

**The original documents are located in Box 19, folder “Press Statements (News Summaries), 10/5/1976 (1)” of the Michael Raoul-Duval Papers at the Gerald R. Ford Presidential Library.**

### **Copyright Notice**

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 Michael Raoul-Duval donated to the United States of America his copyrights in all of his unpublished writings in National Archives collections.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

Some items in this folder were not digitized because it contains copyrighted materials. Please contact the Gerald R. Ford Presidential Library for access to these materials.

# News & Comment

The President's Daily News Summary



## Leading The News...

FOR TUESDAY, OCTOBER 5, 1976

		<u>Page</u>
<u>ADMINISTRATION</u>		
Butz Resigns	AP,UPI,Networks	1,2
Reaction Varied on Resignation	AP,UPI,Networks	2,3
Butz Talks with ABC	ABC	4
Butz Helped Callaway	NBC	4
<u>FORD/DOLE CAMPAIGN</u>		
Dole Says Butz Made Right Decision	AP,UPI,CBS	4
Dole Blames Game He's Playing	Chicago Tribune	5
<u>CARTER/MONDALE CAMPAIGN</u>		
Carter Says Ford Showed Leadership Lack	AP,UPI,Networks	6
Would Use Presidency Against TV Violence	UPI	7
<u>DEBATES</u>		
VP Debates in Houston	NBC	7
Surprise in Next Debate?	C.S. Monitor	8
Image is the Goal	W.S. Journal	9,10
<u>ELECTION</u>		
Support Up for Strong Defense	Chicago Tribune	11
A Revival or a Rest Stop?	N.Y. Daily News	12
Calif. Could Be Key to Election	Chicago Tribune	13
Ford, Carter Bid for Chicano Vote	L.A. Times	14
<u>PRESIDENCY</u>		
Ford Signs Tax Bill	AP,UPI,Networks	15
<u>ECONOMY</u>		
Stocks Close Lower	AP,UPI,ABC,CBS	15
Simon Give Economic Outlook	AP	16
<u>SUPREME COURT</u>		
Court Stands on Death Penalty	AP,UPI	16
<u>CONGRESS</u>		
HHH to Undergo Surgery	AP,UPI,Networks	17
<u>U.S.</u>		
UAW-Ford Nearing Agreement	AP,UPI,Networks	17
<u>ENERGY</u>		
To See Oil Prices, Look Up	Chicago Tribune	18

Butz Resigns

Secretary Earl Butz handed President Ford his resignation Monday, saying it was the price for "gross indiscretion" -- a racial slur that was becoming an issue in the 1976 presidential campaign.

Butz apologized for his remarks about blacks and said in a statement, "By taking this action, I hope to remove even the appearance of racism as an issue in the Ford campaign." (CBS)

He said his decision was entirely voluntary, and there was "no pressure" from the White House. "President Ford is a decent man with high moral values, who insists that every American be treated equally and with dignity," said Butz. "Every member of his administration must and does subscribe to the same values." (CBS)

Teary-eyed after meeting with Ford Monday, Butz read to reporters his resignation letter saying, "I sincerely apologize for any offense that may have been caused by the unfortunate choice of language used in a recent conversation and reported publicly."

Ford Rowan said Butz' usual bounce and pinch were gone. Butz said, "I want to say that this was completely my own decision in terms of what I felt would be in the best interest of the President and the campaign for election and of government itself. This is the price I pay for the gross indiscretion in a private conversation. The use of a bad racial commentary in no way reflects my real attitude. By taking this action, I hope to remove even an appearance of racism as an issue in the Ford campaign." (Networks)

The President did not want to be photographed with Butz so he arrived to talk to reporters about a half hour later. (NBC)

Ford said: "This has been one of the saddest decisions of my presidency. Earl Butz has been, and continues to be, a close personal friend, and a man who loves his country and all it represents. Yet, Earl Butz is also wise enough and courageous enough to recognize that no single individual, no matter how distinguished his past public service, should cast a shadow over the integrity and good will over the American government by his comments. For that reason, I have accepted the resignation of this decent and good man." (Networks)

The President refused to take questions, and press aides physically blocked reporters who tried to ask questions, Bob Schieffer reported. (CBS)

White House officials said Monday night that they did nothing to force Butz to resign, Schieffer reported. But they conceded that the White House did nothing to discourage leading Republicans in Congress and other Administration members from

calling on Butz to step down. Spokesmen refused to say whether the President would have fired Butz had he refused to step down. (CBS)

Ford Rowan said Butz' resignation removes one of the Ford Administration's most powerful spokesmen in farm areas where President Ford hopes to win. "Butz says he will continue to campaign for Mr. Ford. It is hard to see how he can be much help after leaving office in disgrace," Rowan said. (NBC)

ABC's Tom Jarriel reported, "Even though Earl Butz is out, the matter of his departure is certain to linger as a political controversy. Those who wanted him fired outright for his distasteful comments on blacks will get little satisfaction in the manner of his departure. But candidate Ford was in a no-win position, and his campaign has encountered plenty of other problems. One political source described it as 'like trying to make water run uphill.'" (ABC)

NBC led with the 2:40 Butz story, showing Butz reading his statement and then the President addressing reporters. Ford Rowan wrapped up the spot with his comment.

CBS led with the Butz story, which included film of Butz and Ford's White House statements and a comment by Schieffer before the White House. The story ran 2:40, followed by 2:40 of reaction stories.

ABC led with the 2:05 story, which included Tom Jarriel reporting from the WH. His report included film of Butz and Ford addressing the press in the briefing room. The story was followed with 3:10 of reaction and followup stories. AP,UPI,Networks — (10/4/76)

#### Reaction Varied on Butz Resignation

Sen. Edward Brooke said Secretary Butz' resignation after making a racial slur was "good for the country," but Undersecretary John Knebel called Monday a sad day for American agriculture.

Brooke said the resignation has "hurt the President some, but no irreparable damage" has been done. He added that "every day Earl Butz had remained in office, more harm would have been done to the President."

Sen. George McGovern said, in a separate statement that the resignation "was inevitable. No man can slander an entire race and remain in public office today. The time of the racial slur has passed. His most recent comments are only the most blatant examples of an attitude I have long felt disqualified him from serving in the high position he has occupied."

Oregon Gov. Bob Straub called Butz "a bigot," and said his resignation was "entirely appropriate."

Sen. Robert Byrd, the assistant Democratic Leader, said Ford should have fired Butz the moment he learned of the offensive statement, instead of trying to ride out a wave of public reaction and acting out of "political expediency." (NBC)

Sen. Jacob Javits said he was "gratified at the vindication of the American system."

Rep. Paul Findley (R-Ill.) called Butz "the greatest secretary of agriculture in American history," but said he acted wisely in resigning.

President of the National Farmers Organization Staley called Ford's action a good thing because the incident made public "his cynical attitude towards people."

But some farm groups had called on Ford to retain Butz. "It would be a tragedy if this distinguished and compassionate man should be forced from office because of an unwise comment which is totally out of keeping with his basic character," Allan Grant, President of the American Farm Bureau Federation, said Monday before learning of the resignation.

"It's unfortunate and it shouldn't have been said, but most people are guilty of telling ethnic jokes at one time or another," said Roy Keppy, National Chairman of Farmers for Ford. "Some farmers said they would forgive Ford for the embargo, but if he let Butz go, they wouldn't be so happy about it," he said.

Dale Butz, Illinois Farm Bureau President, and the former Secretary's younger brother, said his brother was a political casualty, calling the Secretary's remark innocent and defending his record.

NBC's Al Johnson interviewed farmers in Illinois and their reaction was varied with the individual:

-- "I think he did a good job for farmers while he was Secretary of Agriculture. I supported Butz, not necessarily in everything that he said, but as a whole."

-- "We're sorry he made the statement that he did. We think he's the first real secretary of agriculture this country has ever had and he's done a tremendous job."

-- "During this time we have seen our surpluses disappear and I think it's been good for the farmers."

-- "I don't think he should have been in there in the first place. I think he was put in there for big business and it took a long time to find out, but they found out."

-- "As far as dairying was concerned, he let us down."

-- "I have mixed emotions, I'm sorry to see him leave under the circumstances. I hate to see him hurt Ford's campaign."

Randy Daniels reported the central Illinois farmers sympathize with Butz, defending his record and playing down his ethnic humor.(CBS)

CBS' 1:00 report included reactions from Carter, Dole, Brooke. A special #3, 1:15 report on the farm reaction included film of Stanley, Dale Butz and central Ill. farmers.

NBC's 1:50 report featured an anchor report on Brooke and Byrd's comments and the interview with Ill. farmers. AP,UPI,Networks (10/4)

Butz Talks with ABC

Butz spoke with ABC News before its program Monday night. Barbara Walters said she asked him if he thought Jimmy Carter will use the incident leading to his resignation to damage President Ford. Butz told her since he resigned for his indiscretion, Jimmy Carter should now "step up to the plate himself and resign for his indiscreet remarks in Playboy."

Harry Reasoner speculated "that the Carter camps' reply to that would be that there is a good deal of difference between a verbal indiscretion about your own views, and a real slur on a whole section of Americans." Butz said he meant the remark as a joke, and has told it many times before.

He told Walters a friend of his in the Administration remarked, "If a black person were in trouble, Earl Butz would be the first one to pitch in to help."

Reasoner commented, "The Administration may just have felt that the last thing they need is a humorous late Mr. Butz." (ABC) ABC -- (10/4/76)

Butz Helped Callaway

NBC reported Monday, after obtaining a copy of a Senate subcommittee investigation on Howard Callaway and his ski resort, that the committee concluded Sec. Butz had a hand in helping Callaway to obtain more land.

The committee said the whole thing was a sorry story of partiallity and favoritism. NBC -- (10/4/76)

FORD/DOLE CAMPAIGN

Dole Says Butz Made Right Decision

Sen. Bob Dole said Monday that Sec. Butz "made the right decision" in resigning because of his derogatory remark about blacks that had stirred a weekend furor in Ford's election campaign.

Dole told reporters in Washington he had anticipated that Butz' resignation would result from the uproar generated by what Butz had earlier described to him as the telling of "a 50-year-old joke."

Dole said Butz' remark was "very tasteless, and one that I couldn't swallow." Dole added that the President is "a man of decency and integrity" and he made the right decision. (CBS) AP,UPI,CBS -- (10/4/76)

# Dole blames the game he's playing himself

By Jon Margolis

Chicago Tribune Press Service

PORTLAND, Me.—Sen. Robert Dole didn't play any games at the Cumberland Fair.

He petted a prize-winning sheep, drew the winning ticket for the baby-beef lottery, and checked out the blue-ribbon

depending on his audience, Dole seemed to have trouble last month keeping track of his own position on a controversial California farm labor law.

First he opposed the proposed law, backed by labor. Ten days later, speaking to Mexican-Americans, he insisted, "I have not taken a public stand" on the ballot proposition to insure fair labor



Carter Says Ford Showed Lack of Leadership with Butz

Jimmy Carter criticized President Ford Monday for "total lack of leadership" in handling the Earl Butz affair and said the Agriculture Secretary should have been fired immediately when his racial remarks were first publicized.

On the way to San Francisco for his second debate with Ford, Carter unleashed some of his strongest words of the campaign against the President. "Earl Butz never should have been secretary of agriculture and he should have been fired a long time ago," Carter told reporters at the Denver airport. "I believe the way this whole embarrassing and disgusting episode was handled by President Ford shows a continuation of the lack of leadership. Instead of making his decision on what was right and best for the country, he very carefully waited until he assessed public opinion polls to see what was right politically, and when the political pressure got so great on him from his own people, then he finally accepted Earl Butz' resignation." (Networks)

"I think he should have done it immediately." Carter did not use the routine quotes from his standard speech on foreign policy and defense, as he continued to make a mystery of how he would approach Ford on those subjects in Wed. night's second debate.

Later, as Carter addressed 2,000 cheering people on a downtown Denver street corner, Carter said, "This has been a good day for us. I have found out Earl Butz resigned. I don't think he ever should have been secretary of agriculture to begin with and I'm glad he's out." (NBC)

ABC's Sam Donaldson reported that Carter has the "psychological advantage" going into the second debate. "Thanks to the Earl Butz affair," Donaldson said, "it is Carter who is on the attack."

Later Carter spoke to a Catholic Charties Convention at which he did not mention abortion but said he is committed to preserving the American family.

CBS' #2 report, running 1:00, included various politicians' reactions, including Carter's.

NBC's #3 report, following reaction to Butz resignation, ran 2:10 and showed film of Carter arriving at the Denver airport, then addressing a Denver street corner crowd. The spot ended with film showing Carter addressing the Catholic group, with a voiceover by Bob Jamieson.

ABC's #2 story ran 1:55. It followed the Butz story and included film of Carter at the airport and addressing a Denver crowd. AP,UPI,Networks -- (10/4/76)

Carter Would Use Presidency Against TV Violence

Democrat Jimmy Carter would use the power of the presidency to "deplore excessive violence" in television programming, according to an interview with TV Guide magazine released Monday.

In the interview, Carter said, "I believe that there is a legitimate role to be played by national leaders, certainly including the President, to express concern about elements in our society."

Carter said that while he would "never attempt... to censor the television, news or other information media, I would not hesitate as President to speak out as a leader of our country to deplore excessive violence in programming." UPI -- (10/4/76)

DEBATES

VP Debates In Houston

The October 15 vice presidential debates will be held in Houston's Alley Theater, near the downtown civic center, NBC reported Monday. NBC -- (10/4/76)



## Surprise in next debate?

By Godfrey Sperling Jr.

### Washington

The significant element in the first Nixon-Kennedy debate which was so obviously lacking in the first Ford-Carter debate was the ingredient of surprise.

The memory of that 1960 TV confrontation is still vivid: Kennedy, the young whippersnapper was in command. Nixon was not. It was stunning — exhilarating to the Democrats, dis-

tellectually. But Mr. Ford showed he was a conversant with the facts as his quick-talking opponent. The President if he did nothing else was able to erase the image of being a bungler — of not being very bright. This, of itself may have accounted for his being able to gain the edge over Carter in the perception of the 90 million viewers.

But there was no big surprise — nothing like

# Round Two: Image Is the Goal

By ROBERT KEATLEY

WASHINGTON—To appreciate the role foreign policy plays in this year's presidential campaign, it is instructive to review the 1960 debates between Richard Nixon and John Kennedy.

Then, diplomacy was of paramount concern. With hindsight, the words used then seem surprisingly and needlessly belligerent. Both men promised to "stand up to Khrushchev" and hold back the "dangerous" Red Chinese. They vowed to give the Pentagon bigger budgets, and to pour guns and money into countries which felt threatened by communism.

Russian leaders "are fanatical men," warned Mr. Nixon about such Politburo members as Leonid Brezhnev, whom in the 1970s he would claim as a friend. "I believe we should increase our strength all over the world," stated Mr. Kennedy, expressing the "toughness" that helped lead to U.S. entanglement in Vietnam.

Things are different in 1976. After years of futility in Indochina, two Mideast wars, an oil embargo and assorted other adversities in U.S. dealings abroad, there is no zeal for foreign crusades in either party, nor among the general public. This has become the age of caution and detente. Soviet leaders are still thought to be a bit nasty at heart but are also considered men who can be dealt with; the Chinese are viewed as nearly friends. Recent events in Africa prove the U.S. has no zest for shipping its youth and treasure into overseas battles. Voters' concerns are mainly economic.

"This is the most domestically oriented campaign since the 1930s," says Patrick Caddell, Jimmy Carter's chief pollster. "The national agenda is a domestic agenda."

The fact that caution and conciliation dominate American attitudes toward the world today helps explain why candidate Carter and President Ford, in broad terms, support similar foreign policies. Both favor detente and Mideast peace talks, neither wants further spread of nuclear weapons, both hope to improve economic relations with poor countries but without massive new aid programs, and both want to strengthen ties with Japan and Western Europe. There are differences of degree, and a few of substance, but both have a cautious, conciliatory approach to international relations.

## A Big Yawn?

Thus the second Ford-Carter debate, to deal solely with defense and foreign policy, may prove little more stimulating than the opener—which bored many viewers with talk of taxes and economic growth rates. The next televised confrontation this Wednesday night could be a big yawn, especially since there's no looming crisis to excite the public about international affairs.

