# Richard Nixon Presidential Library Contested Materials Collection Folder List

Box Number	Folder Number	<b>Document Date</b>	<u>No Date</u>	<u>Subject</u>	Document Type	Document Description
16	21	5/26/1972		Campaign	Memo	From: Robert M.Teeter To: John N. Mitchell RE: Second Wave Questionnaire. 14 pgs.
16	21	5/21/1971		Campaign	Report	Subject: Political Strategy. 17 pgs.
16	21	5/18/1972		Campaign	Memo	From: The President To: H.R. Haldeman RE: Position Business Chairman. 2 pgs.
16	21	5/17/1972		Campaign	Memo	From: Charles Colson To: H.R. Haldeman RE: Issue Management. 9 pgs.

for the Re-election of the Precident 1701 pennisylvania avenue, N.W., WASHINGTON, D.C. 20006 (202) 333-0920

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May 26, 1972

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	THE HONORABLE JOHN N. MITCHELL
FROM:	ROBERT M. TEETER
SUBJECT:	Second Wave Questionnaire

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Attached please find our long form draft questionnaire for the second wave. The circled questions will be used on the short form.

We are going to field test this questionnaire the first of next week and I would like to go over it with you on Tuesday. I am sure some changes will have to be made as it appears to be too long in its present form. Also we have not included a number of specific issue questions which various people have asked for. These include subjects such as farm subsidies, abortion, marijuana and so forth. I would also like to discuss this list of questions with you next week.

#### WAVE II DRAFT QUESTIONNAIRE

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""Hello, I'm Mrs. from Market Opinion Research, a national research company with headquarters in Detroit. We are making a study of problems and political figures in and would like to have your opinions. (STATE NAME) 1. Are you now registered to vote here in (STATE NAME) 1 Yes 2 No (IF "YES", CONTINUE WITH INTERVIEW BEGINNING WITH QUESTION 2) (IF "NO", ASK:) Do you intend to register so you will be able to vote in the 1972 a. Presidential election? • • 1 Yes 2 No (IF "NO", TERMINATE INTERVIEW) (IF "YES" CONTINUE WITH INTERVIEW) What do you think are the most important problems facing the United States 2. as a nation at this time? (CIRCLE BELOW) Most Single Important Most Problems Important (Multiple) Problems 1 1 Vietnam 2 2 Inflation/Economy 3 3 Unemployment 4 4 Taxes 5 5 Crime 6 6 Drugs 7 General Unrest/Demonstrations/Riots 7 8 8 Environment/Pollution 9 9 Racial Problems (Not Schools) 10 Bussing 10 11 11 Education (Not Race or Bussing) 12 12 National Defense Other (Specify) Which one of these do you think is the single most important problem facing the United States? (CIRCLE JUST ONE ABOVE) Do you feel things in the country are generally going in the right direction 4.

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today or do you feel things have pretty seriously gotten off on the wrong

- 1 Right direction
- 2 Wrong track
- 0 Don't know

WAVE II DRAFT QUESTIONNAL	RE (Cont'd.)		Page 2
5. Do you approve or disa	approve of the	way Richard	Nixon is handling his job
:	1 Approve 2 Disapprove 9 Don't know	•	· .
a. Why do you say the	at? (PROBE)		
Do you approve or disa Vietnam situation?	approve of the	way Preside	nt Nixon is handling the
:	1 Approve 2 Disapprové 0 Don't know		•
7. Do you approve or disathe economic condition			nt Nixon is dealing with .
:	1 Approve 2 Disapprove 0 Don't know	· .	
8. Do you approve or disa as Vice President?	approve of the	way Spiro A	gnew is handling his job
:	1 Approve 2 Disapprove 0 Don't know		
pick out the one that seriously consider wh hand it to me. Now p to you in deciding how	problem facing has the issue en deciding ho ick the one th w you will vot	our country or problem w to vote fo at will be t e. Now pick	(HAND 7 ISSUE CARDS) Each on it. I'd like you to on it that you will most r President this fall and he second most important out the one that will be have handed me all of the
(RECORD THE ORDER IN V	WHICH YOU ARE	HANDED THE C	ARD)
Drugs Taxes Vietnam Unemploymen Crime Inflation Bussing	nt		
(ROTATE THE ORDER IN )	WHICH YOU ASK	QUESTIONS 10	<u>, 11, 12</u> )

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10. Now I'd like to read through the list of problems and issues again and as I mention each one I'd like you to rate President Nixon on how well he's handling each one. (HAND ABILITY CARD)

	Extremely Well	Very <u>Well</u>	Fairly Well	Not Very Well	Not At <u>All Well</u>
Drugs	1	. 2	3	4	5
Taxes	• 1	2	3	4	5 -
Health Care	1	2	3	4	5
Vietnam	1	2	3	4	5
Unemployment	1	2	3 .	4	5
Racial Problems	1	2	3	4	5
National Defense	1	2	3	4	5
Crime	1	• ' 2	3	4	5
Inflation	1	· 2	3	4	5
Pollution/Environme	nt 1	2	3	<sup>-</sup> 4	5
Bussing	1	2	3	4	5
General Unrest	1	2	3	4	5

11. Now I'd like to go through the list again and have you rate Hubert Humphrey on his ability to handle each problem.

-	Extremely Well	Very Well	Fairly Well	Not Very Well	Not At <u>All Well</u>
Drugs	1	2	3	4	5
Taxes	1	2	3	4	5
Health Care	1	2	3	4	5
Vietnam	1	2	3	4	5
Unemployment ·	1	2	3	4	5
Racial Problems	1	2	3	4	5
National Defense	1	2	3	4	5
Crime	1	2	3	4	5
Inflation	1	2	3	4	5
Pollution/Environme	nt 1	2	3	4	5
Bussing	1	2	3	4	5
General Unrest	1	2	3	4	5

12. Now, I'd like to go through the list once more and have you rate George McGovern on his ability to handle each problem.

