transportation Study

This is somewhat of a back burner issue, but it may come up.

The Army Corps of Engineers has been rebuilding many of the water freight facilities on the Mississippi River to revitalize the barge shipping industry. There is some concern in Wisconsin that the Federal Government is funding these activities at the expense of the railroads - a transportation system on which manufacturing and farm interests are heavily dependent.

REAGAN ON THE ISSUES

Ronald Reagan delivered his standard campaign speech in Oshkosh on January 13 in which he warned the audience of the perils of a burgeoning Federal bureaucracy. In a question and answer session that followed, Reagan responded to the following areas of concern.

Big Business

"Today the belief that big business can move government to its will is no longer true." Reagan said, "Business has less power in the nation's capital than almost any other group." Reagan defended Federal subsidies to Lockheed Aircraft Corporation because "it was done in the name of national security." He added that he had been critical of business in the past for soliciting government subsidies as well as regulations that limit competition.

Labor Unions

Reagan commented that he thought labor leaders were too powerful and that union members should have the right to secret ballots on union affairs, including strikes.

Detente

Reagan reiterated his oft-quoted phrase that detente had become "a one way street".

Agriculture

In Danville, Illinois, on March 9, (two days before his second trip to Wisconsin) Reagan made several comments regarding dairy subsidies which are subsidizing those who could not compete at the expense of those who could possibly bring the price down in the marketplace," Reagan said. "You subsidize the inefficient when you put a floor under the market price," he added.

California has a strictly regulated milk price system which was never changed during Reagan's tenure as Governor. However, Reagan said, "I tried to convince the dairy industry it was against its best interest when it prefers the security of the government protection or against the open market competition."

February 2, 1976

MEMORANDUM FOR:

PETER KAYE

FROM:

FRED SLIGHT

SUBJECT:

Reagan's Statements on Grain
Sales

I have received a considerable number of calls, especially from our Midwest people, in the last several weeks concerning Reagan's position or public statements on grain sales.

As best as I can determine, Reagan's comments have been generally vague and non-descript. When a small controversy arose over his flirtation with grain stockpiling, he allegedly denied holding any such viewpoint. In any event, here is a brief synopsis of what I have been able to dig up.

Case #1

In his speech in Houston before the Southern Republican Leadership Conference, Reagan discussed the morality of selling grain to the Soviet Union at a time when they continue to outspend the United States on armaments.

"Would they, without our help, have to abandon arms building in order to feed their people or face the possibility of an uprising and revolution by a desperate and hungry populace? If the answer to this is yes, then we are faced with a question of national security and pure moral principle. If our decision is on the side of morality and security, we cannot ask the farmer to bear the full burden. We, as a nation, would have to think of his produce as a part of national defense and be prepared to offer a market for what he raises. Perhaps it could even be stored for future sale when and if the Soviet choose real detente and abandons its buildup of offensive weapons."

Reagan Speech Excerpt.
Houston, Texas 12/13/75

Case #2

In an interview in Omaha, Nebraska with a World-Herald newsman, Reagan again raised the question of the United States grain trade with both the Soviet Union and Communist China. Reagan said that we should continue to evaluate whether we are "aiding them in enslaving their own people" as well as captive satellite nations.

Reagan went on to say that if U.S. agricultural exports are stopped to Russia and China, "we should not let the American farmer take the rap." The U.S. government would have to return to a system of buying farm surplus.

World Herald 12/3/75

Case #3

According to a story in the L.A. Times by Richard Bergholz, Reagan stated that any lever was sufficient to pry the Russians out of Angola, including the sale of wheat. Although he revised this statement once, he then returned to the stand that "any lever is sufficient" to remove the Russians from interference in Angola.