"I'm a great believer in the theory that this year foreign policy will have only a tertiary effect on the election," says pollster Peter Hart. "Unless something dramatic happens abroad, it will have very, very little impact."

Nonetheless, there are a few things each candidate would like to accomplish during the second debate. These involve imagery more than substance.

In particular, challenger Carter must make himself appear competent in a field where he has little experience, according to campaign aides and political analysts. The public isn't in a mood to run risks in international affairs, so voters leaning to Carter want to be reassured the former Georgia governor will be a safe man at the helm. "The Republicans want to portray him as a Southern-fried McGovern, and he's not," says a Carter adviser, referring to the erratic reputation the 1972 Democratic candidate acquired, fairly or not.

So Mr. Carter will try to appear to be in command of his facts, and measured in his

opinions. "The people want a leader who is competent, thoughtful and fair," says a Carter aide who heads a policy research project. He says projecting such an image is "more important than winning public agreement on particular issues."

The challenger recognizes that he's at a disadvantage in discussing foreign and de-

fense matters: Mr. Ford can command more facts and boast more experience. So Mr. Carter's objective, as some see it, will be to hold his own and thus appear to voters as a reliable decision-maker in national security matters.

As pollster Hart puts it, what Mr. Carter needs is a draw—which he could obtain by showing he has good "basic judgment."

For his part, President Ford will try to press his unquestioned advantages. He commands the vast diplomatic, defense and intelligence mechanisms and thus should appear better informed than any rival. If properly briefed, Mr. Ford can discuss as an insider the full range of present and potential problems the U.S. faces around the world.

Moreover, he has the experience advantage. While Jimmy Carter talks of wanting to take charge, Mr. Ford is in charge. He already has met the Russians, the Chinese, the Arabs and others, and the U.S. hasn't suffered noticeably for it. He can boast there are no wars with Americans involved, and none threatening. He can cite progress toward peace in the Mideast and Africa during his tenure, plus improved relations with allies and more purposeful discourse with poor nations. Though hardly above criticism, it's not a bad record; more important, it doesn't show a bent toward taking risks.

In addition, Mr. Ford has Henry Kissinger. The sometimes-controversial Secretary of State is now figured by both Ford and Carter aides to be a campaign plus. He is "a substantial asset," says a Ford strategist, who claims "one of Ford's biggest assets is a feeling that he has good people, smart people around him. And Kissinger is considered one of those good people." Presumably, the Secretary's rating has climbed since his recent African peace venture.

Mr. Carter sometimes inveighs against "Lone Ranger" diplomacy but some aides agree with the White House that, on balance, the Secretary is a campaign asset. Perhaps it's no accident that he'll make four speeches within a three week period.

And so Mr. Ford will be able to press his claims of proven ability, experience and steadfastness in managing the national security. He'll talk about strong defenses, closer alliances, more negotiations and the pursuit of peace. And on none of these points can Mr. Carter make basic objections.

This doesn't mean differences don't exist, or won't become apparent. Particularly since the first debate didn't do much for Mr. Carter, the challenger may try in the second round to press the incumbent on certain issues.

For one thing, there is the perennial issue of the defense budget. Mr. Carter wants to cut it, and argues that he can do so safely. He talks about trimming away \$5 billion to \$7 billion a year of Pentagon

"waste" (Mr. Ford maintains the budget is already "lean"). And in the coming debate he'll talk most likely of such measures as slowing civilian promotions within the Defense Department; less "grade creep," as it's called, could easily save \$100 million yearly. How riveting the public will find such things is another matter, of course.

Mr. Ford, in turn, will try to zing his challenger on some defense specifics. Last May Mr. Carter told the Democratic platform committee that the new B1 strategic bomber "is an example of a proposed system which should not be funded and would be wasteful of taxpayers' dollars." Now he advocates merely delaying a production decision until early next year; there's no talk of outright cancellation. Mr. Ford, who has always wanted to charge ahead with the B1 program, is sure to stress this apparent contradiction.

## An 'Adequate Defense'

The President will insist that stopping production of new weapons is dangerous, especially since the Russians are building so many of their own. With troop withdrawals from overseas and budget cuts, "it would be impossible to have a defense adequate to maintain our freedom and the freedom of our friends," Mr. Ford insists—a sentiment he's sure to repeat during the debate.

Mr. Carter will also talk about curbing the spread of nuclear weapons and reducing sales of conventional arms to other countries, particularly in the Mideast and Africa. He will claim the U.S. is permitting policies which make local wars more likely. The President will disagree. He contends the administration already is working hard to halt the spread of nuclear weapons, while conventional arms sales help moderate friends fend off radicals who have Soviet backing. Since neither man wants to stop arms sales abroad completely (they agree on aiding Israel, for example) and both oppose a proliferation of atomic warheads, their differences may strike many viewers as not decisive when it comes to picking a President.

# Support up for strong defense

By Louis Harris

BY A NARROW 43 to 38 per cent, a plurality of the voters rejects Jimmy Carter's campaign position that defense spending should be cut by \$5 billion to \$7 billion.

A 61 to 23 per cent majority of the electorate instead wants to make sure "our defense preparation and weapons

● A 56-to-26 per cent majority favors "the U. S. cutting back on the amount of military weapons we sell abroad, even if other countries continue to sell weapons." Voters express widespread uneasiness over the escalation of arms shipments to nearly every part of the world, fearing these weapons will trigger small wars that will ultimately involve the U. S.

● By 79 to 9 per cent, a majority of the voters favors "the administration consulting more with Congress and the American people when making agreements with allies and other countries abroad."

Tied closely to this demand for closer cooperation with Congress is the feeling that the public itself should be brought more into the process of setting foreign policy than has been the case.

● By 62 to 19 per cent, a majority of

Recently, the Harris Survey asked a cross-section of 1,471 voters: In the area of foreign policy, do you favor or oppose the following:

	Favor %	Oppose %	Not Sure %
Trying to get agreement with Russia on a reduction of strategic nuclear arms and missiles?	80	10	10
The administration consulting more with Congress and the American people when making agreements with allies and other countries abroad?	79	9	12
Taking the lead in setting up an			

# What do we want: a revival or a

# rest stop?

**JAMES WIEGHART**

**W**ASHINGTON—The voter's dilemma in this bicentennial presidential election year is — in somewhat oversimplified terms — to choose between more of the same kind of leadership or to opt for sweeping, but still largely undefined, change.

The fact that the race between

to Ford's modest program of holding down federal spending, paring down the federal government and working toward a balanced budget, would seem to cast this year's contest for the presidency along very conventional lines. Ford has assumed the role of an orthodox Republican conservator of the status quo and Carter is cast as the innovating candidate for change.

That Carter sees the contest in this light is clear from his campaign speeches in which he places himself in

tions, Vietnam, massive unrest in the cities and on the campuses, economic dislocation and the corruption and abuse of power symbolized by Watergate — the country is once again badly in need of rest and recuperation. Although Americans, more than any other people, appear ready to accept change

# California an enigma, could be key to election

By Michael Coakley

Chicago Tribune Press Service

LOS ANGELES—Mike Curb is a political realist.

"I honestly believe," he says, "that if we don't win in California, we will not hold the presidency."

Curb, the Republican national commit-

FORD'S POLLS NOW show Carter leading in the state by 5 per cent while Carter's own polls show him ahead by only 3 points.

Strategists in both campaigns generally believe the surveys are accurate, but caution that the situation is confusing because neither candidate appears to have a solid hold on his party's normal bases of support.

It is in these communities—places like Pasadena, Burbank, and the San Fernando Valley—that the economic issue is the most powerful.

HEAVILY DEPENDENT on the aerospace and defense industries, unemployment is still high in these areas—which should help Carter—but not as high as a year ago.

This week's conventional political wis-

## Ford, Carter Bid for Chicano Vote

BY FRANK DEL OLMO

Times Staff Writer

Representatives of President Ford and Jimmy Carter appealed to members of the Mexican-American Political Assn. for support Saturday, but they seemed to generate little enthusiasm among the Chicano activists.

About 150 persons, only 128 of them voting delegates, attended the MAPA California endorsing convention at the Miramar Hotel in Santa Monica, a much smaller turnout than the annual affair has attracted in past elections.



Ford Signs Tax Bill

President Ford Monday signed the largest tax revision bill ever passed although Congress did not approve his proposed \$10 billion in extra tax cuts and included many provisions he found objectionable.

"On balance, however, this legislation is sound, positive and long overdue," said Ford in signing the five-inch-thick bill in an Oval Office ceremony. (UPI,CBS)

The legislation continues current tax cuts, thus leaving the withholding rate unchanged, but makes thousands of other tax law changes that will benefit working partnes, the elderly, farmers, some corporations such as railroads and airlines, and many other segments of American society. It will increase taxes on some corporations and on the wealthy who have been using shelters and tax-free preference income to avoid tax.

"What the President didn't say, but his political advisors admit privately, is that candidate Ford signed this tax bill because it would have been political suicide to do otherwise," Phil Jones reported. (CBS)

The Wall Street Journal said several weeks ago it found the new tax bill so complicated it could not understand it. The Journal then asked a group of economists and financiers to study it, but they couldn't understand it either. (NBC)

CBS' 1:20 story, which ran #5, included film of Ford signing the bill, and comments by Phil Jones.

The ABC :40 anchor report, which ran #9, was reported over silent film of Ford signing the bill.

NBC's #8 story, running 1:00, featured the President on film. AP,UPI,Networks -- (10/4/76)

ECONOMY

Stocks Close Lower

Prices closed lower in quiet trading Monday on the New York Stock Exchange Monday amid concern the economy had slowed down substantially in the third quarter.

The Dow Jones Industrial Average, which plunged 10.30 points Friday and scored the biggest five-day loss of the year last week was behind 1.91 to 977.98 minutes before the final bell. Earlier in the session, the blue chip indicator had fallen almost four points

Prices retreated in slow trading on the American Stock Exchange. AP,UPI,ABC,CBS -- (10/4/76)

Simon Gives Economic Outlook

The rate of U.S. economic expansion will slow down next year, with inflation at a 5 to 6 percent level and both employment growth and unemployment declining, Secretary Simon told the International Monetary Fund in Manilla Tuesday.

The slower pace will be a "proper pattern," Simon said because a continued 6 to 7 percent growth in economic output over an extended period of time "would invariably overheat the U.S. economy, followed soon afterward by recession and unemployment," he said. He called the expected inflation rate of 5 to 6 percent "most unsatisfactory... our nation must not and will not accept it."

Simon said the Ford Administration does not follow a policy of choosing unemployment over inflation as Democratic critics have charged. AP -- (10/4/76)

SUPREME COURTCourt Stands Firm on Death Penalty

The Supreme Court Monday stood firmly on its rulings of last July upholding capital punishment for murder in three states, but agreed to resolve whether a rapist can be sentenced to death although his victim survives.

On the opening day of its new term, the court summarily refused to grant rehearings in cases that resulted in its decision last term finding that death penalty laws in Georgia, Texas and Florida do not violate the Constitution's ban on "cruel and unusual" punishment.

But on opening day -- in which it disposed of more than 700 appeals left over from last year and filed during the summer -- the Justices voted to decide that issue in an appeal by a Ga. rapist who contends capital punishment is Constitutional only for murder.

The Court also refused to reconsider its June 14 decision not to interfere with Boston's controversial school desegregation plan, under which 21,000 students were ordered bused. The petition for reconsideration was filed by the Boston Home and School Association, which represents more than 125 local parent-teacher groups. AP, UPI -- (10/4/76)

HHH to Undergo Surgery

Sen. Hubert Humphrey will undergo surgical removal Thursday of his bladder "which appears to be cancerous," officials at Memorial Sloan-Kettering Cancer Center said Monday.

The spokesman said Humphrey would undergo a radical cystectomy -- removal of the bladder -- Thursday. The spokesman said the surgeon will be Dr. Willet Whitmore, who has been a consulting physician in the case since Humphrey's condition became known.

The spokesman said the operation would be performed to correct "a condition which appears to be cancerous, but we can't say whether it's cancer or pre-cancer." AP,UPI,Networks -- (10/4)

U.S.

UAW-Ford Nearing Agreement

The United Auto Workers and Ford Motor Corp. have not yet reached an agreement, despite rumors persisting Monday that they had.

Union locals were told only economic matter had been resolved but other matters such as job security and unemployment benefits were still being negotiated. AP,UPI,Networks -- (10/4/76)

## *To see oil prices, look up*

If oil prices have to go up, would you like to see the proceeds go to [a] the United States government, [b] the domestic oil companies, or [c] the OPEC countries? It's safe to say that [c] would be the least popular of the three. But since Congress has consistently rejected [a] and [b], it looks as if [c] is our oil. An OPEC price increase now would therefore have a more damaging impact on our economy and our balance of trade than it did in 1973 and 1974. With imports running at 8 million barrels a day, even a \$1 increase in the present \$11.51 price of OPEC oil—and that is probably too modest an increase

Times of TV News Items  
October 4, 1976

	ABC	NBC	CBS
<u>ADMINISTRATION NEWS</u>			
1. Butz resigns/Ford	2:05 (lead)	2:40 (lead)	2:40 (lead)
2. Butz/Pol. react		:30 (2)	1:00 (2)
3. Butz/Farm react		1:50 (4)	1:15 (3)
4. Butz/media			:25 (4)
5. Ford/Tax bill	:36 (10)	1:00 (8)	1:20 (5)
6. FDA/Cyclamates			:15 (16)
7. Callaway/Butz		:30 (5)	
8. Carter/Butz	1:55 (2)	2:10 (3)	
9. Butz/interview	1:15 (3)		
<u>OTHER MAJOR NEWS</u>			
1. Farm Inheritance taxes			2:15 (6)
2. UAW Strike	1:45 (5)	1:30 (9)	:10 (7)
3. Candidates/defense			4:00 (9)
4. Stocks	:15 (13)		:15 (8)
5. S.Africa			:15 (10)
6. Lebanon	:20 (8)		:25 (11)
7. Spain	:15 (6)		:20 (12)
8. India			:25 (13)
9. S.C./Death penalty	1:30 (4)	2:00 (6)	1:25 (14)
10. Humphrey/cancer	:15 (11)	:30 (10)	:20 (15)
11. Unemployed			5:15 (17)
12. Smith Comment	1:50 (12)		
13. Sadat interview	5:35 (9)		
14. Schmidt/Germany	:15 (7)	:30 (11)	
15. VP debates		:15 (12)	
16. Mystery Congressional hearings		:50 (13)	
19. Street corners		3:30 (14)	

# News & Comment

The President's Daily News Summary

## Leading The News...

TUESDAY AFTERNOON,  
October 5, 1976

		<u>Page</u>
<u>NEWS WRAP-UP</u>	Wall St. Journal	<u>1,2,</u>
<u>BUTZ RESIGNATION</u>		
Butz Plotted Against Blacks Times Says	UPI NY Times	3
Knebel Named Acting Ag. Sec.	Nets, AP, UPI	4
A Gloomy Dinner Trying to Digest Butz' Departure	Washington Post	5
CBS Comment: Ford Shrinks on WH Fighting	CBS Monring News	6
Mr. Butz Rightly Resigns, Lacking Common Decency	Phil. Inquirer	7
Sec. Butz Resignation	Chicago Tribune	9
<u>CARTER/MONDALE CAMPAIGN</u>		
<u>Issues</u>		
Carter Fires Shots At Ford's Nuclear Weapons Plan	CBS, AP, UPI	10
Carter Preps Ford Debate	AP, UPI	10
<u>Playboy Interview</u>		
Carter Had Chance to Retract Strategy	AP, UPI	11
Carter In Denver	AP	12
Carter: New Tax Bill Adds More Loopholes	AP, UPI	12
For Catholics: A Turned- Around Carter	NY Daily News	13
<u>ELECTION</u>		
<u>Image</u>		
Carter Support Slipping Among Evangelicals	CBS	14
<u>Strategy</u>		
Buchanan: Memo to the Pres. on Offense	Chicago Tribune	15



FORD/DOLEStrategy

Ford Prepares for Debate #2  
in S.F.