•	Extremely Well	Very Well	Fairly 	Not Very Well	Not At <u>All Well</u>
Drugs	1	2	3	4	5
Taxes	1	2	3	4	5
Health Care	1	2.	3	4	5

			Extremely Well	Very Well	Fairly Well	Not Very Well	Not At All Well	
	Vie	tnam	1	.2	3	4	5	
		mployment	1	2	3	4	5	
	Rac	ial Problems	· 1	2	3	4	5	
		ional Defense	1	2	3	4	,5	
	Cri		1	2	3	4	5	
	Int	lation	1	2	3	4	5	
		lution/Environm		2	3	4	5	
		sing	1	2	3	4	5	
	Gen	eral Unrest	. 1	2	3	4	5	
		t is the first hard Nixon?		·,				
	a.	Do you conside	r this good c	or bad? (	ANSWER ABO	VE) <sup>a.</sup> Good	Bad	
	ь.	To there entth	ing oldo?				[]	
	υ.	Is there anyth	ing eiser			L J	ĹĴ	
	ċ.	Do you conside	r this good c	or bad? (	ANSWER ABO	VE) <sup>c</sup> .Good	<b>D</b> - 1	
			_				Bad	
	d.	Is there anyth	ing else?			[]	[]	
						e -		
		~ · ·				e.Good	Bad	
	e.	Do you conside	r that good c	or bad? (	ANSWER ABO		[]	
L <b>4 .</b>		t is the first ert Humphrey?	thing that co	omes to y	our mind w	hen you thin	k of	•
	a.	Do you conside	r this good c	or bad? (	ANSWER ABO	<u>VE</u> ) <sup>a</sup> .Good	Bad	
	·b.	Is there anyth	ing else?			[]	[]	
							_	
						C.Good	Bad	٠
	c.	Do you conside	r this good o	or bad? (	ANSWER ABO		[]	•
	d.	Is there anyth	ing else?	*		• •	L J	
		-					· ·	
						e.		
						e.Good	Bad	

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WAVE II DRAFT QUESTIONNAIRE (Cont'd.)

Page 5

15.	What	is	the	first	thing	that	comes	to	your	mind	when	you	think	of
	Georg	ge I	icGov	vern?										

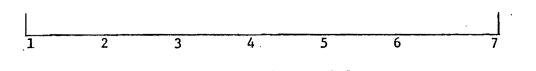
									·				a.G	lood	1	Ba	ad
a.	Do	vou	cons	ider	this	bood	or	bad?	(AN	SVER	ABO	VE)	. [	]	l	[	]
	•		•	• .		_							C.,				
Ъ.	15	the	re an	ythi	ng els	se?							C•G	000 [		Ba [	
		100.000 (mage)			·								·		I	L.	•
c.	Do	you	cons	ider	this	good	or	bad?	( <u>AN</u>	SWER	ABO	VE)	e.G	ood	1	Ba	10
d.	Is	the	re an	ythi	ng els	se?				an a				-	_	]	•
							•										
e.	Do	you	cons	ider	that	good	or	bad?	( <u>AN</u>	ISWER	ABO	VE)	•				
Do	you	thi	nk Pr	reside	ent N:	ixon	has	an o	vera	11 p	lan	for	this	cou	ıntr	y?	
					1 Yes	2											
					1 1ex 2 No	2											
									•								
* 75			•			-						.0					
Wha			•		e "gei	-			mea	in to	уоц	?					
Wha			•			-			mea	in to	уоц	?	· · · · · · · · · · · · · · · · · · ·				
Som the is the	t do	es t oplo sido as l	e havent's	ohraso ye acc i leg: The		the ion, erenc	un Con whi es 1	gress le ot	of hers en t	part say he t	isan the wo p	tac Pre oint	tics siden s of	in it's vie	blo pr 2W m	ock: togi near	
Som the is the (SH	at do ne pe Pre inad are h IOW S	ople side equa as 1 CAL1	the p e havent's ate. been E)	ohraso ye acc leg: The few l : Fau	e "gen cused islat: diffo oills	the ion, erenc pass	un Con whi es 1	gress le ot	of hers en t	part say he t	isan the wo p essi	tac Pre oint on o	tics siden s of	in it's vie gre	blo pr w m ess.	ock: ogn near	
Som the is the (SH	at do ne pe Pre inad are h IOW S	ople side equa as 1 CAL1	the p e havent's ate. been E)	ohraso ye acc leg: The few l : Fau	e "gen cused islat: diffo oills	the ion, erenc pass	Un Con whi es 1 ed o	gress le ot	of hers en t g th	part say he t	isan the wo p essi	tac Pre oint on o	tics siden s of f Con	in it's vie gre	blo pr w m ess.	ock: ogn near	
Som the is the (SH	at do ne pe Pre inad re h IOW S side	es t oplo side equa as 1 CALJ	the p e havent's ate. been E) is at	ohraso ye aco i leg: The few l : Fau:	e "gen cused islat: diffo oills	the ion, erenc pass	un: Con; whi: es 1 ed o	gress le ot betwe durin	of hers en t g th	part say he t is s	isan the wo p essi	tac Pre oint on o ongr 6	tics siden s of f Con	in it's vie gre	blo pr w m ess.	ock: ogn near	
Som the is the (SH Pre	at do ne pe Pre inad re h NOW S side	es t oplo side equa as 1 CALJ nt :	the p e havent's ate. been E) is at 2 vould	ohraso ye acc leg: The few l : Fau:	e "gen cused islat: diffo oills lt	the ion, erenc pass	un Con whi es l ed o rse	gress le ot betwe durin 4	of hers en t g th	part say he t is s 5 .s sc	isan the wo p essi C	tac Pre oint on o ongr 6	tics siden s of f Con ess i	in t's vie sgre	blo s pr ew m ess. at F	ock: cognear au	

WAVE	II DRAFT QUESTIONNAIRE (Cont'd.)	Page 6
.19.	Some people have said that much of the money we are spending will become available for domestic programs when the Vietnam down. Others have said that much of this money will need to to replace and modernize our armed forces. (SHOW SCALE)	war winds
	Need National Defense Spending Need Domestic Spen	lding
		7
	a. Where would you place yourself on this scale?	
	b. Where would you place President Nixon on this scale?	
*	c. Where would you place George McGovern on this scale?	· · · · · · · · · · · · · · · · · · ·
	d. Where would you place Hubert Humphrey on this scale?	
20.1	Some people have said that having a strong national defense equal to the Russians and Chinese is the best hope for peace have said that we have more important needs in our own count that we should spend more of our money on domestic programs means that our military strength would be less than some oth (SHOW SCALE) Strong National Defense Spend At How Less Strong	. Others ry and even if it er countries. me and
<b>.</b> .	1 .2 3 4 .5 6	7
	a. Where would you place yourself on this scale?	
	b. Where would you place President Nixon on this scale?	
•	c. Where would you place George McGovern on this scale?	
	d. Where would you place Hubert Humphrey on this scale?	
20.2	It has been said that this country needs major tax reform. present tax structure is unfair to the little man and favors business and those with high income. Others say that taxing business and those with large incomes at a high rate would c incentive and economic decline. ( <u>SHOW SCALE</u> )	big of big

Need Tax Reform

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Do Not Need Tax Reform



a.	Where	do	you	place	yourself on this scale?	
Ъ.	Where	do	you	place	President Nixon on this scale?	
c.	Where	do	you	place	George McGovern on this scale?	
d.	Where	do	you	place	Hubert Humphrey on this scale?	