Los Angeles Times
1/7/76

cc: Bo Callaway
Stu Spencer

Attachments

WOULDN'T END THEM OVERNIGHT

Reagan Opposes Farm Price Supports

BY RICHARD BERGHOLZ

Times Political Writer



GUIDANCE

REAGAN CHARGES

WELFARE

- Q. Virtually everyone in the United States now agrees that the present welfare system is a mess. Why haven't you done anything to reform it?
- A. I am certainly in agreement with you that the welfare system is a mess. Problems of administrative complexity, program overlap, and uncoordinated planning place a heavy burden on the recipient, the taxpayer, and the program administrator. Figuring out what to do about these problems is another matter.

As one important step towards solving these problems, I am submitting to Congress very soon my proposed Income Assistance Simplification Act. The purpose of this proposal is to help simplify, clarify, and rationalize our major income assistance programs. It would provide authority to make modifications in these programs from a perspective which views them as closely related pieces of an overall effort by the Federal Government to assist persons in need. It is only from this broad viewpoint that we can fully understand the unintended and unwanted effects of the overlap and inconsistencies among these programs.

I should add that I do not view this proposal as the final answer to the problems of the welfare system. But while we continue to seek the best long-range solution to the welfare "mess," I believe these interim corrective steps are necessary and important.

CONGRESSIONAL PAY RAISE

- Q. Most Americans can do little about inflation. It slowly gnaws at their incomes and never quite keeps up with the cost of living. Yet Congress last Fall gave itself a hefty pay raise and tied it into the cost of living so that Congressmen will never have to feel the pinch of inflation. Why did you sign such a law?
- A. Judicial and executive salaries are linked to Congressional pay. These three groups had not had a pay increase for six years, while the CPI rose 47.5%. Meanwhile, other Federal employees had received annual pay adjustments. Consequently, many subordinate Federal employees were receiving the same pay as their bosses. As a result, a serious problem developed in the recruitment and retention of senior-level executives and judges. I became convinced that something had to be done and, in terms of logic and simple equity, felt I could not propose relief for one group without supporting relief for the others.

The law has had a side benefit that most people don't seem to understand. Until this law was passed, civil service pay had been increased every year since 1969 by an amount equal to the change in the cost-of-living. This happened in spite of the fact that the Administration tried each of those years to moderate the civil service pay increase. Last year, with this new law in effect, I was able to hold the pay increase to 5% instead of 8.6%, saving the taxpayer about \$1.6 billion. Why did that happen? Because the Congress had to accept my proposal to hold the increase to 5% or vote itself a bigger increase.

BUSING

- Q. You have said you are opposed to busing of school children to achieve racial integration. Why, then, have you not proposed legislation to outlaw it, or even supported a Constitutional amendment?
- A. One of the first bills I signed as President contained the so-called "Esch Amendments," which limited the rights of courts and of Executive agencies to order the massive busing of children. This legislation enumerated a number of alternatives to busing which I think represent better ways to achieve what we are all after and it has operated effectively to keep to a minimum the number of cases of court-ordered busing.

I do not favor the enactment of a Constitutional amendment to prohibit busing because, for one reason, it would take five or ten years for such an amendment to be ratified and become effective.

But I do believe we need to take positive action to develop alternatives which assure each American child of a quality education before too much time passes.

LACK OF PROGRESS ON ENERGY

Question

Why have you been unable to work with Congress to get an energy bill that would keep prices down and reduce our dependence on the Arabs?

Answer

I share your frustration over the inadequate progress we have made in reducing our dependence on foreign oil. The short answer to your question is that the legislation that we need involves some hard choices and, thus far, the Congress has been reluctant to make those choices.

But, let me be more specific. In January, 1975, in my first State of the Union Message, I set forth specific goals to achieve energy independence and I outlined the comprehensive national program needed to achieve those goals.

After a year of strenuous debate, the Congress passed one major piece of legislation, the Energy Policy and Conservation Act, which I signed into law on December 22, 1975. That bill contained four of my proposals. The programs that we had already launched under existing authority and the actions made possible by the new legislation will permit some progress toward energy independence. But, we have a long way to go.

I pointed out in my energy message to the Congress on February 26 that there were 18 more major energy proposals awaiting action. The Congress did complete action on one of these during this past week -- the Naval Petroleum Reserves Act -- leaving only 17 more to go.