CBS 16

Issues

Dole: Statecraft and Mystery  
Don't Mix

UPI 16

ECONOMY

Economic Growth Report May  
Help Carter

AP, UPI, Nets 18

DEBATES

Ford-Carter Debates: Trying Harder  
On No. 2

C.S. Monitor 19

US

Committee Calls Callaway Guilty  
in Ski Resort Charges

AP, UPI Nets 20

FOREIGN POLICY

Simon Urges Protection of World  
Bank Funds

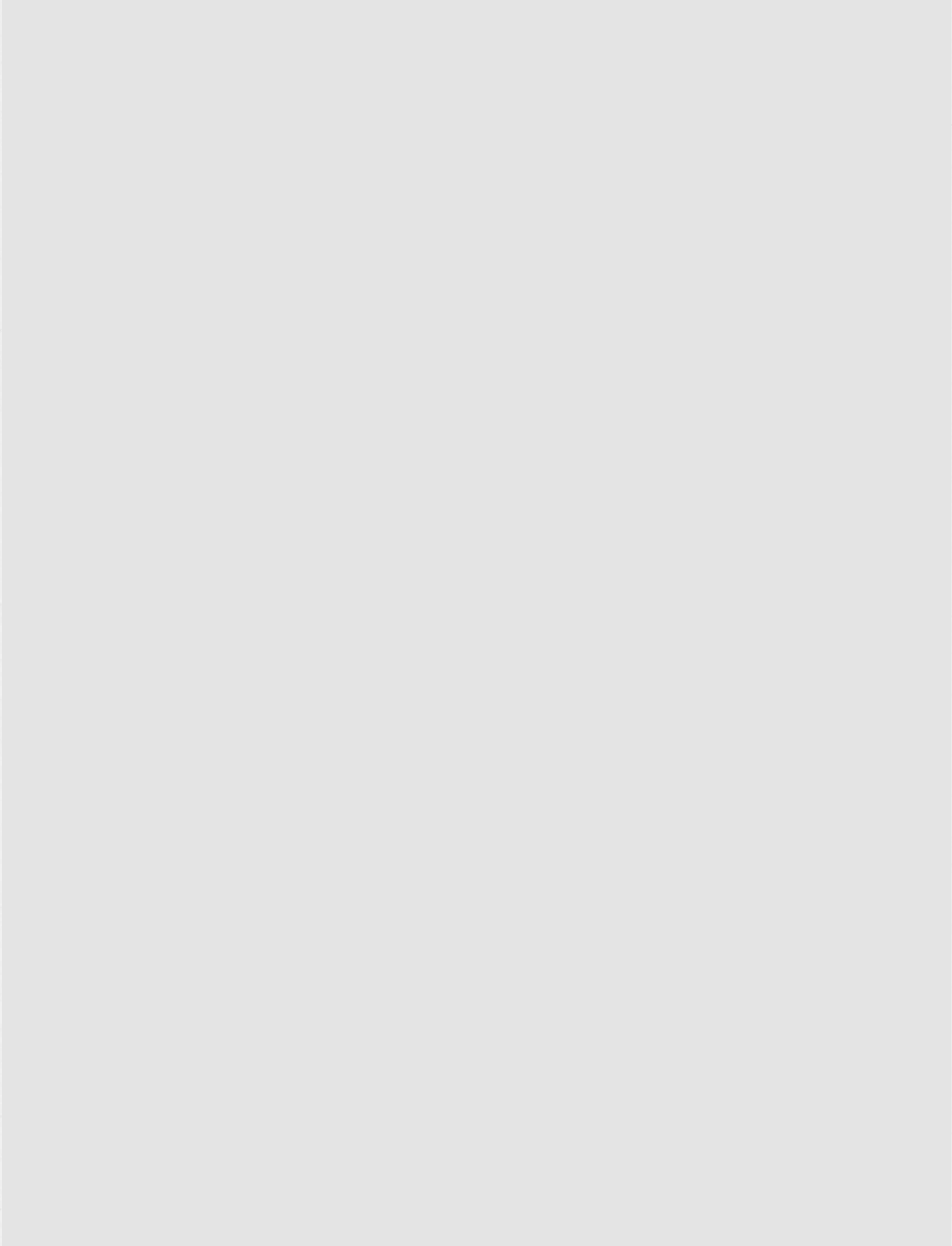
AP, UPI CBS 20

*World-Wide*

**EARL BUTZ RESIGNED** and apologized for his slur against blacks.

Butz described his resignation as Agriculture Secretary as "the price I pay for a gross indiscretion" and said he hoped it would remove racism as an issue in the presidential campaign. He insisted that his

Spanish terrorists murdered an adviser to King Juan Carlos in the Basque city of San Sebastian. Juan Maria de Araluze, a member of the conservative Council of the Realm and president of a Basque province, was slain in his car by a gunman who also killed his driver and three bodyguards. The slaying was the most serious Basque attack since the murder three years ago of Pre-



money to Ulster terrorists. But the first television station at which Betty Williams and Mairead Corrigan hoped to tape an appeal canceled the taping session, citing death threats the women have received.



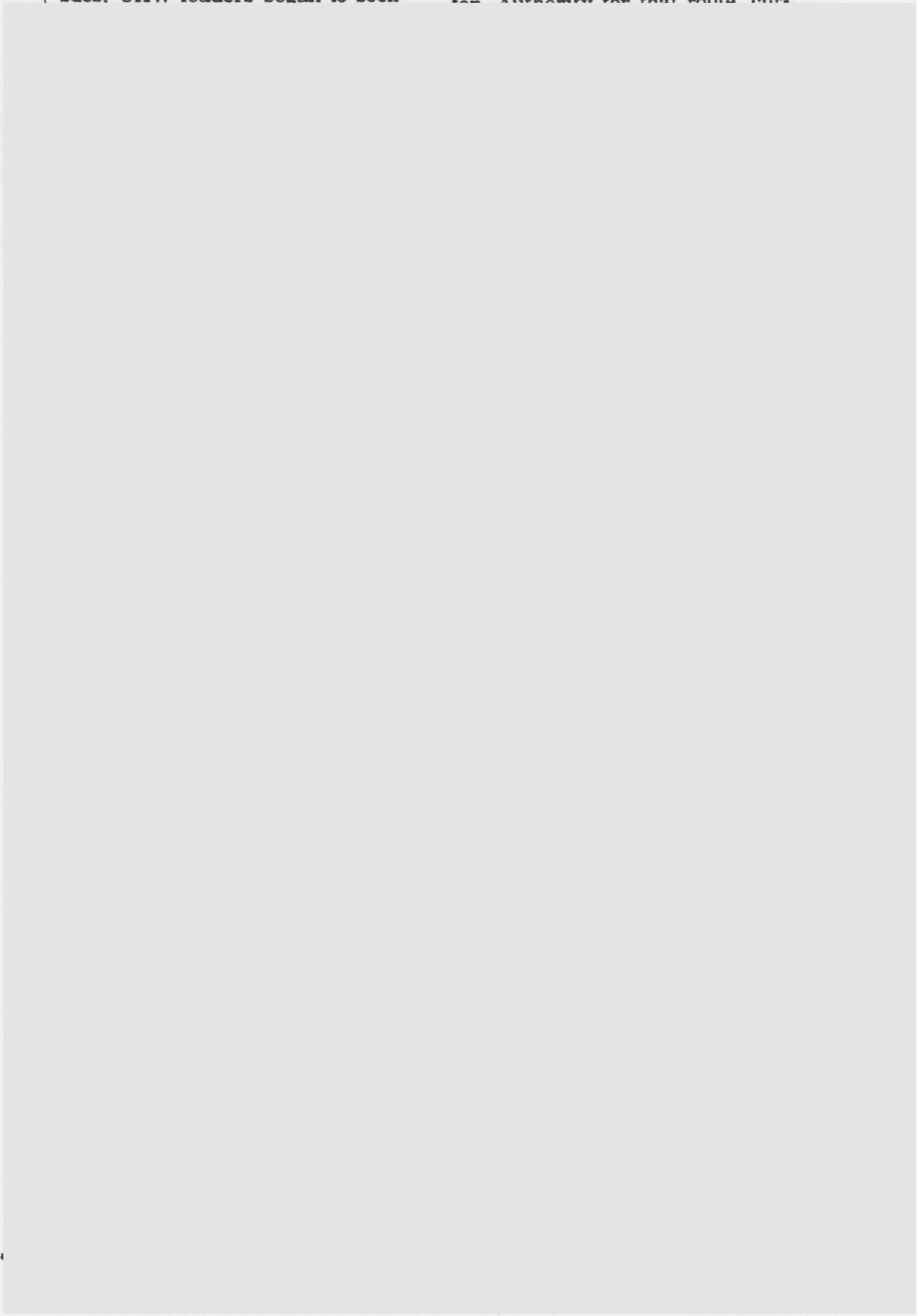
**F**ORD MOTOR and the United Auto Workers settled crucial economic terms of a new contract to end a three-week strike. Although bargainers continued to wrestle with a few noneconomic issues. UAW leaders began to seek

-2-

Issue 9 1st Page 47

\* \* \*

**Pan American Airways** got its first domestic route, Detroit-Boston. Authority for that route cur-



-3-

Butz Plotted Against Blacks, Times Says

Earl Butz held secret meetings to advise subordinates and state officials how to avoid hiring blacks, the Los Angeles Times reported Tuesday.

The Times said the Department of Agriculture under Butz had the second worst record in the Federal government for hiring minorities.

Quoting "sources within the (Agriculture) Department and a recent study by the U.S. Civil Rights Commission," The Times charged that under Butz the Department had engaged in "ignoring and in some cases circumventing Federal laws designed to increase the employment of blacks and other racial minorities within the Department."

The newspaper said it learned "Butz helped seven states get around Federal civil rights laws ...

"In two secret meetings in November 1973, according to the sources, Butz met with directors of the Agriculture Department's Cooperative Extension Services from the seven states for the purpose of circumventing Federal laws..."

The Federal-State Extension Services advise farm families, sponsor 4-H clubs and provide other services to rural residents. At the time, the services in seven states -- Arkansas, Georgia, Illinois, Kansas, Louisiana, Maryland and Texas -- had been declared in violation of the civil rights act.

They faced loss of Federal funds for Allegedly maintaining racially segregated clubs, employing too few blacks in policy making positions and paying lower wages to blacks than to whites doing the same work.

The Times alleged that "Butz helped the seven state agencies get around antidiscrimination laws, according to the sources, by altering departmental regulations to extend indefinitely the time the agencies had to comply with Federal standards."

The report quoted Jeff Miller, former staff member for the Civil Rights Commission, as saying the Department under Butz had "one of the most appalling civil rights enforcement records in the government."

Butz denied through a spokesman that there had been any secret meetings or that he had circumvented the law.

The spokesman said, "The only meeting he could recall was a session in 1973, which was not secret, when he met with land grant colleges and extension officials and told them they must comply with the law and increase the hiring of blacks." UPI 10/5/76

-4-

Knebel Named Acting Agriculture Secretary

President Ford Monday named Undersecretary of Agriculture John Knebel as the new acting secretary of the Department until a permanent successor is announced.

In assuming his new duties, Knebel praised his boss and said he will continue Butz's farm policies.

Knebel said that undersecretaries never tell jokes and urged farmers to get up off their "Butz" and work for the President. -- Nets, UPI, AP

# A Gloomy Dinner Trying to Digest Butz' Departure

By Warren Brown

Washington Post Staff Writer

CAMP HILL, Pa., Oct. 4—By the time the Pennsylvania Ag Republicans and the Pennsylvania Farm Families for Ford sat down to dinner here tonight they had scarcely begun to digest the depressing news that Earl L. Butz was no longer the

Knebel went on: "Pinch-hitting for him is not going to be easy . . . because he is truly a legend in his own time. That's what's really going to make it tough. But it will also make it challenging."

"There is a lot more than agriculture" at stake in the presidential election, Knebel said as he warned that Democrats will try to exploit the Butz issue and pointed out that under President Ford's administration America has been at peace and "not a single American farmer is being shot at."

Then, referring to Democratic presidential nominee Jimmy Carter, Knebel said: "I want to tell you that this is no time to jimmy around."

Throughout his 20-minute speech, Knebel praised the former secretary for his achievements in agriculture. As a result of Butz' administration, he said, American farmers "are free to make money in the marketplace, to sell what they want when they want. They are not making their own decisions, and

-6-

CBS Comment: Ford Shrinks on Butz Affair, WH Fighting

Bruce Morton Tuesday said President Ford's handling of the Earl Butz affair lost him many votes.

In a CBS commentary, Morton noted that by not firing Butz, Ford angered those who thought his remarks were racist. And, by not keeping Butz, he angered those who thought he was doing a good job for the farmer.

Instead, Ford let Butz leave, saying he was a kind and good man, which shouldn't make either group happy.

"The problem is that Mr. Ford, himself, is a kind and good man with a Congressman's inbred desire for everyone to like him and the Congressman's inbred desire to put off important decisions, hoping that they will soon disappear," Morton said.

The President's handling of the Butz affair supports this reading of Mr. Ford's character, Morton said. And, so does his tolerance for White House infighting, he added.

Ron Nessen, he noted, is a "tireless player of the White House faction game, intriguing against this staff member or that."

There is speculation as to how long Nessen will keep his job if Ford wins, he said.

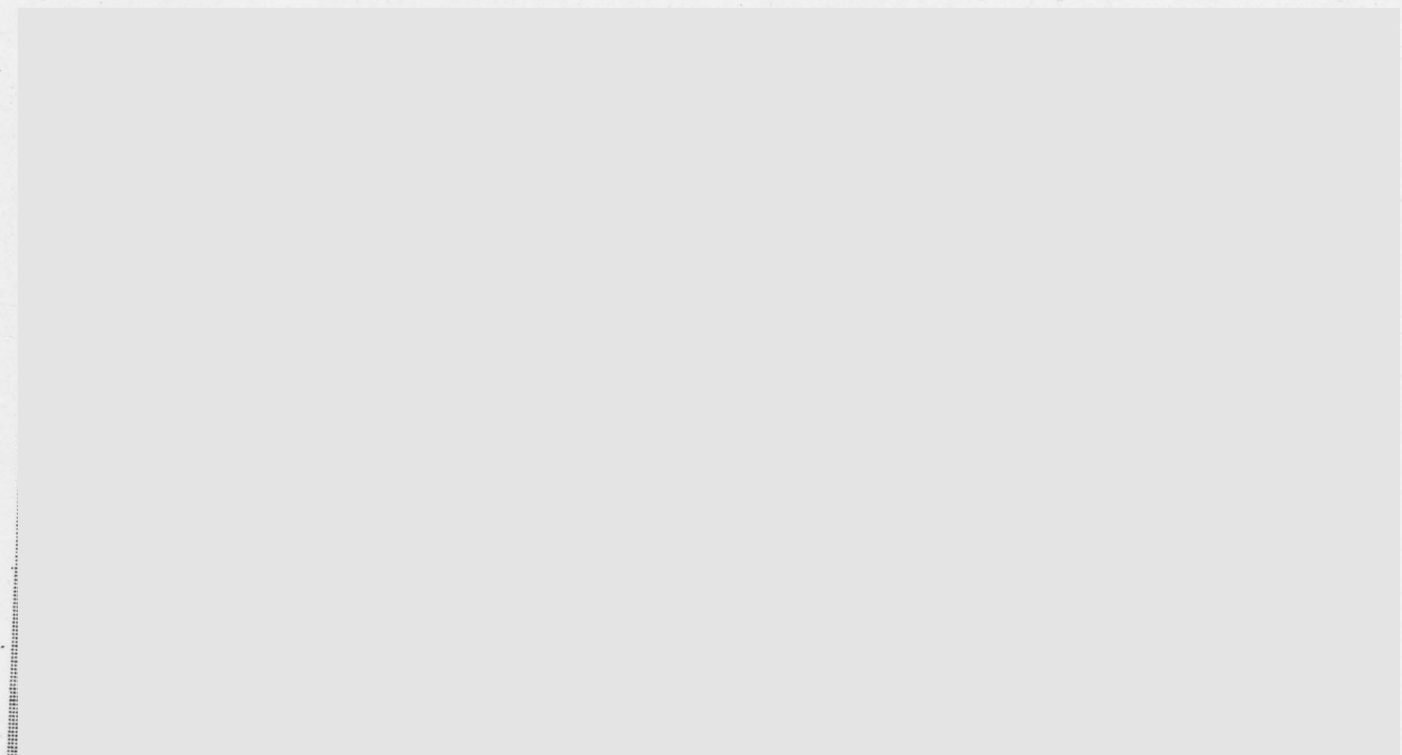
"Why does the President tolerate all this factional squabbling?" Morton asked.