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WAVE II PRATE OURSEISHMIRP (CLYIP)

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- l'age 7
- 20.3 According to some recent court cases, our traditional method of financing schools with local property taxes may be in for some changes. Do you favor or oppose retaining the local school property taxes to finance schools?

1	Favor
2 ·	Oppose
~	

0 Not sure

#### (IF OPPOSE, ASK:)

a. Which of the following would you prefer as a replacement for local property taxes. (<u>READ LIST</u>)

- 1 Increased federal income tax
- 2 Increased state income tax
- 3 Increased state sales tax
- 4 Increased state property tax
- 5 Some type of national sales tax

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- 20.4

20.5 Do you believe inflation of food prices has been slowed?

1 Yes 2 No

a. (IF NO, ASK:) Would you support or oppose a total freeze on food prices similar to Phase I.

Generally speaking, do you believe the steps taken by President Nixon

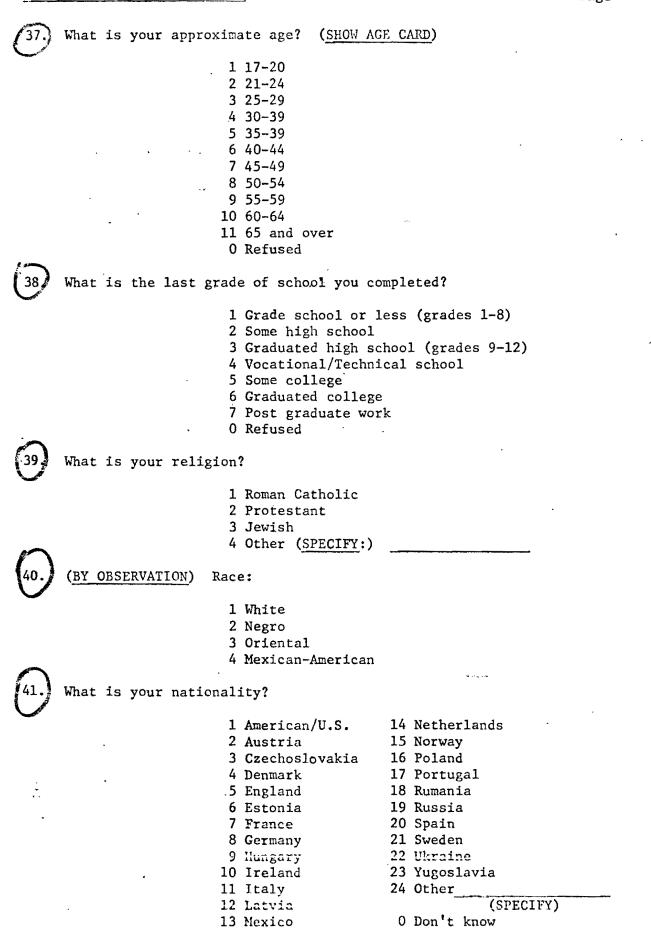
- 1 Support
- 2 Oppose

21 Do you think business, labor unions, the President, Congress, or the consumer is most responsible for rising prices and inflation?

- 1 Business 2 Labor Unions
- 3 President
- 4 Congress
- 5 Consumer
- 0 Don't know

GO TO GREEN SCALES (HAVE RESPONDENT COMPLETE PERSONALITY SHEETS) , 22. Now, I'm going to hand you six sample Presidential election ballots. I would like you to mark each one of the ballots just as you would if the election were being held today, and return them in this sealed envelope to me. (23. Using this scale card (HAND INTEREST CARD), how interested are you in seeing the Presidential candidate you support being elected in the fall? 1 Very Interested 2 Fairly Interested 3 Not Very Interested 4 Not At All Interested 0 Don't know 24. In the election this fall will you definitely vote, probably vote, may or may not vote, probably not vote, or definitely not vote? 1 Definitely vote 2 Probably vote 3 May or may not vote 4 Probably not vote 5 Definitely not vote 0 Don't know What do you think are the most important problems facing the state of \_\_\_\_at the present time? Which one of these do you think is the single most important problem ? (CIRCLE JUST ONE ABOVE) facing \_\_\_\_\_ Do you approve or disapprove of the way \_\_\_\_\_ is handling his job as Governor? 1 Approve 2 Disapprove 0 Don't know Do you approve or disapprove of the way \_\_\_\_ 28 \_\_\_\_\_ is handling his job as United States Senator? 1 Approve 2 Disapprove 0 Don't know ٠ Do you approve or disapprove of the way \_\_\_\_\_ is handling his . 29. job as United States Senator? 1 Approve 2 Disapprove 0 Don't know Now, I'm going to hand you another secret ballot for the State election.

I would like you to mark it just as you would if the election were being held today, and return it in this sealed envelope to me. WAVE II DRAFT QUESTIONNAIRE (Cont'd.) Page 9 Generally speaking, do you consider yourself a Republican, Democrat or what? . 1 Republican 2 Democrat 3 Independent 0 Don't know (IF INDEPENDENT, ASK:) How do you lean? 32 1 Republican 2 Democrat 3 Independent O Don't know 33. In the last general election in which you voted, which answer on this card (HAND POLITICAL CARD) best describes how you voted for state and local offices such as Governor and Senator? • • 1 Straight Democratic 2 Mostly Democratic 3 A few more Democrats than Republican 4 About equally for both parties 5 A few more Republicans than Democrats 6 Mostly Republican 7 Straight Republican 8 Never Voted 0 Don't know For whom did you vote for President in 1968? 1 Nixon 2 Humphrey 3 Wallace 4 Didn't vote 0 Don't vote (How are you registered to vote in \_\_\_\_\_ ?) 35 1 Republican 2 Democrat 3 American Independent Party 4 Conservative 5 Liberal 0 Don't know Now a few questions for statistical purposes..... 36. What is your occupation?\_\_\_\_ (IF RESPONDENT IS NOT HEAD OF HOUSEHOLD) What is the occupation of a. the head of this household?