As I indicated, the principal reason why the Congress has not completed more action is that the choices that must be made are difficult ones. This nation had grown accustomed to an abundant supply of cheap energy. We did not pay enough attention to the facts that:

- we were using up our cheap, readily available energy supplies;
- prices were held artificially low by Government controls -- as in the case of natural gas -- so industry did not have the incentive to go after harder-to-get resources; and
- as a result, we were becoming excessively dependent on the foreign oil.

The nation was awakened by the Arab oil embargo and the four-fold increase in oil prices imposed by OPEC to the fact that the days of cheap energy are over. The nation is still adjusting to the higher costs of energy.

The task ahead is to conserve energy where we can, increase domestic production, reduce our vulnerability, and to do all of this at the lowest practicable prices.

QUESTION: Mr. Reagan charged in his March 31st speech that federal paperwork has gone up 20% in the last year --- despite your promise to cut it down. Any comment?

ANSWER: Well, I'm not sure where his figures came from, but let me give you the facts. .

The number of federal reports approved by OMB which impact business, shop keepers and farmers, was down 5% for 1975. However, for that group, reporting burden was up 8%. This is because the Real Estate Settlements Act added 4 million man hours on the public. If that Act had been taken out of the total inventory, there would have been a decline of over 800,000 man hours in the total OMB inventory for 1975.

I am seeking to cut down paperwork in all branches of government, but only one third can be directly controlled by executive action under current law.

Last October I told Jim Lynn that I wanted a cut of 10% in the number of federal forms he approves.

At that time, we had 5,153 OMB-approved forms. Today the number is down to 5,012. It will go down to 4,637 by July one. Those are the facts.

Now the Federal Paperwork Commission and the various Regulatory Agencies are also at work on this issue, and I am pushing for progress.

Am I satisfied? In no way. We have a long, long way to go. But already we have cut the total of forms I can quickly control by 3% and the total will be down 10% by July one.

We won't quit then.

4-1-76

QUESTION: Mr. Reagan charged in his March 31st speech that the government destroys three homes for every home it builds. Would you comment?

ANSWER: I wouldn't want to comment on his statement; maybe he was just talking about one small segment such as Urban Renewal -- but let me give you the facts.

In the four-year period from Fiscal Year 1971 through 1974, the Department of Housing and Urban Development assisted in starting 1,060,000 housing units through the various HUD programs. At the same time HUD demolished 148,000 units.

In other words, we assisted the building of seven times as many as we demolished as a result of such programs. That doesn't count the building that resulted from the programs of the Farmers Home Administration and the VA.

Next year -- Fiscal 1977 -- my budget seeks to provide assistance for approximately 585,000 housing units, plus other aid to housing through the Tandem Plan, Farmers Home Administration, and through various direct and guaranteed loan programs.

THE WHITE HOUSE

WASHINGTON

April 1, 1976

MEMORANDUM FOR THE PRESIDENT

FROM: L. WILLIAM SEIDMAN
BURTON G. MALKIEL

SUBJECT: Governor Reagan's March 31 Address

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

(1) Just the opposite is true. Our policies are moderate, balanced and geared to producing a solid and sustainable recovery and a reduction of inflation.

- (a) The President's vetoes during 1975 and 1976 have saved the taxpayers \$13 billion.
- (b) Monetary expansion is now far more restrained than in 1972. Over the last six months -- that is, from September 1975 to March 1976 -- the broadly defined money supply (M_2) has grown at an 8.6 percent annual rate. In the comparable September 1971 - March 1972 period, it grew at a 14.6 percent rate. It should also be pointed out that a 14.6 percent rate is well above the 10-1/2 percent upper limit of the Federal Reserve's present target range for the growth rate of the broadly defined money supply.

(2) It is true that we are running a larger deficit now than in 1972. However, the following points should be made:

- (a) The unemployment rate is considerably higher now and therefore so are the payments under automatic stabilizing programs such as unemployment compensation. Does Governor Reagan suggest we should reduce or eliminate these programs?