The simplest explanation "is that the President himself is honest, direct, a good guy who wants everyone to like him and who can't understand why everyone else isn't the same way. And, he shrinks from the firings that would put his staff in better order, just as he shrank one way or the other on the Butz affair," Morton concluded. -- CBS Morning News, 10/5/76

# Mr. Butz rightly resigns, lacking common decency

Earl L. Butz, an Indiana farm boy who worked his way through Purdue University, ultimately became dean of agriculture, and who resigned as U. S. Secretary of Agriculture yesterday at the summit of his career, is not a simple man.

That sentence is one we shall not print here. That troubles us, for there is something worrisome about asking that a man be judged on paraphrase. But two of the words in the quoted—and undenied—remark, and a crude and unfunny and indefensibly anti-



Chicago Tribune, (10/6/76)

## *Secretary Butz' resignation*

It was the only acceptable way out of a tragically unnecessary dilemma: In a meeting at the White House Monday, Secretary of Agriculture Butz resigned as the "price I have to pay" for his appalling indiscretion in telling a dero-

John Dean who quoted the joke in Rolling Stone, though he attributed it only to "a cabinet member." Inevitably, the identification of Mr. Butz followed quickly.

And this time the indiscretion out



-10-

Carter Fires Shot at Ford's Nuclear Weapon Plan

Jimmy Carter, feeling he has the psychological edge in the second debate with President Ford, fired an early shot, charging the Administration has failed to act quickly to stop the spread of nuclear weapons.

While Carter's strategy in the second debate remained largely a campaign secret, he apparently plans to attack wasteful spending in the Pentagon. Called to his strategy meeting was Rep. Les Aspin (D-Wis.), who has made a career of weekly press releases detailing Pentagon extravagances.

Arriving in San Francisco Monday night, Carter made the charge on nuclear weapons in reaction to reports that Ford plans to curb nuclear proliferation by tightening contracts for nuclear fuel with some 30 overseas customers.

Carter called the plan a "vague outline" that was a "last-minute, patched together attempt to cover up the failure of the Republican leadership -- to deal with the spread of nuclear weapons."

Monday, at the National Convention of Catholic Charities in Denver, Carter said, "... our leaders have spent too many years wandering through Washington's quiet corridors of power or strolling along the plush green fairways of privilege. They seem not to know of hunger and despair in America.

"I think it's time for America to have a President ... who, like yourself, has been in the streets and has visited those in prisons and mental hospitals and has worked in the schools and the homes for the elderly and knows the reality of life in America and has shared the pain of our people." (CBS)

DebateCarter Preps for Debate

Richard Holbrooke, Carter's top foreign policy staff aide, said Carter still is formulating strategy for the debate at the Palace of Fine Arts on Wednesday. Holbrooke would not discuss the strategy but cautioned a reporter not to draw the conclusion that Carter might shift or harden his stands on foreign policy or defense issues as a result of having held private discussions with former Defense Secretary James Schlesinger.

Other than the meeting's informational value, some observers saw it as an attempt at psychological warfare against Ford and Kissinger because of Schlesinger's intimate knowledge of the Administration's foreign policy and defense planning.

Carter and Schlesinger refused to discuss their meeting, but Holbrooke said more than 30 minutes was devoted to developments in China.

-11-

Carter Preps for Debate (continued)

Holbrooke said Carter also benefited from a 45-minute briefing in Washington Saturday from Averell Harriman, who recently returned from meetings with Communist party leader Leonid Brezhnev in Moscow.

Holbrooke said Carter would stand by his position that defense spending should be cut by \$5 billion to \$7 billion, despite a Harris poll which showed those queried were divided 43 to 38 against Carter's view.

In final briefings before the debate, Carter is to meet with Zbigniew Brzezinski and Les Aspin.

On Wednesday, just before the debate, Carter will meet with several key aides, who will throw him the kind of questions they expect from the panelists. Wires 10/4/76

Playboy Interview

Carter Had Chance to Retract

Jimmy Carter had the chance to retract any part of the now famous Playboy Magazine "adultery in my heart" interview, according to the editor who conducted the interview.

"Carter's moment of humanity may have never had reached print if the nominee had sought retraction," G. Barry Golson said in an interview published Monday in the Connecticut Daily Campus, the University of Connecticut newspaper.

"However, Carter never used the opportunity."

"Golson suggested Carter's phrasing "was an attempt to use every-day examples to convey an important point."

Golson said he felt Carter said what he said in order to relate to younger voters.

Besides, Golson said, it was better to have distributed salient portions of the interview to the news media last month than to have waited for the regular publication which would have come just weeks before the November election.

"In hindsight, it was better to release the story when we did," Golson said, "Because if the news had hit three weeks later, Carter would have spent the next 15 days before the election talking about nothing but the interview."

In any case, the publicity hasn't hurt Playboy. Golson said the magazine's October issue has already sold out because many people mistakenly thought it was the issue containing the Carter interview.

-12-

Carter in Denver

At a downtown Denver rally, Carter renewed his attacks on Ford for "hiding in the White House," while Carter is out campaigning. Referring to himself, he said, "We make mistakes. Sometimes we give interviews ...". The remainder of his remark was drowned out the laughter and applause from an estimated 5,000 persons. "But I don't have any apology to make for it," Carter continued. "If I make a mistake, I want you to know about it. I want you to forgive me for it."

Carter told a meeting of National Conference of Catholic Charities that he, as a Southern Baptist, felt that "the basic beliefs and concerns that unite us ... are more important than the factors that divide us."

He recalled that Kennedy, when a Presidential candidate in 1960, told a meeting of clerics that as a Catholic, he faced suspicion that year because of his religion -- but that someday it would be a Jew or a Baptist in the same situation.

"His prediction has come to pass," Carter said. "I welcome the scrutiny, and I have not the slightest doubt that this year, once again, our national tradition of tolerance and fairness will prevail..." AP 10/4/76

Carter: New Tax Bill Adds More Loopholes

Jimmy Carter said Tuesday the Ford Administration should not take any credit for the tax revision bill signed into law Monday. Carter said the Administration sought to preserve existing tax loopholes as well as add new ones to the Tax Reform Act of 1976.

Carter is in a San Francisco hotel priming for Wednesday night's debate on foreign affairs. He has no plans for a public appearance before the nationally broadcast debate.

# For Catholics: a turned-around Jimmy Carter

---

## ANDREW M. GREELEY

---

**D**UBLIN—Jimmy Carter is turning his Catholic problem around. He may get at least 60% of the Catholic vote. If he does, he will win the presidency rather easily.

More than that, Carter has apparently turned his Catholic problem into an asset. By the honest and open way with which he has gone into the ethnic

promise on race (in the good sense of that word) perhaps alone of any politician in America.

Many of us had wondered whether the price of such reconciliation would be the alienation of Catholic urban ethnics. A good segment of the liberal community would like to see the urban ethnics pick up the tab for solving the nation's racial problems. "Positive discrimination" in big cities in the Northeast and Midwest means in practice discrimination against Catholics — and in some cities, Jews.

Such discrimination against Catholics is fine with

-14-

Carter Support Slipping Among Evangelicals

Jimmy Carter's support among the Evangelicals seems to be weakening, Bruce Morton reported Tuesday.

Dr. Richard Brannon of the White House Communication's staff said President Ford may get a majority of the Evangelical vote because of his record in office.

Brannon said the President has had a long standing rapport with Evangelical Christians.

There is no sign, however, that Carter's support is shrinking among the 15 million or so black Evangelicals. But, Brannon noted that white Evangelicals tend to be political conservatives, who are generally happier with Republican positions, Morton said.

Morton said the biggest jolt to Carter came after his Playboy interview. He said Carter may have lost some of his support among Evangelicals because of it.

A religious broadcaster, Dr. Jerry Fallwell, has come out in support of the President and thinks a lot of other Evangelicals will follow his lead.

Fallwell said many defaults on moral issues in Carter's philosophy have caused Fallwell to be disillusioned and disenchanted with Democratic candidate, adding that is a general feeling among many Evangelicals today.  
CBS 10/5/76

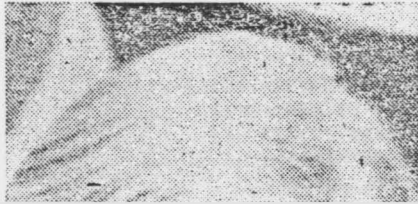
Patrick Buchanan

# Memo to President on offense



**MEMO TO the President:**

The old Woody Hays strategy, "Four yards in a cloud of statistics," carried the day in the first debate. It won't work next time. The Carter crowd is neither dogmatic nor dumb. They know their mistakes: too many statistics, not enough memorable



ments or China openings. If he attacks CIA intervention in Chile, remind him that most of the CIA assassination plots came in the Kennedy-Johnson years, and it is time the U.S. security agencies—the CIA, NSA, and FBI—were left alone by congressional demagogues damaging U.S. interests around

-16-

Ford Prepares for Debate #2 in S.F.

Republican party officials greeted President Ford Tuesday morning as he arrived in San Francisco to prepare for the second debate on foreign policy.

The President is renting the home of a prominent San Francisco lawyer, John Sutro, for \$125 a day. Robert Pierpoint noted that Ford is paying the Sutro's because he is being very careful not to take any illegal favors.

Tuesday, the President will discuss California politics with the Republican candidate for the Senate, S. I. Hayakawa.

The President's aides are saying he is at a disadvantage in this debate because he must concern himself with the impact of his words on foreign listeners, while Carter does not have that restraint. (CBS)

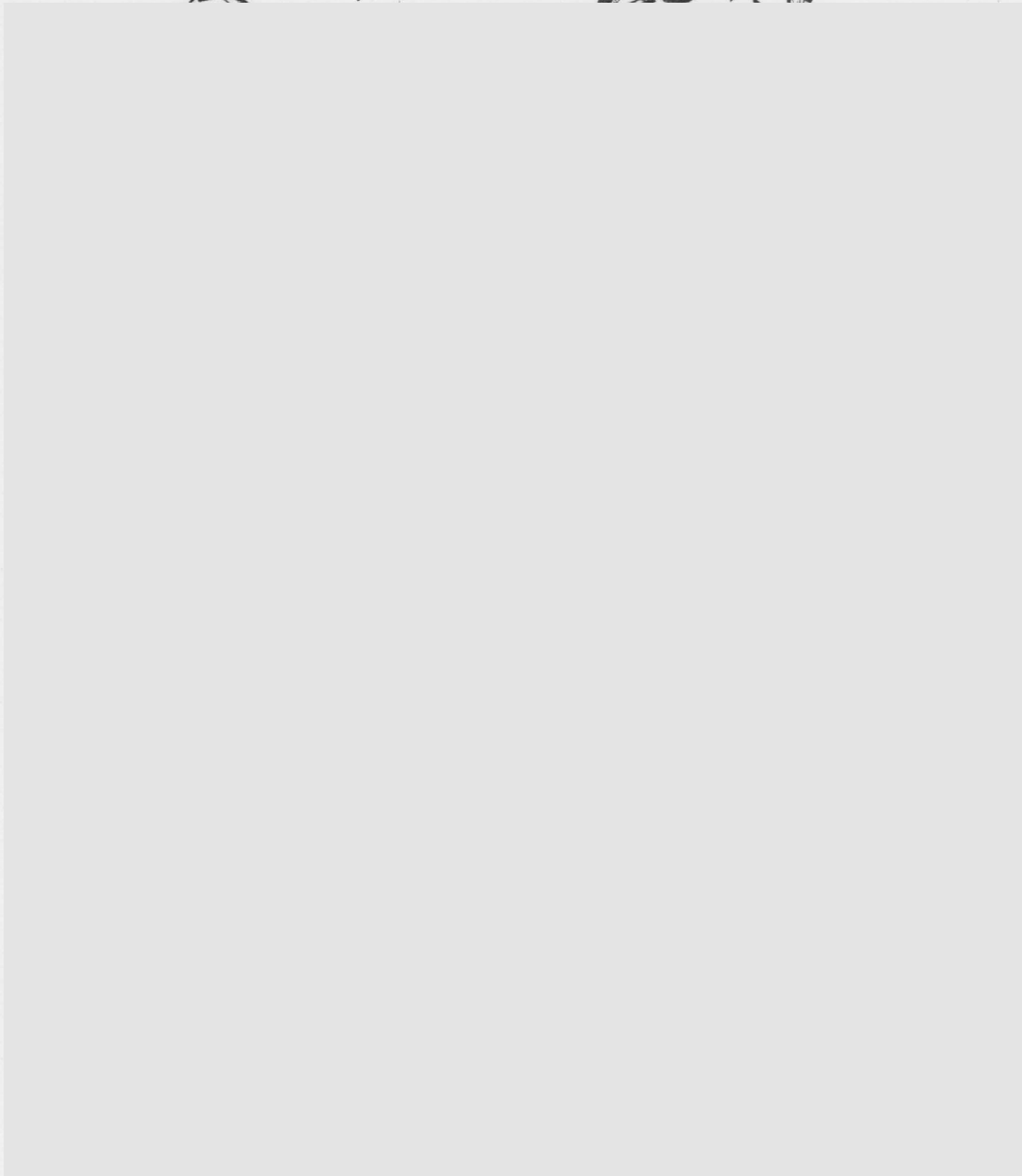
IssuesFORD/DOLE CAMPAIGNDole: "Statecraft and Mystery Don't Mix"

Warning that "statecraft and mystery do not mix," Bob Dole is accusing Jimmy Carter of being weak in foreign policy and "downright frightening" in how he might use the nation's defensive might.

The GOP Vice Presidential candidate campaigns in Virginia and Pittsburgh Tuesday.

Dole unveiled the fresh line of attack -- centering on foreign affairs -- in a speech Monday to a Bankers' group. The address, which received applause only at the end, offered a prelude to Wednesday night's foreign policy debate between President Ford and his Democratic Challenger. UPI 10/5/76

"Now let's see—do you suppose  
he can make a scene with his feet?"





Economic Growth Report May Help Carter

The government's report later this month on economic growth is expected to show that the U.S. economy grew at a disappointing rate of about 4 percent in the third quarter of this year.

This is the opinion of economists both in and out of government who are puzzled about why the economy has bogged down after such promising growth earlier this year.

If the October 19 report is disappointing, which now seems likely, it may give Democratic Presidential nominee Jimmy Carter new ammunition in his attempt to use the economy as an issue in his campaign against President Ford.

A 4 percent growth rate in the Gross National Product is considered just enough to keep up with new entries into the labor force and does nothing to -ent the nation's still-high 7.9 per cent unemployment rate.--UP,UPI,Nets 10/5/76

## Ford — Carter debates: trying harder on No. 2

The second Ford-Carter debate ought to show an improvement over the first. And we don't mean simply an even longer period of silence, as the cynic suggests.

What should make the difference is what the candidates — and their new questioners — pre-

Nixon-Kissinger foreign policies and a continuer of them in his own administration. In contrast with realms of broad agreement such as China policy, Soviet-American detente, and the new peace efforts in Africa, clear lines have been drawn with the Democratic Congress on many matters. These include aid to the Thieu

Committee Calls Callaway Guilty in Ski Resort Charge

A Senate subcommittee draft report says President Ford's former campaign Director, Howard "Bo" Callaway, used his position as Secretary of the Army to influence the Forest Service to permit expansion of a family-owned ski resort.

A draft copy of a report by the Senate subcommittee on environment and land resources was obtained by UPI.

In the 132-page report approved 5 to 4 by the subcommittee, the decision was blamed on improper pressure by Callaway or others on his behalf. The vote was divided along party lines, with the Republican minority declaring Callaway innocent, and saying the panel and its Chairman, Sen. Floyd Haskell, D-Colo., used the allegations for political purposes.

AP,UPI,Nets 10/5/76

Simon

FOREIGN POLICY

Simon Urges Protection of World Bank Funds

Treasury Secretary William Simon cautioned impatient poor nations Tuesday against seeking a "quick fix" to solve their economic problems.