WAVE II DRAFT QUESTIONNAIRE (Cont'd.) Page 11 Are you a labor union member? 42 1 Yes 2 No (IF "NO", ASK:) Is any member of your immediate family a union member? а. 1 Yes 2 No (BY OBSERVATION) Sex: 1 Male 2 Female (SHOW INCOME CARD) Which classification includes your TOTAL FAMILY INCOME in 1971 before taxes? 1 0-\$2,999 " 2 \$3,000-\$4,999 3 \$5,000-\$5,999 4 \$6,000-\$6,999 5 \$7,000-\$9,999 6 \$10,000-\$14,999 7 \$15,000-\$24,999 8 \$25,000 and over 0 Refused What is the make, series and year of your principal car? Make (example: Chevy, Ford, Plymouth) Series (example: Impala, Torino, Belvedere) Year\_ Do you have a telephone? 1 Yes 2 No a. (IF "YES", ASK:) Is your number listed or unlisted? l Listed 2 Unlisted

# WAVE II DRAFT QUESTIONNAIRE (Cont'd.)

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Page 12

- 			SCALE SHEET			
liberal		• •		**********		_ conservative
close minded	:	*				_ open minded
trained	· · · · ·	::	7	* •	ŧ	_ untrained
bold	f			<u> </u>		_ timid
experienced	*					_ inexperienced
dishonest						honest
safe	i		7			_ dangerous
uninformed						_ informed
meek				• •		_ aggressive
just	i					_ unjust
incompetent	* *	*	_ /			_ competent
tough	······································					_ soft

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# WAVE II DRAFT QUESTIONNAIRE (Cont'd.)

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# SECRET BALLOTS

If you had to decide today, how would you vote between the candidates in the following election situation?

# PRESIDENT

Nixon	[]	Hubert I	Humphrey	[	]				
Nixon	[]	George 1	McGovern	[	]			•	
Nixon	[]	Edward I	Kennedy	[	]				
Nixon	[]	Hubert H	Humphrey	[	]	George	Wallace	l	]
Nixon	[]	George 1	McGovern	E	]	George	Wallace	[	]
Nixon	[].	Edward 1	Kennedy	[	]	George	Wallace	[	]
	Nixon Nixon Nixon Nixon	Nixon [ ] Nixon [ ] Nixon [ ] Nixon [ ] Nixon [ ] Nixon [ ]	Nixon [] George M Nixon [] Edward M Nixon [] Hubert M Nixon [] George M	Nixon [] George McGovern Nixon [] Edward Kennedy 	Nixon [] George McGovern [ Nixon [] Edward Kennedy [ 	Nixon [] George McGovern [] Nixon [] Edward Kennedy [] Nixon [] Hubert Humphrey [] Nixon [] George McGovern []	Nixon [] George McGovern [] Nixon [] Edward Kennedy [] Nixon [] Hubert Humphrey [] George Nixon [] George McGovern [] George	Nixon [] George McGovern [] Nixon [] Edward Kennedy [] -' Nixon [] Hubert Humphrey [] George Wallace Nixon [] George McGovern [] George Wallace	Nixon [] George McGovern [] Nixon [] Edward Kennedy [] -' Nixon [] Hubert Humphrey [] George Wallace [ Nixon [] George McGovern [] George Wallace [

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# May 21, 1971

### SUBJECT:

## Political Strategy

This is in response to the President's request for "some free thinking" on how to make our programs more meaningful to the people. This can only be done effectively in the context of the overall campaign strategy; hence this analysis attempts to broaden the question somewhat -- and to examine several ways in which the President's base of political support can be strengthened for 1972.

The primary emphasis here is on domestic issues; we obviously have the greatest control in this area and there is more certainty in the political effect of what we do. This by no means suggests that international issues may not be decisive -- they very well could be -- but with international conditions as volatile as they are it would be foolhardy to predicate a total strategy on them.

The following is an effort to identify some of the major factors that have proven decisive in prior elections, assess where we stand today in relation to those factors and suggest certain strategic considerations for 1972.

#### A. RECENT FRESIDENTIAL POLITICS

At the risk of oversimplifying history, successful Presidences politics in modern times have been generally built on ever for a combination) of four dominant factors.

 Fersonal Image - Charisma: Kennetty is the function example. Despite a mediocre Admits the function undistinguished record in foreign all Admits the second second legislative tally, he might well have become to all the second s in 1954; if so it would probably have been largely due to the successful mystique he created (with the help of a friendly pross). The fact that he was able to maintain a substantial case of political support a year before the election would suggest that even a relatively ineffectual Fresident can support himself on personality alone.

- 2. <u>Respect for Leadership</u>: Clearly FDR was the master in this category. A large majority of the people were convinced that FDR was the Nation's only salvation; it was irrelevant that most New Deal programs didn't work and that we were so preoccupied at home that we watched the world drift into the most dangerous war in history. Roosevelt's gift was the believable promise -- setting the great goals which he would inspire the Nation ( a very important point which you made in our meeting). The 1941 "Four Freedoms" speech, for example, became the national credo; young and old alike knew what the four freedoms were. (Even though it was 30 years ago I can still remember the Four Freedoms <u>Eaturday Evening Post</u> cover.) With a few well chosen phrases he was able to rally enduring support through difficult times.<sup>1</sup>
- 3. Success on the Eig Issues: There were at least two elections in modern times decided principally on the grounds that times were good, the President had done a satisfactory job of running the country and there was no great public demand for a change; the big issues of the day were well in hand. The first was Coolidge's election in 1924; the second, Ike's in 1956. The Feace, I regress and Prosperity slogan clearly reflected the public mood in 1956. Ike had the big issues well under control; he had restored the country to a period of normalcy. He was obviously also greatly helped by his powerful "Father image". Ike fit the times and the times fit Ike.

<sup>&</sup>lt;sup>1</sup>It was all the more remarkable in that the "Four Freedoms" were enunciated by Roosevelt, <u>after</u> he had been in office for eight years, at the tag end of a speech in which he outlined the dismal state that the world was then in, that we were at war or would be soon, that creat sacrifices were necessary, that our defense production program was a disaster, that we weren't equipped to fight the war and that all hell was breaking loose.