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

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

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

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

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

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

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

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

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

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

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

BACKGROUND INFORMATION FROM CONGRESSMAN BOB
KASTEN FOR THE PRESIDENT'S TRIP TO WISCONSIN

A. Most Important Issues

1. Suspicion about detente and the whole area of Soviet/
American relations. Concern about the level of
defense spending, is it adequate?
2. The Postal Service. The costs and poor service.
At a time of postage rising, service seems to be
failing.
3. The farmers are unhappy with the Administration
on a couple of points, including counter vailing
duties on foreign dairy imports. Quarterly adjustment
of milk price supports. Parity level for milk price
supports.
4. Improvements in the estate taxes area. Small
business and farmers are particularly interested
in this.
5. The level of taxation. Wisconsin is high in State
taxes. (Third in the nation per \$1,000 of income.)

B. Important Issues

1. The Child and Family Services Act.
2. School desegregation in the City of Milwaukee. A
Federal judge has ordered the city to draw up a
desegregation plan.
3. Revenue sharing extension. This is an issue of
concern to government officials.
4. Too much government. Regulatory reform. Getting
the government off the backs of the people.
5. The waste and abuse in government spending.
Congressman Aspin is always hitting on defense
spending. Sen. Proxmire also.
6. Food stamp reform.

7. Federal Disaster Relief. Several counties near Milwaukee were hit by a very severe ice storm a couple of weeks ago. The Governor has not yet asked for Federal assistance, but is surveying the situation and damages.

C. Other Issues

1. Amendments to the Hatch Act. Mainly against revisions to amendments that would allow employees to participate in politics.
2. Projects such as sewer and water pollution control. Too much red tape, frustration with dealing with Federal government.

BACKGROUND INFORMATION FROM CONGRESSMAN BILL
STEIGER FOR THE PRESIDENT'S TRIP TO WISCONSIN

Revenue sharing is of great importance.

Milwaukee busing is under a court order. Would prefer that the President does not raise the issue. Milwaukee is dealing with the problem in a forth right manner and the community should be commended for its initial planning and response. Hope that it continues to go well.

Disaster Aid - Most important. The President's budget cuts disaster aid. Recently there was a terrible ice storm in several counties near Milwaukee. There were power failures, with some communities without power for 10 days. What happens to the power companies and the rates?

Estate and Gift Tax - Good issue. Wisconsin will strike a responsive chord.

SURVEY RESEARCH

Market Opinion Research conducted an indepth survey of Wisconsin for the PFC from January 29 to February 2, 1976. Major excerpts are provided below.

Issues

Economic problems are the chief concerns of Wisconsin Republicans. Inflation, unemployment, and the economy in general lead their list of the most important problems facing the country. Of particular note in the state contest is the concern over high taxes. (25%)

Crime, the energy crisis, and government spending worries are less in evidence in this state with each being mentioned by less than 10% of the voters both in the national and the state context.

Major results of the questions asked are indicated below.

What do you think are the most important problems facing the nation at this time?

	<u>TOTAL</u>
Cost of living/Inflation/High prices	26%
Economy (unspec.)	26
Unemployment/Lack of jobs	26
Lack leadership/Lack confidence in leaders	5
Foreign policies/Affairs/Aid	5
Recession/Depression	6
Crime problems	7
High taxes	6
Government spending/Wasting money	7
Energy crisis/Fuel crisis/Fuel (unspec.)	3
Welfare spending/Too much welfare	7

What do you think are the most important problems facing Wisconsin at this time?

High taxes/Property taxes	25%
Unemployment/Lack of jobs	14
Cost of living/Inflation/High prices	9
Economy (unspec.)	9

Governor Lucey	6%
Welfare spending/too much welfare	5
Forced busing	5
Education/School problems	3
Crime	3

President Ford's Job Approval

A 71 % to 18% majority of Wisconsin Republicans approve of the way President Ford has been handling his job.