Addressing the joint annual meetings of the International Monetary Fund and World Bank, Simon also urged oil-rich lands to join the United States in emergency measures to ensure that World Bank funds for the poorest countries do not run out.

He said the U.S. economy is showing a "well balanced" recovery, although he predicted a slowdown of economic expansion in 1977.

Both employment growth and unemployment will decline next year in the United States, Simon predicted, with inflation expected to run at 5 to 6 percent.

He said the slower American economic pace would be a "proper pattern" because continued 6 to 7 percent growth in economic output over an extended period of time "would invariably overheat the U.S. economy, followed soon afterward by recession and unemployment." AP,UPI,CBS 10/5/76

# News & Comment

The President's Daily News Summary



## Leading The News...

FOR TUESDAY, OCTOBER 5, 1976

	<u>MAGAZINE SUPPLEMENT</u>	<u>Page</u>
<u>ELECTION</u>		
<u>Polls</u>		
Race Turns into Dead Heat	Time	1,2
The No-Win Campaign	Newsweek	3
The Fortune 500 Presidential Poll	Fortune	4
Latest Polls Show This --	U.S. News & Wrld. Rpt.	5
What's On People's Minds	U.S. News & Wrld. Rpt.	6-8
<u>Issues</u>		
The Economics of the Candidates	Fortune	9,10
Election Could Mean 300 Pts. on Dow Jones	Forbes	11
Cherishing the Right to Get Rich	Time	12
Why Presidents Can't Change Business Outlook Quickly	U.S. News & Wrld. Rpt.	13
<u>Strategy</u>		
Battle for the Northeast	Business Week	14
Illinois: Big Jim vs. Big Mike	Newsweek	15
<u>CARTER/MONDALE CAMPAIGN</u>		
<u>Polls</u>		
How Solid a South for Carter --	U.S. News & Wrld. Rpt.	16-18
<u>Strategy</u>		
The South: Not Quite Solid	Newsweek	19
Why Carter May Blow Texas	Human Events	20
Carter Fights Big League Slump	Time	21
Tardy SOS to the Establishment	Time	22
<u>Issues</u>		
Carter Watch	National Review	23
<u>Playboy Interview</u>		
Carter's Real Blunder	Newsweek	24
Defending Carter's Heresies	New Republic	26-28
<u>Image</u>		
Patching Up the Carter Balloon	New York	29-33
<u>Mrs. Carter</u>		
She's Running for First Lady	Time	34

FORD/DOLE CAMPAIGNIssues

On Carter's 'Mistakes'

Newsweek 35

Demo Charges Against Ford Unproved

Human Events 36,37

Strategy

Rolling with Jerry

New Republic 38,39

Organization

Glimmer of Hope Burns in Heart of PFC

National Journal 40-44

DEBATESIssues

Packaged Politics

New Republic 45,46

Ducking the Real Issues

Business Week 47

# The Race Turns into a Dead Heat

Jimmy Carter has blown his lead in the presidential race. Last week he and Gerald Ford were running dead even, each with 43% of the vote; 14% were undecided. Carter led Ford by 6 percentage points in late August, just after the Republican National Convention, and by 9 points in late June. In a parallel shift of perceptions, voters by 44% to 40% now expect Ford to win on Nov. 2. In late August, the voters by 57% to 34% predicted a Carter victory. These are the findings of a nationwide telephone survey of 1,308 registered voters, conducted for TIME by the opinion research firm of Yankelovich, Skelly and White, Inc., from Sept. 25 to Sept. 29.

The standoff turned up by the survey resulted from asking those polled to choose between the two main candidates. When the Yankelovich analysts figured in the effect of the minor candidates, Lester Maddox and Eugene McCarthy, Ford pulled ahead of Carter by 42% to 40%. Maddox is a negligible factor, polling only 1% of the vote at this point. But McCarthy draws 7%, down from 12% in August but still enough to tip the election to Ford.

**Seesaw.** Thus what once looked like a Carter runaway has turned into one of the tightest presidential races in U.S. history. Making the present situation even more volatile, the Yankelovich study found, 52% of the voters still have not firmed up their final voting plans, in part because so many are unenthusiastic about both major candidates (see box below). Said Pollster Daniel Yankelovich: "Our TIME survey suggests that the race will seesaw back and forth until the very last minute, reflecting the voters' ago-

nized and disappointed frame of mind."

**THE TRENDS.** Ford has scored great gains with independent voters. He leads Carter among them by 45% to 31%; by contrast, Carter was ahead with this decisive group in August, 41% to 39%. One reason for the shift is the growing belief that Carter is a liberal, which has become a negative label for many voters. Of the people surveyed, 35% regard him as a liberal, up 10 percentage points since August. Only 30% consider him a moderate, down 13 points. Among moderates, Carter now runs almost neck and neck with the President after leading him 51% to 35% in late August.

Carter's support among Catholics has slipped by 3 percentage points to 45%, while his backing among Protestants has remained almost unchanged at 42%. He has picked up strength among non-whites, 71% of whom now favor him, v. 66% in August. But only 39% of the white voters prefer him, down from 44% in the previous survey.

In terms of geography, Carter carries the eleven states of the Old Confederacy, but not by a wide enough margin to offset Ford's lead of 44% to 41% in the rest of the country. Ford is heavily dependent on the Western states for his support. He is weaker than was anticipated in the Midwest. The breakdown:

	CARTER	FORD
South	48%	40%
New England	43%	40%
Middle Atlantic	43%	38%
Midwest and border	43%	44%
West	36%	51%

**CRITICISMS OF FORD.** Since August, there has been remarkably little change

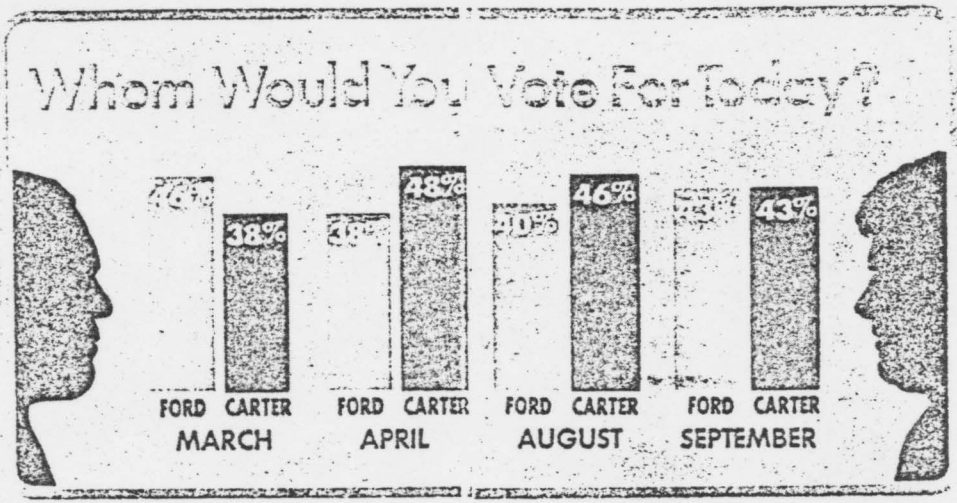
in voters' opinions of Ford. Half of the people surveyed fault him for pardoning Richard Nixon, 48% say he cannot deal with Congress, 33% believe he is too conservative. But Ford's weekend trips as the guest of U.S. Steel when he was a Congressman are not taken very seriously by the voters. Less than one-third believe that the jaunts raise serious questions about his judgment.

There also has been little change since August in the reasons cited by voters for supporting Ford. Among them: he can be trusted (62%), he will keep a check on the Democratic Congress (59%), he has more experience (56%) and he is a known quantity (55%).

The President's chief asset continues to be his opponent. More than 2 out of 3 Ford voters give as their main reason for supporting him the fact that they have too many questions about Carter.

**CRITICISMS OF CARTER.** Clearly, the Democratic nominee was hurt by the first debate. By 41% to 28%, the people interviewed said they thought that Ford was the victor. While the debate and a month of further campaigning have made Carter less of an enigma—35% now regard him as too much of an unknown, down 5 percentage points since August—many voters dislike what they see in him. Of those surveyed, 54% call him fuzzy on the issues (up from 51% in August), 55% say he overpromises (up from 48%), 53% complain that he changes his stands (up from 45%) and 29% agree with the statement that "there is something not trustworthy about him" (up from 22%).

Carter's strengths among his supporters continue to be the desire for a



# The No-Win Campaign

**A**s the second debate approached this week, Gerald Ford and Jimmy Carter had more than one another to cope with. Carter set out to make up for past blunders and slipping polls. Ford sought to maintain an encouraging new momen-

**THE EAST:** Carter appeared to be running strongly ahead of Ford in Massachusetts, Rhode Island, the District of Columbia and West Virginia; he held a smaller lead in New Jersey, New York, Pennsylvania and Maryland; Connecticut, Delaware, Maine and New Hamp-

## MAJOR BATTLEFIELDS

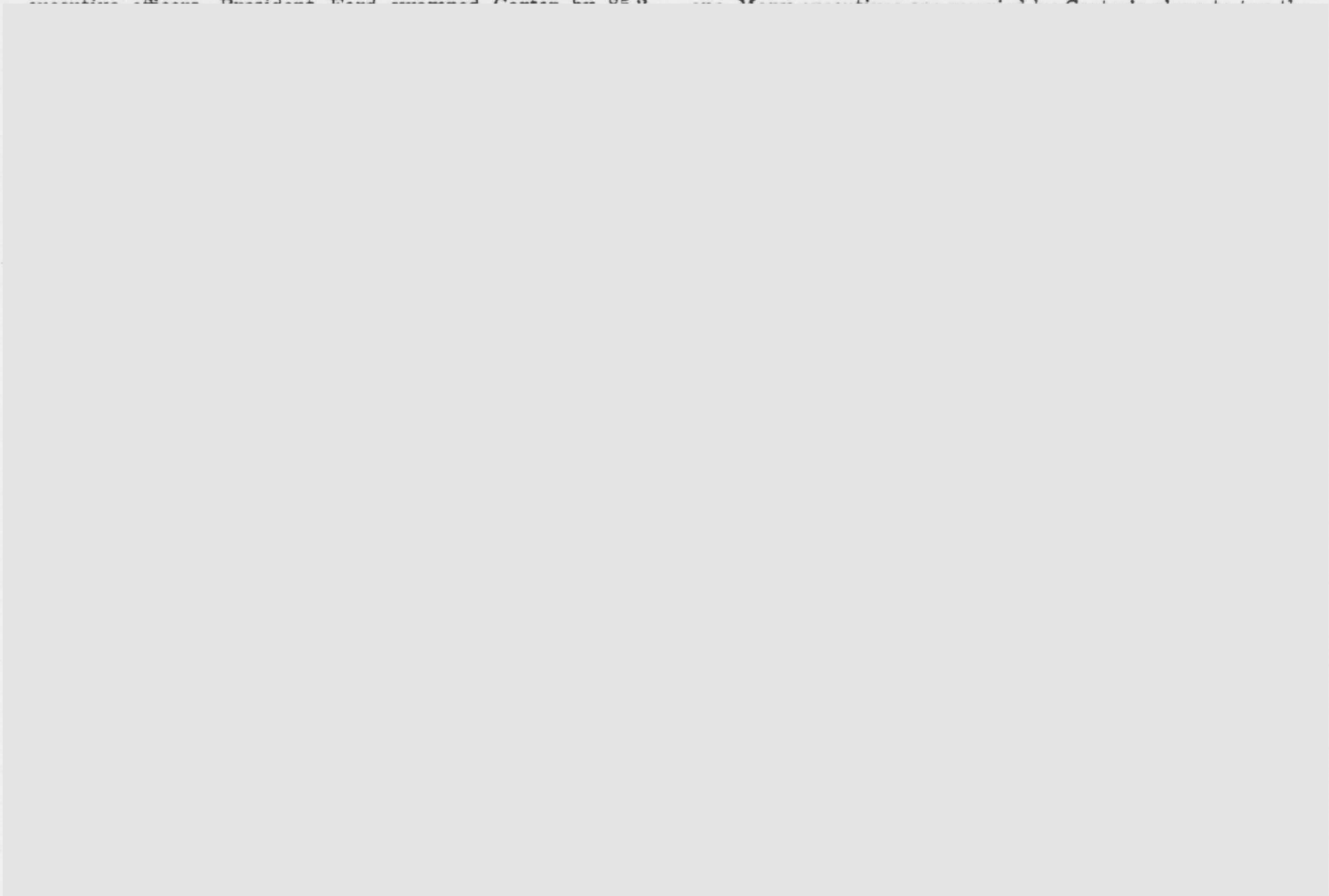
The new arithmetic wasn't lost on Carter. Despite reports that he was writing off some states, his field strategy last week called for a 50-state campaign with major battlegrounds in New York, New

# The Fortune 500 Presidential Poll



Since Jimmy Carter is a businessman himself and is a relatively moderate Democrat, he might have been expected to attract a fair amount of support among the country's leading business executives. Not so. In a FORTUNE poll of chief executives of Fortune 500 companies, President Ford emerged as the

favorite for the Humphrey-Hawkins bill. "There is no way the U.S. can afford the tab on that bill," said one Carter critic. Others mentioned Carter's call for standby wage and price controls. "I'd hate to see us go through that kind of thing again," said



spending liberal by his qualified support

have found them in Gerald Ford. END

Goldwater	52.2 percent
-----------	--------------

Nixon	83.8 percent
-------	--------------

Nixon	91.7 percent
-------	--------------

Johnson	40.1 percent
---------	--------------

Humphrey	13.8 percent
----------	--------------

McGovern	5.3 percent
----------	-------------

1964

1968

1972



# LATEST POLLS SHOW THIS—

## NATIONWIDE

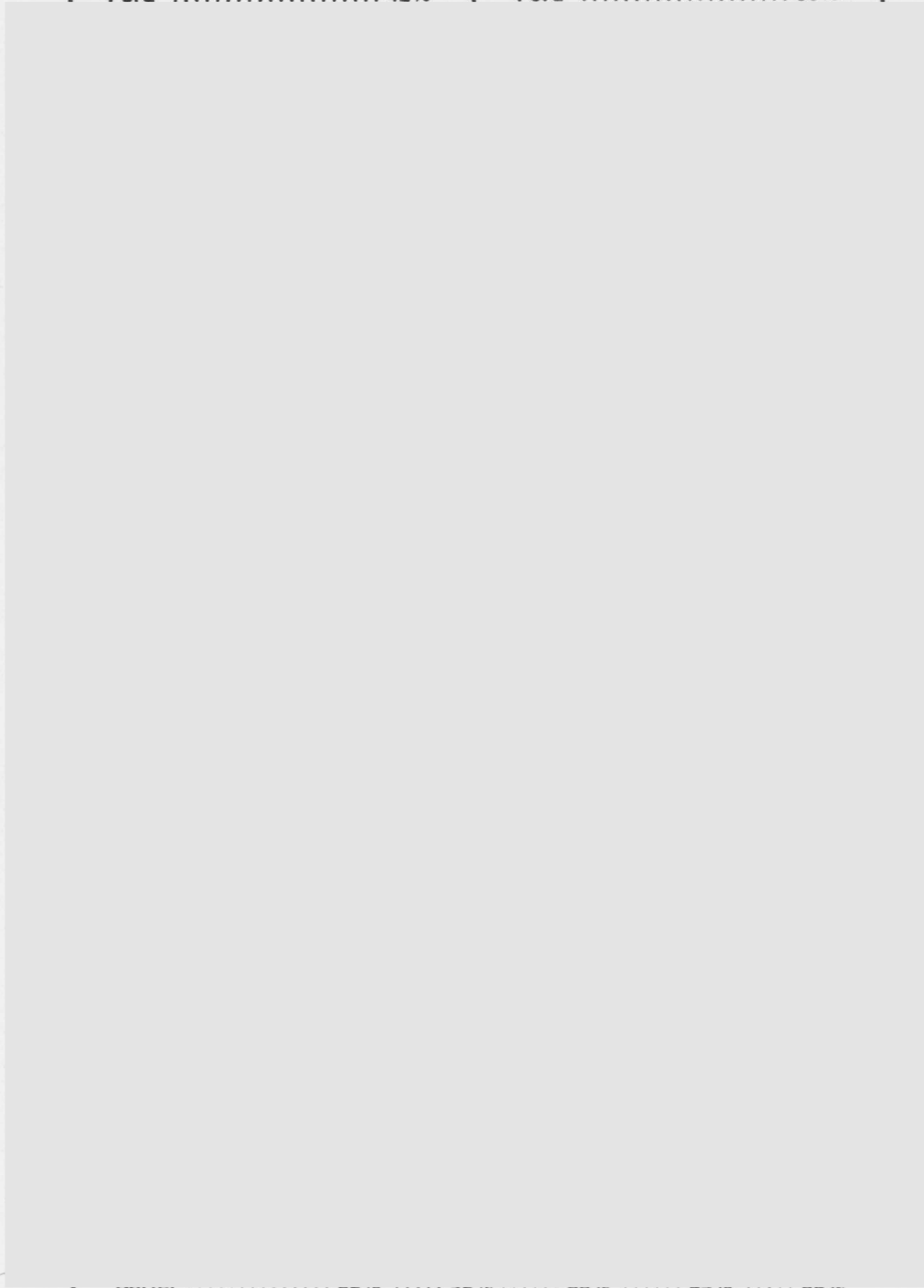
Gallup Poll, Oct. 1

Carter .....	50%
Ford .....	42%

## NATIONWIDE

Harris Survey, Sept. 26

Carter .....	46%
Ford .....	39%



Carter .....	38%	49%	36%	39%	40%
Ford .....	38%	49%	36%	39%	40%
Undecided .....	10%	9%	8%	7%	10%

## At Mid-Campaign

## WHAT'S ON PEOPLE'S MINDS

One month before the presidential elections, Americans are in a demanding mood.