4. The Veters' Solf Interest: On certain occasions in modern times the people have been moved to vote primarily according to their own economic self-interest. 1948 is the classic example. Certainly President Truman had little charisma (at least at the time); the times were not that good and there was a strong sentiment for change in the country. Although Truman was a strong, rough individual, it can hardly be said that in 1948 there was widespread public respect for his leadership as there had been for Roosevelt's. Yet he won -- largely because he made his own re-election important to the economic interest of large segments of the voting population. In 1964 Lyndon Johnson succeeded in appealing to the economic interests of key groups and in frightening the electorate as to the economic (and international) consequences of electing his opponent.

### B. WHERE WE STAND

These four categories give us some yardstick -- albeit arbitary -- to examine where we stand and our opportunities.

- I. <u>Image-Charisma</u>: We cannot and should not try to make the President comething he isn't. (I gather this is the point of Buchanan's memo, as it was the point made in the Fierson column.) It would be foolish and counter productive to try to build a Kennedy-type mystique -- there isn't time, the press would never let us get away with it nor is it necessarily a very reliable source of political strength. A President doesn't have to be likeable, have a sense of humor or even love children. It is important only that his personal qualities engender confidence.
- Respect for Leadership: There is an important distinction between this and the image point above (a distinction we haven't clearly made). We can and we should make people better understand the Fresident -- why he is the strong, determined, disciplined and self-confident leader that he is.

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The Connelly thesis in this respect is absolutely valid. Those who know the President and work with him as we do, reconnize his brilliant, extraordinarily retentive and perceptive mind, his long-range strategic view of problems, his high purpose and we, in turn, come to have enormous confidence in him. We must try to get this across; the electorate can Cevelop some of the same confidence if the story is told correctly. The obvious handicap in developing the Connally thesis is that it will almost invariably be filtered out, discounted and at times ridiculed by a very hostile press. The press have painted so many negative images over the years that even if we do the most superb job in the world, I doubt that we can shift enough opinion in the next 18 months to make this the decisive factor in the election. Whatever we can do, however, will help and is important.

The great goals approach is perhaps the toughest. Roosevelt's speech caught the public imagination at a time when the country was uniting in the face of a common danger. The President has used some truly great phrases -- a "Concration of Peace" etc. Maybe because of the press or because the country has become excessively blase, these haven't become national rallying themes. Between now and next year's State of the Union, we should study in depth those things the people of the Nation most desire and the way in which we can state the goals for the country that will, in fact, inspire and gain confidence. None of us should shoot from the hip in this area. We must know the public mood, not just what the polls report, but by examining it in depth. If there is any one thing peculiar to our times it is the extreme volatility of public attitudes. caused more than anything else by the constant impact of the electronic media which can cause very dramatic almost overnight chifts in attitudes.

What people may want more than anything else is to have their confidence in the future re-established and our constituency at least wants to believe in America and in what they regard as fundamental values. They are tired of constantly being told what is wrong with society and of having their consciences wracked with continuous recrimination. We are on the right side of this issue but the real question is how to lift 200 million people out of their seats.

5.

In short, I believe that this is a terribly important area for us. We must work to develop public confidence in the President personally, to gain respect for him as a leader and to give the nation an uplift; the obstacles are, however, very great and this, therefore, should be but one of several strategies.

3. <u>The Big Issues</u>: Obviously the war (foreign policy generally) and the economy are the two big ones; our domestic program next.

**q.** The War. Even if we are virtually out of Vietnam the Democrats will cynically argue that we could have ended it much sooner, that we dragged it out to no avail and that we got out only because the Doves in the Congress forced us out. A war weary people are likely to want to turn their attention to other things and forget Southeast Asia. What they will be more concerned with is who can best keep the peace. It is obvious to us that by remaining strong, by getting out of Vietnam on a responsible basis, by preserving the credibility of the United States we are doing a better job of building a lasting peace. On the other hand n an era of growing isolationism, people might well feel that our firmness and our resolve to do those things necessary (Laos and Cambodia) run a greater risk of getting us into another war than the head-in-the-sand Dove line. We can be vulnerable to demagoguery on this issue.

Moreover the war is, in a sense, a negative issue. We are badly hurt if we don't end it but we may not gain a great deal of credit if we do.<sup>2</sup>

Obviously if major events -- SALT, Disarmament, a summit, Vietnam, China -- go our way there could be such an overwhelming positive reaction in the foreign policy area that the President would be unbeatable regardless of anything else. While we are hoping this happens, we should not rely on it since so much of this is beyond our control.

b. <u>The Economy</u>. Even if the economy is back in full swing by next year, as I personally expect it will be, the Democrats will argue that we still have inflation and we had more unemployment through the Nixon years than under the Democrats. The Democrats will traffic heavily on the public's traditional suspicions about economics. In almost every issue poll the Democrats outscore us in public confidence with respect to handling of the economy and thus this is at best always an uphill issue. Whether we win on this will depend on whether we are able to allay fears about the future, convince people that unemployment will not again rise and that prices can remain relatively stable.

c. The Domestic Program. This may well be our biggest problem at the moment but, at the same time, our biggest opportunity. Our domestic programs are "managerial oriented" not "people oriented". In my view this is both a PR and a substantive problem with a much heavier emphasis on the latter. As you pointed out, there is very little "what's in it for me" in our domestic program.

<sup>&</sup>lt;sup>2</sup>It is very much like the recent demonstrations. Had there been a disaster, we would have been hurt; we handled it beautfully and gained little -- not because the people don't associate the President with the handling of the demonstrations (because they did) -- but rather because it is a negative issue and there is little profit in what the public regards as something basically unpleasant. Two pollsters have told me that even though the public overwnolmingly agreed with our stand on the demonstrations entirely and even though people associated the President with the demonstrations, that this does not translate into a positive response will, respect to the President.

Our domestic program is, on the merits, excellent; the six great goals are strong. Reform, change, local decision making -- those are our strong points but it is hard to make a plausible, understandable case of what they do for the pocketbook. Revenue sharing, for example, could be made appealing as a way to stop rising property taxes but it is not being sold that way, probably now can't be sold that way and is a very indirect and obtuse argument as long as it is structured the way it is in our proposal.

We have a fantastically good record in the area of governmental reform but this too is managerial, not economic, and once again it is what people expect of us; that .s, Republicans run the Government better but Democrats do things for people.

A second deficiency in our domestic program has been our apparent vacillation. The public never gets one, clearly perceived consistent image of the Administration. There is no real substance to the allegation that we have been expedient, but from a PR standpoint, we do in fact often give legitimacy to the charge perhaps because we ourselves are still seeking that central thrust that, in fact, will capture the public imagination.