Do you approve or disapprove of the way Gerald Ford is handling his job as President?

	<u>TOTAL</u>
Approve	71%
Disapprove	18
Don't know	12
	<hr/>
	100

Reagan Candidacy

Although familiarity with Reagan does have an important impact on voting intentions, (Reagan is 21 points stronger among those who report knowing "a great deal" or "a moderate amount" about him compared to the Republicans who know "very little" about him), perceptions of the President's job performance exert the greatest influence by far. For example, the President's ballot strength for matched groups on their knowledge of Reagan is an average 64 points greater for those who approve of his job performance over those who disapprove. In short, Reagan will make some gains in Wisconsin as he campaigns there, but he will not be able to overtake the President unless there is a significant increase in Republican dissatisfaction with the President.

The race is somewhat tighter among Republicans in the City of Milwaukee with the President's lead dropping to sixteen points (55% to 39%). The President is very strong in the remaining areas of the state, including Dane County and the Madison media market, the counties between Milwaukee and Chicago, and most of the outside area including the Green Bay media market.

The President's dip in strength among Milwaukee Republicans has added significance because this group reports a much larger potential for going to the polls. Fifty-seven percent (57%) of the Milwaukee Republicans say they will "definitely" vote compared to 45% of the non-Milwaukee Republicans. The "definite voters" are particularly less frequent in the Green Bay area (35%).

THE WHITE HOUSE

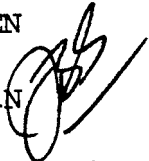
WASHINGTON

April 1, 1976

MEMORANDUM FOR:

RON NESSEN

FROM:

JIM SHUMAN 

SUBJECT:

The President's visit to
Senn's Wisconsin farm on
Saturday morning

Senn told me he has five major concerns he will probably discuss with the President. Answers are in the briefing book, but the President should be aware of the concerns before the visit.

*The cost of producing milk---Senn's operating expenses in 1974 were \$28,844 higher than in 1969. Yet his income was only \$18,584 higher in 1974 than 1969.

*Credit needs for operating and capital purchases---
The cost of borrowing money increases each year. (In 1969 it was 7½%; in 1974 it was 10%.)

*Health and sanitation standards pertaining to milk, livestock, and crop production---These federal regulations increased costs for farmers, reduced production, and raised costs for consumers.

*Dairy imports---Senn feels that the tariff commission is too concerned with what effect dairy imports have on the price support system, rather than on the dairy industry and the producers.

*Lack of understanding---Senn feels that consumers and legislators alike do not understand the farmer's predicament; thus the farmer cannot benefit from his labor or from the large capital investment he must make.

Senn will give the President a copy of the testimony he gave last year to the House Agriculture Committee's Dairy and Poultry Subcommittee. This testimony elaborates on the above points.

Background

Peter Senn, the Campbellsport, Wisconsin farmer whom the President will visit Saturday morning, owns and operates a 270 acre dairy and beef farm in the town of Ashford in FDL county. He rents an additional 130 acres from various neighbors. He has been farming for 23 years; the main crops produced are alfalfa, corn, oats, and hay. They milk around 65 cows, carry a small herd of registered Polled Herefords, and raise feeder cattle, both straight and cross bred for sale to other farmers who feed them to market weights. The farm is somewhat hilly and particularly adapted to dairying and livestock production. He ships his milk to Indianapolis.

Mr. Senn's community service is very extensive; it includes:

Farm Bureau (was state director)

4-H Leader (he and his wife)

Scouts

Four children very active in 4-H and school

School committees and church

Was member of State Board of Vocational and Technical
Education

June Dairy Month Chairman and hosted Farm City Visitation

American Dairy Association of Wisconsin

County, State and National Holstein Association

County Dairy Herd Improvement Association

Sponsored Area Visitation of Secretary of Agriculture- Earl
Butz in 1972

Jaycees- Outstanding Young Farmer Award

Director of Wisconsin Alumni Association of Wisconsin

College of Agriculture and Life Science

State Honorary FFA