Times now are better for many than they were a year ago. But the nation's voters want lower prices, lower taxes, bigger paychecks—and less Government interference in their lives.

At the same time, they call for federal solutions to such nagging problems as unemployment, crime, welfare fraud, and school busing for integration. And Government money, many of them say, would be better spent at home than on foreign aid.

Despite this critical tone, a sense of relative calm and confidence among the American people emerges from computerized tabulations of interviews conducted for *U.S. News & World Report* with 564 persons selected as a cross section of the nation's adults.

Among the findings:

- More people felt they were better off compared with a year ago than worse off—32 to 20 per cent, with the rest saying things were about the same.

- More people, too, expected things to be better a year from now than worse—41 per cent to 11 per cent, with the others seeing little change ahead.

- Almost half—48 per cent—felt that the U.S. was losing influence in the world, and only 4 per cent thought American influence was gaining ground.

At this point in the presidential campaign, large numbers of those questioned were still uncertain of their choice.

Support for Republican incumbent Gerald R. Ford usually—though not invariably—centered among those most satisfied with their present state,

while the "dissatisfied" tended to look favorably on Democratic challenger Jimmy Carter.

Whichever way they decide, many thought that

their future as well as the nation's depends on the outcome of the election. And more than 80 per cent of the interviewees said they intend to vote.

They will do so, it seems, mostly on pocketbook issues, such as the economy and taxes, rather than on controversies over national or global policies.

A big worry for many was the question of security—not only in jobs, but in homes bought and paid for, and on the streets. More than ever, people speculated on their future health, how their children will turn out and what will happen to them in their old age.

Abortion, hotly debated a month or two ago, seemed to be fading as a key issue with many voters. Nor did they dwell much on national morality or world affairs.

Perhaps Don Lydick, 51, of El Centro, Calif., spoke for many when he said: "What I'm looking for is stability."

## The Family Exchequer—Then and Now

From most of these Americans, the most heartfelt and revealing comments came when they were asked about their financial situation now compared with a year ago.

Some spoke up almost apologetically. Robert Geringswald, 38, a marketing analyst living in Bowling Green, Ky., deplored the habit of measuring happiness, or the lack of it, in monetary terms, but added:

"It's just as simple as that. If you've got the loot in the house, you've got a happy home. If you haven't got it, you have a hell of a house."

People who said their financial position had improved generally credited it to higher incomes, better jobs and more material possessions. Commented Mrs. Penny O'Connor, 33, of Peoria, Ill.:

"I feel we've made progress on our bills and in owning our own home, but as far as inflation, sometimes I feel like we are sort of standing in the same spot."

While her enthusiasm about the economy was tempered, Mrs. O'Connor said she was going to vote for Ford. Why? "Because Carter's a question mark, and I'm not sure, beyond the fact that he wants to be President, what he stands for."

In a more positive mood, 21-year-old Peter Lake, a Volney, N.Y., plumber and steamfitter, reported that he, too, was voting for Ford. He said ebulliently: "I own my own house. I own my own car. I have a bicycle. I have a motorcycle. I'm financially secure at the moment."

Yet the political implications of good and bad times are not consistent. For example, in Lake Charles, La., Mrs. Valerie Granger, 48, said happily: "We are all right. We have more money, and everything revolves around money, I don't care what anybody says."

By logic, therefore, Mrs. Granger should vote for Ford, right? Wrong. "I'm voting partywise," she explained, "so it will be Carter. I will never vote Republican ever, ever again."

For those reporting that they are worse off today economically, the same inconsistencies appear.

Many are looking toward Carter. One instance is Mrs. Ruby Heugatter, 39, of Lorain, Ohio, who has six children and had been working as an assembler in an automobile plant. But not now.

"I'm on strike now," she explained. When asked who would get her presidential vote, she replied: "Carter, of course—is there any doubt?"

Yet there is also Bruce Kenyon, 40, a sheet-metal worker living in Westfield, Mass., who noted his worries as follows:

"The insurance and automobile have taken a bite, not to mention food, the upkeep of my home and taxes. My salary has not been keeping pace with the economy, and it is hurting us very badly."

Nevertheless, Mr. Kenyon intends to vote for Ford, whom he described as "honest" and needing more time to put his programs into action.

## EDITORIAL

### The Economics of the Candidates

President Ford and Jimmy Carter have been laboring for some time now to differentiate themselves from each other on a sizable number of issues—economic policy, defense, international relations, big government, and quite a bit more. On some of the issues it is still hard to see any daylight between them. On others, the candidates are in genuine conflict. In economics, at least, their basic perspectives—their understanding of what works, and what doesn't, and why—are distinctly different.

It is true that the campaigns waged by presidential candidates are a cloudy guide to the economic policies they actually pursue when elected. To judge from their campaign pledges, Franklin D. Roosevelt could not possibly have supported deficit spending in office and Richard M. Nixon would have fought forever against price controls.

Still, the basic perspectives of the candidates are a matter of some importance. Where the candidates really do have some strong convictions (it is not entirely clear that F.D.R. did in 1932), it can at least be presumed that the policies they believe in will be the ones they'll try first and stick with longest. As *FORTUNE* has frequently argued, the generally healthy condition of the U.S. economy this year owes a great deal to President Ford's basic free-market orientation, which led him to insist that the economy would pull out of the recession without massive stimulus and that the recovery would be healthier without it.

#### Reordering the priorities

Does Jimmy Carter have any such strongly held convictions about economics? And if so, what are they? He really has been confusing about some important matters. Several weeks ago, after campaigning for more than a year on the proposition that reducing unemployment must be our major priority, he announced that he would now give at least equal weight to the war on inflation.

A number of commentators have concluded that the shift is only a tactic—and that Carter has no deep-seated convictions about economic issues. This reading of the evidence seems unduly cynical. He shades them now and then

for campaigning purposes, but his record suggests that he does have some strong views about economic issues.

In any case, Carter's new line has not led us to alter the judgment expressed in last month's editorial—that on most economic issues, at least, he is not really much different from all those super-liberal Democrats he beat in the primaries. His ideas about inflation sound bothersome even in their muted form. In an interview with *Business Week* last month, Carter was still arguing that there is no real trade-off between inflation and unemployment. He once again reminded us that when President Truman left office, the inflation rate was less than 1 percent and the unemployment rate less than 3 percent and that, therefore, it is foolish to view inflation and unemployment as "countervailing" forces.

#### The effects are delayed

That formulation of the inflation-unemployment problem seems most peculiar. Nobody contends that a given unemployment rate has an instantaneous effect on prices or that it is impossible for inflation and unemployment rates to be simultaneously low. Normally, it would take a number of months for high or low unemployment rates to impinge on the price level, and there are all sorts of things that government can do, e.g., impose price controls, that will delay the effect still further. One reason the inflation rate was so low when Truman left office was the Korean-war price controls.

Inflation and unemployment are no doubt the most visible and immediate of the economic issues, but there are two others that in the long run may mean even more. Both involve political pressures that threaten the health of the democratic capitalist order in the U.S. One is the pressure to promote greater equality among individuals. The other is the insistent demand for greater regulation of business.

Unfortunately, the Democratic party appears to be hopelessly committed to both, and there is not much evidence that a President Carter would be trying to move his party in other directions. The Republicans have frequently tried to resist both tendencies, though President

### ELECTION COULD MEAN 300 POINTS ON THE DOW JONES

That's not meant to be a scare headline.

But I'm mystified by the number of pundits on and in business who assure us that the election's outcome will have little or no impact on the economy of this country,

als, but the fact that these are on the menu will have an effect.

It's not that Carter as President can immediately implement all his Populist You-Can-Depend-On-Its. It is the

THE PRESIDENCY/HUGH SIDNEY

## Cherishing the Right to Get Rich

That compelling American purpose of getting rich (or at least richer) and enjoying it is a key point in this fall's political argument.

While Jimmy Carter has settled most of his indignation on getting rich unfairly—on tax loopholes and the lobbyists who preserve and enlarge them—his fervid campaign cries often have

ing family business. He then pursued its enlargement with relentless skill. With the help of tax preferences and Government props, he created a million-dollar concern, made \$137,000 last year, on which he paid just under 13% federal income tax. A million dollars does not, of course, mean what it used to, but the magical figure still inspires the notion

to have the most adjusting to do, having already taken back some of the promises made in his acceptance speech, still clarifying his ideas about taxes. It turns out from the evidence being mined by pollsters and politicians that a lot of Americans are rich or so close it hurts and a lot more have got the fever from them.

There are an estimated 240,000 millionaires in the country, an infinitesimal sample when compared with 215 million people, but not so insignificant when held up against the 56 million families.

## WHY PRESIDENTS CAN'T CHANGE BUSINESS OUTLOOK QUICKLY

**J**IMMY CARTER AND GERALD FORD may offer different solutions to the nation's economic problems, but the fact is that it is too late for either man's policies to have much impact on the course of business in 1977.

When he is sworn in on January 20, the next President will find most of

agreement on the need for tax changes—if the economy were to slip into recession, for instance—any move to cut taxes would bog down in the congressional budget system. Hendrik Houthakker, of Harvard University, a member of President Nixon's first Council of Economic Ad-


more than modest changes in the growth of the money supply would run into opposition from Federal Reserve Board Chairman Arthur Burns.

Then, too, the usual lag of up to a year between the time interest rates are cut and the economy is spurred make it doubtful that monetary

**THE BATTLE FOR THE NORTHEAST**

The Presidential candidates are enlisting in the economic war between the states—and on the side of the crucial Northeast, where President Ford sees an opportunity to cut into Jimmy Carter's still-solid lead.

Regional economic analysts widely believe that the East's job loss



## Strategy

ILLINOIS:

### Big Jim vs. Big Mike

With two giant strides and a jump, he landed atop the loading platform and grabbed for the nearest shakable hand. Then he was off again at a gallop, dodging in and out among the trucks, halting only to thump backs and mangle paws. Illinois's James R. (Big Jim) Thompson



## ELECTION

ant fees from a former employer—Howlett put his hand over the reporter's mike and exploded: "— you!" But he didn't quite smother his words, and the sequence—with the expletive deleted—made the news shows that night.

Since his bashful start, Thompson has emerged as one of the bright young GOP Lochinvars out of the Midwest. Some Republicans are even touting him as their next best hope for the Presidency,

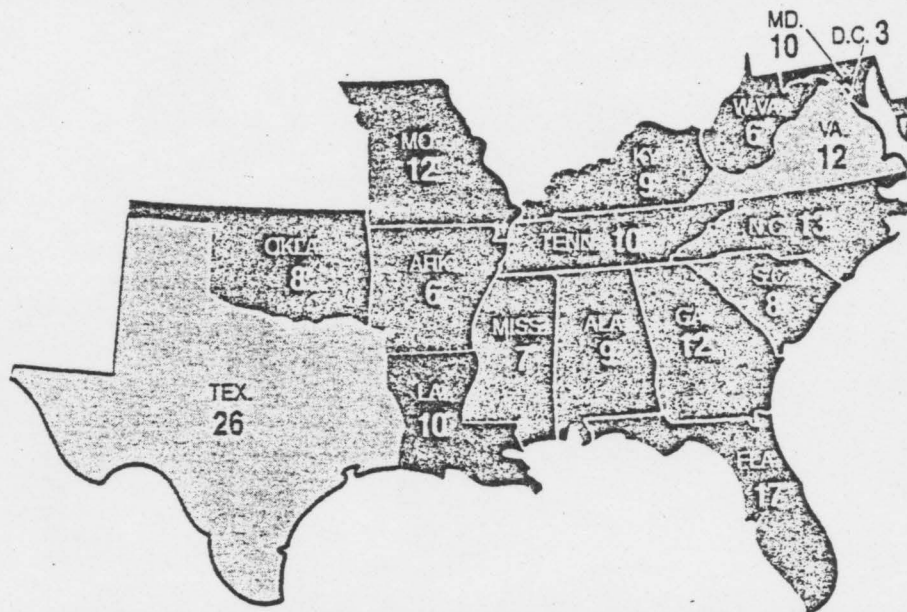
Republican spectrum. "People are looking for a fresh new face."

Steel controversy"—an old charge by Walker that he was still getting consult-

—DAVID GELMAN with FRANK MAIER on the Illinois campaign trail



# HOW SOLID A SOUTH FOR CARTER—



**LEANING TO CARTER:** 13 States and District of Columbia  
With 130 Electoral Votes

**LEANING TO FORD:** 1 State With 10 Electoral Votes

**IN DOUBT:** 2 States, With 38 Electoral Votes



already and is planning at least one more. His running mate, Senator Robert Dole, is a frequent visitor to the region.

Political analysts say, moreover, that Dixie and the Border States are far from locked up for Carter. They note that the Georgian's support is "soft" in many places and that many voters are still undecided.

**Shift to Ford.** The latest Gallup Poll, in fact, showed a shift to Ford in recent weeks. The poll, released October 1, gave Carter a lead of 55 per cent to 38 per cent over Ford in the South, with 7 per cent undecided or for other candidates. That spread of 17 points was down from 27 points a month earlier.

The USN&WR survey was taken after the first television debate between the two contenders. The face-off appeared to change relatively few minds, but it did shore up wavering support for each candidate.

More damaging to Carter: an interview with *Playboy* magazine, which brought headlines and criticism that he talked in earthy terms about sexual morality and lust.

Behind the large margin that Carter appears to hold is, primarily, the region's pride in a native son.

Said a Democratic leader in Virginia: "To vote against the first man from the Deep South in more than 100 years with a chance of becoming President would be to vote against the Confederacy."

There are other factors running in Carter's favor, too. Among them:

- His image as a Southern Baptist in a region where evangelism runs strong.

- Carter's stress on populism and anti-Washington sentiment—two themes that strike home in this region.

- Economic problems, such as falling farm prices and inflation, for which the Ford Administration is blamed b, m, n, y

**T**HE ONCE SOLID SOUTH, after drifting Republican in recent presidential elections, is shifting back into the Democratic column.

As things look now, Democrat Jimmy Carter of Georgia stands to pick up the vast majority of the 178 electoral votes at stake in his native South and the adjoining Border States.

That would provide him almost half of the 270 electoral votes he needs to win the White House in November.

This outlook is based on the second regional survey conducted by *U.S. News & World Report* on the 1976 presidential campaign.

In late September, members of the magazine's staff traveled through the South and Border States, taking soundings with leaders of both parties, pollsters and political reporters.

What the survey disclosed at this stage of the campaign is this:

- Carter is leading in 13 States and the District of Columbia, with 130 electoral votes.

- President Ford is ahead in only one State, Louisiana, with 10 votes.