In trying to orient our efforts more to people and economic issues we may be able to develop the thrust that it seems to me we have been groping for.

It is possible -- there is time -- to reorient our domestic pfforts and to capture the high ground. This leads directly into the fourth category.

4. <u>The Voters' Self-Interest</u>: It is not hard to draw the profile of what comprises the average individual's economic selfinterest today. Obviously jobs and employment rank on the top of the list. High also on the list are taxes -particularly real property taxes; this is now a nation of homeowners -- 66 million. Moreover, most Americans work hard in the hopes that they will be able to educate their children. The desire for education is strongest among those adults who did not obtain a higher education themselves; and they represent perhaps our most significant political potential. Most Americans who work resent those who do not and especially resent paying higher taxes for loafers who abuse the welfare system. Finally most middle class Americans fear a catastrophic illness which can wipe out their savings and security. Middle-aged people worry about their retirement; older people worry about their ability to live on their retirement and rising prices. The farmers have a set of economic problems all their own.<sup>3</sup> There are things we can do at this point to position ourselves and our programs on the right side of many of the pocketbook issues that such a profile suggests. For example:

a. <u>Revenue Sharing</u>. Most people today look at <u>general</u> revenue sharing as simply another "hand out" from the Federal Treasury to local politicians. If the public has a poor attitude toward Federal bureaucrats, it has a worse perception of local politicians.

Unfortunately our revenue sharing does not have any tangible, economic meaning to the individual. We haven't made the case that it could mean a reduced property tax burden.

We had the choice originally of proposing what would have been the purest form of revenue sharing, i.e. individual tax credits by individual taxpayers for a portion of local income, sales or real property taxes. After a very extensive study, the Domestic Council and the Treasury concluded that general revenue sharing involving grants from the Federal government to states and local communities was more equitable, more efficient and would

<sup>3</sup>The social issues are perhaps equally important -- race, crime ininthe streets and narcotics -- but these area't economic and are essentially negative. We are also postured correctly on these. provide the financial assistance needed more quickly. It was clearly a better solution on the merits, but it ran headlong into the ophosition of Byrnes and Mills who over the years had devored the credit approach; it also ran counter to the traditional Republican philosophy of revenue sharing, first advanced by Mel Laird in the Fifties and subsequently endorsed by various Republican Folicy papers through the Sixties. Most importantly it missed the political mark (a point Clark MacGregor and I vainly tried to make before the final decision was made).

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A credit arrangement would give the opportunity (also the burden) to state and local communities to increase their levels of taxation. (The majority of which are now controlled by the Democrats)

It is not too late to do this, although we would need an excuse to shift our position -- perhaps if Mills scuttles our bill or perhaps whenever we propose a value added tax. With a new source of Federal revenue we could couple with it a tax credit revenue sharing arrangement argaing that the value added tax permits a much larger (and different form of) revenue sharing.

It would be ideal if we could find a way to do this in the present Congress --(it could pass since Byrnes and Mills are committed to this approach) -- so that next April 15 every taxpayer would be able to check a new box on his Form 1040 and receive a federal credit refund -- a direct abatement for local taxes. We could argue that we -- the Nixon Administration -- had brought tax relief to homeowners and taxpayers all across the country.

b. <u>Tax Credits for Education</u>. Ferhaps coupled with revenue sharing tax credits we could include some tax credit or deduction for educational expenses. Costs of higher education are becoming nearly prohibitive for middle income families, the group which offers us the greatest opportunity for political gain. For years there have been proposals in the Congress to provide some tax credit or deduction arrangement. The issue is there for the taking. Indeed it is expansive, but once again, if it were coupled with a substitute tax arrangement we could do it and still be fiscally responsible. This is clearly a prime "what's in it for me" issue.

c. Lifting the Ceiling of Farmings of Social Security Recipients. What is better Republican philosophy than to encourage Social Security recipients to earn more than the current \$1800 ceiling? We worry about all the little things we can do to improve upon HEW's programs to benefit the aging. These get us absolutely nothing politically and really appeal only to the professional senior citizens' lobby. The vast majority of retired citizens couldn't care less about pilot programs for feeding the elderly in Chicago. What they reall care about is making ends meet when they retire. Lifting the ceiling, for example to \$3000, would be expensive and would probably also have to be tied to something like the value added tax to give us the fiscal rationale. The fact is, however, that it is a vary powerful "what's in it for me" economic issue and particularly potent with a constituency whose support is vital to us (remember too that the retired vote can be decisive in California and probably is decisive in Florida).

d. <u>Medical Frogram</u>. Our present medical program is so complicated that as you point out few of us ever know what is in it, let along the vast majority of the American people. We should seize upon one or two salient points like catastrophic health insurance, more doctors, and initiatives like the cancer cure and then demagogue these points to death.

We mainly want to neutralize this issue because we can't win on it; the Democrats can always offer more in the way of national health insurance than we can responsibly accept. The fact remains however that we can talk about it -- and continually should -- the need for curing dread diseases, better medical services and our health insurance program. The key to this one is to keep it simple and understandable and relate it always to the individual's economic (and health) interest.

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- 5. <u>Welfare Referre</u>. We own this issue presently; we must heep on histing it, constantly. People simply don't like to pay taxes to support leafars. The tougher we are in tightening the work requirements, the more the political gain. It is indirectly, therefore, a "what's in it for me" economic issue.
- 6. Special Interest Cultivation -- 1948 Example. In developing those issues which appeal to the voters' economic self-interest it is particularly instructive to examine the 'Truman election of 1948. There are some interesting political similarities with our own situation. Truman was derided and scoffed at by the sophisticated opinion makers, as we often are. He faced a hostile Congress, zo we do. Based on results of the 1946 election, he could not count on his party being in the majority. He was faced with a third party threat. He had been forced to do unpopular things in the international field and he had inherited the difficult economic problems of converting from war to peace.

While Dewey went into the 1948 campaign talking about national unity, peace and the need to make government more effective. Truman devoted all of his resources to the break and butter gut issues."

A recent column by Henry Cwen (attached as Tab A) makes the very perceptive point that Truman won the election because people thought he would better protect their bread and butter interests -- "pocketbook politics had carried the day, dignity and efficiency came in a poor second." The Owen column interestingly enough makes the point that the same issues that elected Truman are perhaps even more important today.

If, indeed, there is a valid lesson from the 1948 election, it is that we can build the same kind of a political base to make the Precident's re-election important to the economic selfinterests of large segments of the voting population -- and we

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<sup>&</sup>lt;sup>4</sup>According to Truman's biographer, Cabell Fhillips, "Dewey and his men believed that the concepts of the managerial revolution, which had so captivated the eastern electorate in the post war years, would captivate the rest of the country as well."

must escape the Republican managerial syndrome. For example -- (these are only examples) a very comprehensive analysis should be prepared to pick our best targets and test issues):

a. <u>I abor and Puilding Trades</u>: We are on the verge of being irreparably damaged with the "hard hats" even though 6 months ago this represented one of our most fertile fields for political gain. We had to crack them hard on the wage issue and we did. We are not, however, intensifying the minority hiring campaign in the building trades. While most people view this as a racial question it is, plain and simple, a pocketbook issue with the "hard hats"; they interpret our efforts as an attempt to break down the existing union structure, to destroy the apprenticeship program and to eliminate their job security.

There are approximately 3.8 million building tradesmen in the United States; at the moment they feel that we are threatening not only wages but, more important, job security.

As with so many issues, this requires a tough political choice. Do we play to the blacks, which in my opinion will get us nothing, or do we play to the "hard hats", a large percentage of whom we got in 1968 and as to whom we had been making enormous political progress. This is a natural "new" constituency, newly emerging middle-class Americans, most of them homeowners living in the suburbs, becoming increasingly conservative on social, international and racial issues. The combination of wage stabilization, Davis-Bacon and minority hiring will make it <u>impossible</u> for any of their leaders to support us or to make gains with the rank and file.

We have another opportunity with the building trades. Most building tradesmen have discovered that their hourly wage increases have been largely offset by the fact that they are working less and less throughout the course of a year; the

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higher their hourly wages, the greater the incentive for labor saving devices and hence the less labor hours available. Many of them are beginning to seek annual contracts, rather than hourly wage increases. It is argued that hourly wages could be significantly reduced by annual contract negotiations, thereby benefiting both the worker and the cost of construction. We don't have to endorse this; wer merely have to recognize the problem which we have not done. If we were merely to announce a study of the feasibility of annual contracts in the building trades, asking the Construction Industry Collective Bargaining Council to come up with recommendations, the political impact could be huge.<sup>5</sup>

This is the kind of issue that we need with labor generally. One of the recommendations that the Rosow Report made was that we provide for vesting of pension plans after perhaps 10 or 15 years. Every blue collar employee has a direct economic stake in this. While it is a tough issue with business it is one that could help us make real inroads with the rank and file of labor. All we need are a couple of major items like this, which represent very direct pocketbook benefit to the individual worker and regardless of what Al Darken and Cops do next year we will make important gains with the rank and file.

b. <u>Business Community</u>. While the business community's political clout is minimal it is a source of support we cannot overlook; the attitude of business leaders has an impact on the white collar, professional category as to which Muskie has shown surprising strength in the polls.

This has been the most activist Administration in history in the field of anti-trust, the environment and consumer issues. We can argue that had the Democrats been in power

<sup>5</sup>Such studies have beencconducted over the years in the Department of Labor; morely recognizing them and grabbing the issue is all that is required. they would have been worse, but that is a tough case to make with politically haive businessmen. All we have to do to help basiness in the pocketbook is to begin to slow down dramatically in the anti-trust field, gradually in the other two.

c. <u>The Farm Vote</u>. In 1968 we kicked hell out of the Democrats on the issue of parity. It was 74; today it is clightly below 70. Hardin tells us that there is no way between now and next November to get back up to the 1960 level. (This is in the nature of the parity formula). This one fact alone tells us with certainty that this will be a 1972 issue.

We can, however, get farm prices up; farmers have been in a very severe price/cost squeeze. Farm prices <u>have</u> to improve by the Fall of 1972 (regardless of the impact on the wholesale price index) if we are to regain our traditional support in the farm belt. It can be done on a commodity by commodity basis as we know from our experience with milk. We can further aid the farmer by programs such as REA, home ownership loans, etc. As to these, we have been acting as good Republican managers, consistently cutting back on the farm budget; the time is now at hand to begin increasing it.

c. <u>The Retired Vote.</u> In addition to the obvious -- an increase in the earnings' ceiling of social security reclpients and cost of living social security increases -there are special retired groups we can appeal to: for example the 550,000 retired military personnel, a large number of whom live in Florida (62,000) and California (145,000). In 1968 we promised to support recomputation of military pay; we have not. Finally we have underway a study which will lead to some recomputation recommendations; it will be very modest but a step forward, correcting some of the gross inequities in the present military retirement system. This is a <u>real</u> pocketbook issue. When the recommendations come from the study committee in July (approximate cost \$150 million a year) there will be strong opposition from OMB. If we want to practice pocketbook politics, this is a very good place to start.

c. Veterans Groups: I have had a running battle for months over cuts made by OMB in the VA hospital care budget. The amount cut was slightly in excess of \$100 million. Two months ago a head count of the Veterans Affairs Committees in the House and the Senate revealed that we would be rolled in both committees; it was clear that not only would these funds be respred but the Congress would probably add substantially to our budget requests and would, moreover, attach a mandatory spending clause. Had we been willing to restore the \$100 million cut, we could have gotten the agreement of the veterans organizations to stick with our budget figures; we would have avoided a confrontation with the Congress and we then simply could have withheld funds during FY 1972. As it is now, we will probably be forced to spend the money and will have lost on a gut economic issue with the veterans organization whose membership totals over 6 million. Their recent publications point up theludicrous situation we find ourselves in: on one page they strongly support us for our foreign policy and on the next tear us apart for cutting health care for the veterans. What's more, we gave Teague, Hartke and Albert a marvelous issue -- you may recall two weeks ago they were all on national TV networks blasting the Administration for being "anti-veteran."

My sole point is that we can do a <u>much</u> better job in appealing to the economic self-interest of large groups of citizens than we have done. We have to be just a little less concerned about managerial efficiency and a little more concerned about "people politics".

In this area we cannot ascribe fault to our public relations effort; nor really can publicarelations help us. In some cases it is downright dangerous to make a major FR effort when substantively we have serious problems. Salute to

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Agriculture is a very good case in point. The public believes that most politicians are phoney and we only give our critics an opportunity to emploit this when we hunch major FR efforts in an attempt to cover up a basic economic or political problem.

The other side of this coin is equally valid. If we have made the right political decisions, the public relations effort is relatively painless. For example, if we were to do something in the building trades area, we would have no difficulty in getting our story told and getting the credit. Through mailings, trade journals and speeches every building tradesman would very soon know what we had done.