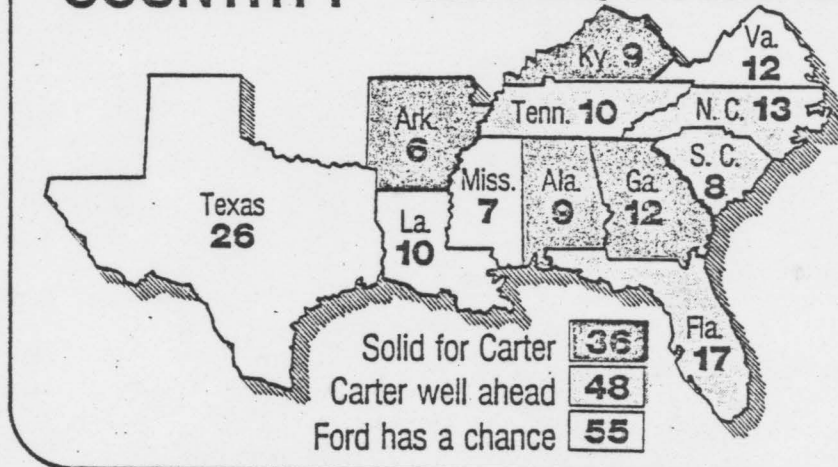
- Two key States—Texas and Virginia—are too close to call, and could go either way in November. Together, these two States have 38 electoral votes.

If Carter carries this region, he will be the first Democratic presidential candidate to do so in 12 years. Ever since the Lyndon Johnson landslide over Barry Goldwater in 1964, the majority of Southern and Border States have gone Republican.

While Carter seems to be reversing the tide, Ford is not conceding a thing. He has made one tour of the South

# CARTER COUNTRY?

If the South goes solidly for Carter, it would give him nearly half the necessary 270 electoral votes. But midway through the campaign, Ford has a chance of winning several Southern states.



Harry Cal

Southern slippage: For a good ole boy, pride is an ally, time the enemy

## THE SOUTH: Not Quite Solid

As the first major Presidential nominee from the Deep South in more than a century, Jimmy Carter has long counted

home-base support. To many Southerners, he is on the wrong side of such emotional issues as pardons for Vietnam draft resisters, a constitutional amendment prohibiting busing, national health insurance and gun control. "The Southern viewpoint is better expressed in terms of issues by Ford than Carter," says Atlanta polltaker Claibourne Darden. "If the voters think about it, they

servative gospel. And this week, the favorites of the Southern wing of party—former California Gov. Ronald Reagan and former Texas Gov. Connally—will stump the South for Ford. "Handing Connally the Presidential interview," allowed Democratic National Chairman Robert Strauss, "was giving a Stradivarius to Heifetz."

**Relatives:** Despite the new Repu

Carter, by most accounts, has only himself to blame for the cracks in his  
Newsweek, 10/11/76

has already spent ten campaign days in the South and will return with his con-

—DENNIS A. WILLIAMS with ELEANOR CLIFT & HAL BRUNO in Washington

## Why Carter May Blow Texas

Jimmy Carter's bad mouthing of LBJ in *Playboy*, which caused Mrs. Johnson to snub him in Texas, is not the only reason Carter may have trouble carrying

"The sole reason much of this legislation was not already passed by the Congress during the past three years," says Shields, "was the near certainty that

at below world market price, so that the 40-month price-control phaseout would not take place; horizontal divestiture (i.e., oil companies would not be allowed to own other energy sources); and vertical divestitures.

Human Events, 10/9/76

Strategy.

## Carter Fights the Big-League Slump

The polls might be alarming, but the body language was fine. That, at any rate, was the view of Psychologist-Author Ernst Beier (*People-Reading*), who diagnosed Jimmy Carter's debating

do not feel they know him. Admits Gerard Doherty, the Bostonian directing the Carter campaign in New York: "People still feel they haven't seen him or smelled him."

tween Democratic regulars and Carter's "amateurs" seems to be easing.

NEW ENGLAND. Carter's strategy of sending in outsiders to direct his campaign, bypassing the faction-ridden state parties, has in general worked well in this area, despite continuing complaints about decisions being made in Atlanta. Observes Larry Radway, New Hampshire party chairman: "In Charle-

Time, 10/11/76

where a Democrat must usually score big to carry the state. Elsewhere in the Midwest, particularly in Iowa, Indiana, Michigan and Nebraska, friction be-

—and these judgments are not always good. Even a few more Jimmy-sized bloopers could prove to be more than the Carter campaign can stand.

## A Tardy S O S to the Establishment

*Having bypassed the Democratic establishment until now, Jimmy Carter is at last turning to it for help, as TIME National Political Correspondent Robert Ajemian learned. His report:*

Jimmy Carter's troubleshooter, the wise and watchful country lawyer Charles Kirbo, sat motionless and listened. He had traveled from Atlanta to

After meeting the legislators, Kirbo sat in a restaurant and mulled over these problems. He was jaunty in a green blazer and did not seem perturbed. Grumblings about a campaign are as inevitable as grease in a garage, he said. He shrugged off many of the complaints—but not all. Said he: "It helps us see the flaws. Jimmy's going to have to keep the pressure on Ford. It might mean a

munications with the regulars was sharply illustrated last week. Tim Kraft, his top field director, turned up in the office of Al Barkan, political chief of the AFL-CIO. It was the first time that Kraft had got in touch with him, and Barkan did not even know who he was. After they introduced themselves, Kraft told Barkan that he wanted to begin to update him weekly on the campaign.

had sought his help. In California, State Chairman Charles Manatt said he had never before seen a campaign in which the candidate's agents shut out everybody else. In Illinois, Mayor Richard Daley had twice warned Carter that the campaign was going down the drain—unless he reached out more to the party regulars around the country. These professionals thought they understood the reasons for Carter's separation from the party. His campaign hallmark had been a dogged independence from the Establishment. He wanted to keep his appeal as an outsider who owed no one any favors.

We helped them early. I called several times, but I've never heard back." This leader sees a crisis. "Now that they're in trouble, they'll get a lot of desperate ideas. I worry that they don't have the people to make the right choices."

The flimsy quality of Carter's com-

Time, 10/11/76

## Carter Watch

The Carter campaign almost certainly will see brighter days. Things could pick up as soon as Gerald Ford leaves the Oval Office and begins to campaign actively. The present phase for Carter, however, has been, in Robert Lowell's phrase, skunk hour.

tunes in Illinois to the disastrous gubernatorial bid of Daley's man Mike Howlett, a machine pol of the ancient sort, who is going to be clobbered in November.

When you're hot, you're hot, and Carter in the opinion of many has allowed himself to be photographed too

involved in it, he managed to take contradictory positions on firing Kelley and capped it all off with a slurring reference to Kelley's coming marriage. Though he is so far alone in the ring, this boxer has been pummeling himself on the ropes.

Tactically, the Carter organization seems, at least temporarily, to have lost the sure touch it exhibited throughout the primaries. Thus, Carter no doubt had to court Chicago's Mayor Daley, but by embracing Daley so ostentatiously Carter may have linked his own for-

National Review, 10/15/76

By Meg Greenfield

## Carter's Real Blunder

I perceive an element of panic among my Democratic friends. Some of them are afraid their candidate for President is not going to be elected in November. And some of them are afraid he is. Jimmy Carter has generated a great deal of wor-

giving and even a mite ugly in the highly personalized and self-righteous way Carter has lately been pressing that claim—all the talk about clubs and phone calls and restaurants that are part of some kind of conspiracy “they” are

much. The result can only look self-preoccupied or implausible or intolerant. Like Parson Weems's little sub-





## Candor and Naïveté

# Defending Carter's Heresies

by William Lee Miller

Reading the text of the interview with Jimmy Carter in *Playboy* gives an entirely different effect from the sprinkled snippets in the news, not to mention all the leering and wailing and scolding that followed. The effect is so different, in fact, as to make a reader angry at the distortions of which the world of high-powered publicity is capable.

The interviewers asked Carter everything and he answered everything (although protesting occasionally about their repetition and persistence). He was exposed and vulnerable in a way that most politicians are too circumspect to allow themselves to be. He answered questions about Vietnam, prayer, Chile, the rigors of campaigning, Kissinger, his relationship with his wife, his role in Georgia politics, the judges he would appoint, civil rights, homosexuality, the media, corporations, taxes, the right of reporters to protect their sources, blue laws, religion, victimless crimes, his relationship to his sister Ruth's "faith-healing," Lyndon Johnson, how he felt about his son Jack fighting in the war, his friendship with Hunter Thompson, his meeting with Bob Dylan and how it came about, William Calley and My Lai, health care legislation, the number of women on his staff, the pressures of the White House, Robert Shrum's attack on him, the allegation that he is fuzzy (the best analysis of this charge that I have read), and the possibility of his own assassination. It is a remarkably forthright and candid performance.

Despite the intelligence of his responses there is an ingenuousness in Carter's role in the whole event that reminds me of George Brush, the young Protestant dogooder from the hinterland in Thornton Wilder's novel *Heaven's My Destination* (the best literary presentation, so far as I know, of a particular American type). Brush is a self-improving and earnest believer who is going to do right, by God, if it kills him, which it may. His too straightforward goodness puts him at cross purposes with an unsimple, ungood world that doesn't understand him. Brush reads *King Lear* each morning (while shaving) because his English teacher told him it was great (Carter's teacher told him *War and Peace* was). Brush doesn't waste time (budgets it); plans (as does Carter). Brush approaches life with a simple directness, bringing to it his principles, his Bible quotations and his quotations from Gandhi, in a kind of moral equivalent

---

*William Lee Miller* is author of *Piety Along the Potomac* and director of the Poynter Center at Indiana University.

of zero-based budgeting. He does have an ambitious ego: he says "I didn't put myself through college for four years and go through a difficult religious conversion just to be like everybody else"; he writes in the margin of the article about Napoleon in the *Encyclopaedia Britannica* "I am a great man, too—but for good"; one can picture a young Jimmy Carter doing that. One can also picture Thornton Wilder writing as dialogue for the fictional George Brush what the real Jimmy Carter said to Bill Moyers: "I feel I have one life to live. I feel that God wants me to do the best I can with it."

Brush is a great list maker, schedule maker, promise keeper, full of self-improving resolutions. Carter as candidate for the Georgia state senate promised to read through every bill he voted on; when he got to the senate, he says, he did it, even though it meant much early rising.

*Carter (to Playboy):* "I remember keeping a checklist and every time I made a promise during the campaign, I wrote it down in a notebook. I believe I carried out every promise I made. I told several people during the campaign that one of the phrases I was going to use in my inaugural speech was that the time for racial discrimination was over. I wrote and made that speech."

Brush regularly reads the Bible, keeps quotations from Gandhi with him, and says his prayers, even though it means that other passengers on a Pullman, seeing him do it, begin pelting him with their shoes. Carter, reading the New Testament in Spanish, was up to II Thessalonians by the Indiana primary.

As a man trying to be "good" Brush finds the whole subject of sex difficult.

*Playboy:* In San Francisco, you said you considered homosexuality a sin. What does that mean in political terms?

*Carter:* The issue of homosexuality always makes me nervous. It's obviously one of the major issues in San Francisco. I don't have any, you know, personal knowledge about homosexuality and I guess being a Baptist, that would contribute to a sense of being uneasy.

Carter is definitely not a fictional character. He is of

Christian doctrine was carried to the vast public in a grossly distorted and selective way with the text of one paragraph—without context—rolling across the screen on the "Today" show while the two *Playboy* interviewers milked the sensational publicity for all it was worth.

("Sin" doesn't exist.) It wasn't that he lacked moral integrity but that he wasn't prudent, calculating, smart in his own interest. They were shocked-by-proxy-shocked, not in their own right, but on behalf of their picture of little old ladies in Dubuque whom they

# Patching Up The Carter Balloon

By Barbara Howar

Philadelphia. From the back of the press bus in Jimmy Carter's motorcade the morning after the first debate, a rumpiled, beer-bellied, pencil-print reporter stops making slurping noises into his Styrofoam coffee cup long enough to point out a German shepherd guard dog leashed to the wrist of a policeman holding back a small crowd of spectators. "Hey, it's Won Ton Ton, the Dog Who Saved Hollywood."

"Come on, boy. Over here, boy. Jimmy Carter needs all the saving he can get."

In Philly's International Airport's cargo freight area, *Peanut One*, Carter's campaign plane, a chartered United Airlines 727, is ready for takeoff. A few hundred feet away, *Peanut Two*, the zoo plane, is loaded with members of the press not assigned to the candidate's personal craft. Jolly Jim King, chief housemother of Carter's traveling circus, is speaking into a portable microphone: "Kindly look alive, ladies and gentlemen of the national press. Try to remember you are traveling with the next president of the United States."

"Sheeeitt!" someone drawls.

"You got the wrong attitude," he is chided.

"It's the only one I could find today."

From the cockpit, United's chief pilot, captain Jimmy Carter ("I swear, honey, that's his real name"), admonishes everyone to sit down and buckle up for the four-hour flight to Houston, something not one of the 40 newspaper-sons bothers to do.

Ten minutes in the air and the milling press is crowding the narrow aisle, glass or cup in hand, discussing the debate, waiting, watching to see which troubleshooter will come from behind the pale-beige curtain that separates candidate Jimmy Carter from the "body

watch" journalists embarking with him on a four-day foray into Texas, California, Oregon, and Indiana. The Secret Service agents have already removed their jackets; their holstered guns and handcuffs dangle from their belts as they maneuver trays of food to their seats up near the candidate's alcove.

Democratic National Committee chairman Bob Strauss is the first to face the lions.

"Watch Strauss," someone calls, "he gives the best hand job in the business."

"Hey, Bob, will Jimmy's *Playboy* remarks on Johnson's lying and cheating hurt him in Texas?"

"Gawdamighty, gawdamighty," Strauss says, smiling with some pain.

"Looks bad, huh, Bob?"

"Well, now, fellows, you know how campaigns are. They're just like groups of people—up periods and down periods."

"Mr. Strauss, just how bad do you think the *Playboy* business will be?" Strauss loosens his tie, stepping out of the way of three NBC technicians carrying a mini-camera and sound and light equipment.

"Goddamned paparazzi!" growls a heavy-hitter from a large newspaper. The tattooed arm of the sound man lifts to give him the finger. The heavy-hitter says: "Who's he think he is, Nelson Rockefeller?"

Attention returns to Strauss. "There are good guys. Smart guys. Bright guys. Decent guys on this campaign," Strauss says. "They deserve a break and they're gonna get one. I predict they'll get a break in the next few days."

"Yeah," one guy mutters, "maybe Ford will shoot himself in both feet too."

"Gawdamighty, gawdamighty," Strauss repeats, shaking his head but still smiling.

Houston is hot and humid. The ramp is pulled up to the front entrance of *Peanut One*; a crowd is waiting. Carter alights, ostentatiously carrying his own garment bag, smiling, a little pinched, tired yet combative. He waves, the crowd responds. Microphones are pushed into his face.

"It's good to be back in Houston. In Texas," Carter says. The press swarms closer, blotting Carter from view; at least 30 tape recorders are thrust into the crush to catch the candidate's remarks to questions focusing on the *Playboy* interview. Carter's answers are lost.

"What's he saying about Johnson?"

"Something about an unfortunate juxtaposition of Johnson's lying in the same sentence with Nixon's lying."

"Who's he say is the unfortunate juxtaposer?"

"What do you expect him to say? We're in Texas."

On the press bus, reporters are playing back their tape recorders. *Whirrr, squeak, whirrr*. Carter's voice is amplified: "I'm very sorry, very sorry." The sounds are repeated over and over as the words are written in notebooks.

Bearded Bob Scheer, perpetrator of the *Playboy* fiasco, shakes his head, telling anyone bothering to listen, "Hey, man, I never expected this to happen. Believe me, I had no idea."

"It's all your fault, Scheer. Get to the back of the bus." Scheer moves among the frenzied reporters who are rewinding their tapes trying to get Carter's direct quotes from the squeaking recorders. Scheer stops several more times to plead his innocence, somehow still managing to look every bit the man of the moment.

"Carter really did say it, you know. I didn't make it up. I like the guy. I'm gonna vote for him. I have tapes. You wanna hear them? I played them for Tom Brokaw before I went on the *Today* show. Did you see me on the *Today* show?"

"Okay, Bob, okay. You're clean. Sit

## She's Running for First Lady

TIME Correspondent Bonnie Angelo last week followed Rosalynn Carter on the campaign trail. Her report:

In the 5 o'clock commuter rush of the Chicago and North Western Station, Rosalynn Carter, rustling up votes for her husband, was confronted with a surly question: "Are you running for First Lady?" She looked the man in

frankly, "Some people think Rosalynn is a better campaigner than Jimmy."

Rosalynn (pronounced *Rose-lun*) likes campaigning on her own. She considers it "a waste of my time" to travel with her husband, observing that "it's a big country out there, with so many people to meet." Her days are surrealistic: she is up and away at dawn, and before she crawls into bed, many hours and sev-

dressed just right. But you cannot do that and be effective, so I learned from Jimmy that you just relax and do the best you can."

On her weekends at home in Plains, she catches up with Amy's life. Mrs. Carter has been criticized for spending these 18 months on the road, with an eight-year-old daughter at home, but she maintains that Amy is happy surrounded by cousins and friends and tended by "Miss Lillian," her grandmother.



Photos by Wally McNamee—Newsweek

Ford during his Oval Office interview: Some pointed questions about an opponent he called accident-prone

## ON CARTER'S 'MISTAKES'

*Last week, in an exclusive interview with NEWSWEEK'S White House correspondent Thomas M. DeFrank, President Ford talked more pointedly than ever about Jimmy Carter and also confronted the suggestions of*

his extreme partisanship, his stridency, is another political mistake . . . Insurance companies find that some people who drive have more accidents than others and they're bad risks according to their statistics. I

committee or sometimes to the Kent County Committee [in Grand Rapids]. Now it is true that the Kent County Committee . . . might have spent some money on some ad on my behalf, but not *one* penny in cash or check or otherwise came to me personally.

**Q.** *Did either of these unions suggest*

# Demo Charges Against Ford Unproved

Well, Watergate, or some variation thereof, is with us again, and President Ford, so the Democrats fervently hope, is going to be the loser. Last week, for instance, Jimmy Carter and Walter Mondale were reveling—albeit quite piously—in the “disclosure” that, while a congressman, President Ford had accepted golfing invitations from “at least four corporations.”

The “controversy” arose when U.S. Steel’s top lobbyist, William Whyte, revealed that his firm hosted Ford on expense-paid trips to the company’s lodge at the Pine Valley Golf Club in New Jersey in 1964, 1969 and 1973. Kimball Firestone, vice president of Firestone in Washington, D.C., said his company’s records showed that Ford was an occasional golfing guest of John Floberg, vice president and general counsel of the company. Apparently, Ford has been a golfing guest of other businessmen as well. Both Carter and Mondale urged the President to clear his name with the press, while the media appeared to be having a field day.

Heavens to Betsy! What a terrible scandal! Jerry Ford, while a congressman, actually had friends in the corporate community who treated him to a game of golf. Will Democracy survive? No doubt Ralph Nader and his friends will point out why we all must brood about such stuff, but frankly—even in this period of post-Watergate morality—we can’t get very excited. We can’t get over the feeling, in fact, that the Democrats and much of the media have decided to raise the issue to get the public’s mind off Carter’s obvious setback in the TV debates. But that, of course, is just a paranoid reaction.

Aside from the “Great Golf controversy,” the media have tossed about another idea—though not a single investigative journalist has yet uncovered the slightest evidence or shakiest witness to bolster the belief—that Ford, while a member of the House, converted campaign contributions to personal use. The Special Watergate prosecutor, Charles

Ruff, selected by Atty. Gen. Edward Levi, has subpoenaed records of donations made by the Marine Engineers and the Seafarers to Republican coffers in Ford’s House district, and that’s all anyone seems to know at the moment.

This accusation, of course, is far more serious than the golfing charges, but nothing has yet been produced to substantiate such a charge. Ruff has not written a letter to Ford notifying him that he’s even a target of any probe. No witness has yet come forward to publicly accuse the President. And Ford last week categorically denied to reporters that he converted any campaign contributions to private use.

Moreover, former Watergate prosecutor Leon Jaworski, in an interview in New York, came to Ford’s rescue. Jaworski stressed that allegations concerning contributions to Ford from the two maritime unions “had come up when I was special prosecutor. I found nothing which called for further investigation.” Jaworski said he doubted Ruff had turned up any more material, and said he believed if Ruff did not have much of a case, he should wait until after the November election before continuing.

While the Democrats and the media were zeroing in on the President’s alleged improprieties, the fact is that both Carter and Mondale have just as much explaining to do—though their actions have not been given major focus by the big, Eastern seaboard press or the TV networks. Sen. Mondale, as Nick Timmesch discloses on page 4, has been the recipient of several illegal corporate contributions.

Carter, moreover, was extremely cozy with corporate interests when he was governor of Georgia. A team of Knight Newspaper reporters, after studying Carter’s record, revealed in early September:

“In 1973, Carter unsuccessfully pushed an ethics bill which would have clamped

down on the ‘wining and dining’ of state lawmakers by lobbyists. ‘We ought to be extremely cautious of doing things like that,’ he said.

“However, Carter, himself, apparently had no qualms about accepting the free use of hunting lodges owned by large Georgia paper companies. He arranged through their lobbyists to entertain some of his friends and political associates.

“According to Carter’s gubernatorial records, the governor in March 1973 invited a group of friends and supporters to join him for a weekend at the Palmetto Bluff Hunting Lodge near Beaufort, S.C., owned by the Union Camp Corp.

“A few months later he invited a similar group to the Cabin Bluff Hunting Lodge near Brunswick, Ga. The lodge is owned by the Brunswick Paper and Pulp Co. and was made available through Lucian A. Whittle, the company’s lobbyist.

“Both companies at the time were being pressed by state and federal authorities to clean up their air and water pollution. While there is no evidence that either firm ever asked for or received special treatment from state anti-pollution officials, they clearly had reason to want to be on as friendly terms as possible with the governor....

“Records also show that Carter took free rides on corporate jets, including those furnished by the Lockheed Aircraft Corp., and the Coca Cola Co., and

Human Events, 10/9/76 (Cont.)

## White House Watch

# Rolling With Jerry

It was fun to be with the President and with some 400 of his supporters and guests on a sunny Saturday when they were riding high on a steam paddleboat down the river that Mark Twain in 1896 called "the great Mississippi, the majestic, the magnificent Mississippi." Because of upstream drought the Mississippi was at its lowest level in a hundred years but on the approaches to New Orleans it was still great, majestic, magnificent and lined with remnants of the willows and water oaks that in Mark Twain's time as a riverboat pilot were the borders of mighty forests. Being with the President and a smaller party the next afternoon was less fun but interesting. After a Sunday service in the Roman Catholic cathedral in New Orleans, in escort of the resident archbishop and with a useful reminder that the President's somewhat equivocal stand on abortion pleases the Catholic hierarchy more than Jimmy Carter's position on the issue does, Mr. Ford motored through southern Louisiana and Mississippi into southern Alabama. He suggested to thousands of Southerners along the way that a reason to vote for him on November 2 is that he is if anything more conservative than they are assumed to be and a damn sight more conservative than their regional hero, Jimmy Carter of Georgia, really is.

A secondary but noteworthy aspect of Mr. Ford's three days in the depths of what until lately was generally thought to be certified Carter country—the trip ended with a day of crime-busting oratory and wooing of Cuban-Americans in Miami—was the fact that the whole expedition was well conceived and well executed. This is news because it has been possible to say as much of practically any Ford operation, governmental or political, only since the Republican convention in Kansas City. The defeat of Ronald Reagan for the presidential nomination and the saving of the Republican platform from total capture and mutilation by the Reaganites resulted from one of the few thoroughly efficient and effective jobs that Mr. Ford and his operatives have accomplished since he succeeded Richard Nixon. The many Nixon assistants and advisers who were recalled to duty for the Kansas City struggle and who largely won it for the President have faded back into the shadows of their law and public relations practices. Doing something as well as the Kansas City job was done cannot be said to have become a habit with the entire Ford establishment. But the direction and execution of the Ford election campaign have continued to improve since the President and his choice for the vice presidency, Senator Robert Dole, were nominated in Kansas City.

The direction comes from where it did during the poorly conducted primary and pre-convention phase—meaning from the White House and, specifical-

ly, from Gerald Ford and his White House staff chief, Richard Cheney. The only sense-making explanation of why the direction has improved is that the directors learned something, for once, from the depressing primary and pre-convention performance that enabled Ronald Reagan to come as close as he did to taking the nomination from the incumbent President. Cheney has transferred one of the ablest members of the White House staff, James Cavanaugh, from the Domestic Council staff to be his administrative deputy, freeing Cheney for nearly full-time attention to the President's campaign problems and to the policy problems that necessarily affect and condition the campaign posture. The replacement first of Howard ("Bo") Callaway and then of former Congressman Rogers C.B. Morton with James Baker, III, originally a Nixon appointee at the Department of Commerce, at the head of the campaign adjunct of the White House, the President Ford Committee, and related personnel changes have improved the committee performance and smoothed the once rough relationships between Cheney's White House overseers and the working peons at the PFC. One of several ironies is that two of Ronald Reagan's best people—James Lake and Lyn Nofziger—have joined the President Ford Committee staff and are credited at the committee's Washington headquarters with substantial contributions to the improving performance. Washington lawyer John Sears, Reagan's campaign director, probably would be at the Ford committee, too, if anybody could figure how to bring him in without putting him either over or under James Baker and Stuart Spencer, who worked for Reagan in his California campaigns for governor and is Number Two at the PFC.

The history of the President's southern trip illustrates the workings of the Ford election machine. Ford advocates in the deep South, many of them recent supporters of Reagan, began to report in early and mid-September that Southern sentiment was turning from Carter to Ford. Just why, except that significant numbers of southerners were beginning to suspect that Carter was more liberal in the detested eastern establishment sense than he'd led them to believe, was unclear to the committee's southern scouts. The word, coming strongest from Louisiana and Mississippi, was that Carter was slipping and that the President had a chance to take parts of the South if he would grasp it. A suggestion from Louisiana that he spend a day on one of the increasingly popular sight-seeing steam stern-wheelers that operate out of New Orleans, Memphis and other lower Mississippi ports was scorned at first because of the cost, a factor that is important this year because of the new federal election subsidy law's limits on expenditure. Then Byron M. (Red) Cavaney, the President's chief travel arranger, looked into the suggestion and became its decisive supporter. Here, it was clear to him and others, was a trigger for marvelous television pictures of the President being folksy afloat, addressing and mingling with rural (and Catholic) crowds along the levees, and providing

# A Glimmer of Hope Burns in the Heart of the PFC

With a new organization, recent stumbles by Carter, and a good first debate, President Ford Committee officials believe they have a chance of winning.

BY DOM BONAFEDE

With only four weeks left before the Nov. 2 election, President Ford's political advisers look like that long-shot bettor whose horse is beginning to gain ground at the top of the stretch.

Undaunted by the odds and the prophecies of political handicappers, their spirits have been lifted by a series of campaign events, some purposely designed and others wholly unforeseen, that have narrowed the gap between Ford and his Democratic challenger, Jimmy Carter.

"We're still behind but closing," said Stuart Spencer, deputy chairman and chief political strategist of the President Ford Committee (PFC). "I didn't think we would be this well off so soon. We are pleased with the progress and pleased with the momentum and think it is a very winnable election for the President. Our timing is good; Carter came out of the box on Labor Day, too long a period before Election Day to maintain a public campaign."

Stuart noted that the 23-point lead that Carter held over Ford in the public opinion polls following the Republican National Convention in mid-August slipped to between seven and 11 points in surveys just prior to the first debate between the candidates Sept. 23 in Philadelphia.

**Leadoff debate:** That debate, the first of three between the presidential candidates (there will be one between the vice presidential nominees), was generally viewed as a draw, although some polls gave Ford the edge, with a large bloc of respondents registering no opinion.

There is no evidence that the initial debate will be judged historically as a pivotal point in the campaign, as the first Kennedy-Nixon debate was. Ford

came across as a firm defender of conservative orthodoxy and Carter as a sensitive advocate for more popular government. But, Ford failed to plow any new ground and Carter was no more specific on many issues than he has been in the past.

**Aides encouraged:** While campaign aides are expected to exhibit confidence about their candidate's prospects, Ford's political counselors seem genuinely upbeat at this stage.



PFC chairman James A. Baker III acknowledged he is less "nervous" now than when he was in charge of rounding up delegate votes for Ford at the GOP convention. "During the primaries, it was Carter against a field of Democrats; now for the first time it's one-on-one, Carter against Ford, and we've got a feeling our candidate can do a reasonably good job."

On the same point, Spencer suggested that in defeating Ronald Reagan for the Republican nomination, President Ford "beat the best campaigner in America, while Carter's opponents weren't that tough."

**Developments:** Spencer may well have underestimated the former Georgia governor's achievement; nevertheless, the Ford camp can cite several develop-

ments that have breathed new life in the President's candidacy, among them:

- The reorganization of the PFC under Baker, its third chairman, following Howard H. Callaway and Rogers C. B. Morton. Previously perceived as an inefficient, disorderly organization, rent by personnel differences, the PFC is reported to have straightened out its structural and staff problems.

- The extraordinarily large number of uncommitted voters, put at 36 per cent in the Gallup Poll released Sept. 23. This indicates that the support of both candidates is "soft" and that the election, despite Carter's lead, could conceivably go to the candidate who fires the enthusiasm of the mass of the electorate. Also boding ill for Carter is the fact that Democrats are lagging behind Republicans in registering voters, although in some key areas, Republican registration is reported to be behind. Finally, while Carter's strength is overwhelming in the South, he and Ford are close in other regions of the country.

- The conversion of former Reagan campaign officials to the Ford camp. PFC spokesmen reported that more than 30 state chairmen or co-chairmen who formerly worked for Reagan have agreed to serve in similar capacities on behalf of the President. Others have joined the PFC headquarters, including Arlene Triplett, deputy comptroller, and James Lake, who had been Reagan's press secretary and is now working with the Farmers for Ford organization. Another recent acquisition is Lyn Nofziger, onetime Washington correspondent and well-known Reagan political strategist, who is expected to work both with Spencer on campaign operations and the PFC press office. Above all, Reagan himself has agreed to participate in the PFC's media pro-



## Packaged Politics

Along with just about everyone else, we'd endorsed the conventional wisdom about the desirability of the presidential campaign debates. And it may be that the second round will vindicate the faith, now made more than a bit shaky by the first of the big events at Philadelphia's Walnut Street theater. In discussing foreign and defense policy, the candidates will not, we hope, be content yet again to take refuge in statistics, which can prove anything except what's genuinely important. But deploying numbers is not the only disguise for banalities—though it does have the effect of making them seem precise. It's become a custom of our politics, ever since Robert McNamara appeared in Washington with his computers and flow charts, to equate what looks like mathematical precision with truth.

Carter and Ford both know that's not really the case; but they relied on numbers rather than ideas or convictions in their first confrontation anyway, probably because their pollsters and political cosmeticians urged that course as a way of compensating for some perceived image defects. We used to read about imagery in poetry. Images now are what politics are about. From Mr. Ford's first response—"Now I don't believe Mr. Carter has been any more specific in this case than he has been on many other instances"—to Carter's last—"And let the world know . . . that we still live in the greatest and strongest and best country on earth"—the candidates delivered what they were programmed to deliver.

Anyway, the strategists were wrong. Some rhetorical points may have been scored—mostly by the President, we've been told, though we are not convinced ourselves. What neither candidate did was to project a vision of a just society that might have given voters a compelling stake in the election, some passion tied to hopes, bolstered by reason. So while Ford and Carter sparred over the cost of administering the White House and the State of Georgia, the following issues—leaving aside any inspiring visions—were either not touched upon at all, or noted only in a cursory way: racial integration and busing, the state of our cities, national health insurance, welfare, gun control, agricultural policy, production priorities and the education crisis. By gentlemen's agreement, it appears, abortion would not be mentioned. Carter talked about balancing the budget by the end of his first term, which is incredible enough. More incredible

## Ducking the real issues

The first of the loudly heralded debates between President Ford and challenger Jimmy Carter was a crashing bore. The trouble was not just the 25¢ capacitor that