# C. CONCLUSION

After two and a half years the die is farily well cast on the big issues. Either we have or we have not done the things necessary for those issues to be working for us next year.

We do have, however, two areas which we can most effectively exploit -and there is time to do it. Revamping our domestic program to make it more people oriented and making a major effort to cultivate the economic interest of those voting bloks that either have represented our traditional constituency or should be part of our emerging new constituency. These are identifiable. They ways to reach them politcally are no mystery and we have all the equipment -- the advantage of incumbency -- with which to exploit them.

I am especially impressed, as you may have gathered, by some of the fascinating parallels with the Truman rejected in 1948. Truman rejected the advice that he try to reform his image or that he mount a major sales effort. What he did instead, based on the Clark Clifford memo of November 1947, was to analyze cynically, coldly and shrewdly the rag-tag assortment of special interest groups and minorities that FDR had welded together into a majority coalition; he determined what political and economic favors were necessary to retain or regain their loyalties and then met them head on. As a result Truman devoted all of his resources to the subject which most Americans cared most about then (and perhaps still do): How to make a living.

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While I have emphasized the similarities with 1948, I, of course, recognize that the circumstances then were quite different than they are now. In April of 1943 Truman had a 36% approval rating in the Gallup Poll and for him, therefore, this was a last ditch desparate effort. We are certainly not in that condition.

Nonetheless in formulating our strategy for 1972, there is the political gain of explaiting To the fullest the advantages of incumbency -- which on the issues we have not done as well as we could.

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THE WHITE HOUSE

WASHINGTON

May 18, 1972

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#### MEMORANDUM FOR:

#### H. R. HALDEMAN

I was distressed to learn from Don Kendall that in his trying to get Business Chairmen for us in the various States, he had struck out in city after city after going down the list of names that he received from people on the White House staff, the Campaign Committee, and from other sources. He said that he had to date called 12 business leaders in San Francisco and not one of them would agree to serve as the Nixon Chairman. He said that he had also had some difficulty in Los Angeles although he had finally come up with a name. Only through Connally's intervention was he able to get Clement to take the job in Texas.

As I have already told you, Kendall's reaction of course was that, immediately after the election we had to spend more time romancing the business community and developing a group of them to support us. I told him that, if I looked back over my calendar for the last three years, that businessmen probably took two-thirds of my time when we figured my appearances before Chambers of Commerce, NAB, the Business Council, and the terribly boring series of meetings I have had with business advisors and consultants on a number of issues.

I told Don that we have to realize that the old establishment just like the old establishment in the university community and in the media simply weren't going to be with us and that we had to build a new establishment. I told him that we needed people like himself, Bob Abplanalp, Mulcahy and others who, though they don't fit socially with the business elite, have real character. There are simply bound to be a number of people around the country who will fit this category. Stans probably knows some of them because he had to build a whole new group of contributors when he went through the last campaign. I would also imagine that the wire and letter response to the May 8 speech might prove very useful in getting some names for Kendall to approach. What I am sure of is that what we have been doing to date with the business community is altogether wrong. When I think that we have had the likes of Irwin Miller in to Blair House meetings and when I look over the lists as I sometimes do of those who are invited to such meetings, I find that even our most conservative people on the White House staff inevitably go to the so-called business elite when they want to get support for some of our policies.

I want you to have a really tough talk with Flanigan and Ehrlichman on this subject and eventually, as a result of your discussions, perhaps we can give Kendall some help in attempting to develop this new group on the business side. Malek, of course, could be helpful in such a discussion and Stans, also, from time to time.

In sum, what I am trying to say in this memo is that we have been striking out over and over again in attempting to enlist business support for our policies due to the fact that we have been talking to the wrong audience. The business elite, if anything, has less guts than the labor elite or the farm elite. What we have to do is to find those few people in the business community who have some reputation as being successful in business but who haven't been taken in by the idea that they must only attach themselves to "fashionable" causes.

THE PRESIDENT

## WASHINGTON

## May 17, 1972

MEMORANDUM FOR:

H. R. HALDEMAN CHARLES COLSON

SUBJECT:

FROM:

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Issue Management

The following is intended as an appendix to Malek's memo to you regarding issue management. I have a number of quarrels with the Malek paper primarily in that the solution to the problem is not setting up new organizational structures; it is in having someone, somewhere, sometime, someplace make the decision as to the issues we need to pursue, how we are going to pursue them and then let the troops execute.

One major caveat in considering the issues: this is that this has to be the most volatile year ever in terms of issues. What looks very dynamic today may fizzle in a week. On the other hand, we have to start somewhere and begin sometime. The worst of all results would be to fight the campaign on whatever issue happens to be hot in October because it may or may not be "ours". I am also excluding from this analysis, obviously, foreign policy issues or questions which go to the P.R. aspects of the President's image. The whole issue of trust, candor and credibility is one that can't be dealt with as a separate issue; in my mind it is the "bottom line" of how well we handle the issues and how well we project the President's personal strengths in handling these issues. It also is a function of the gap between rhetoric and performance and unless we can close the gap we are, in my mind, not going to be able to do very much on the trust and credibility issue. It can't be handled by P.R. in a vacuum; it is really determined by how the public perceives the President in handling the tough issues.

The following is my analysis of the gut issues and some thoughts on . the substantive follow-through we need.

- A. <u>The New Populism</u>. Without trying to define this, I think it falls right now into three categories; 1) we are for the big guy, the Democrats are for the little man; 2) taxes and 3) disenchantment with government -- i.e., the bureaucracy. As to these three:
  - 1. We are stuck with the big business label and it will be hard to shed. There are a number of blue collar initiatives we can take, however, many of them outlined in my memo to you of May 21, 1971 (ironically, almost a year ago). If we can start coming forward with some of these initiatives and sharpen up our P.R. in this area (for example with our pension program which we have totally neglected) then we might be able to slide away from the big business label somewhat. Obviously, from a P.R. standpoint, no visible association with big business or establishment-type events should be considered for the President.
  - 2. There is no way politically that we can defend the present tax structure, nor should we. Either Humphrey or McGovern will attack it hard, notwithstanding the obvious hypocrisy of their position. The dissatisfaction of millions of people can be exploited very effectively by the "outs"; we are the "ins" and the fact that the Congress has created the present tax structure simply doesn't sell as a defense (see again, my memo of May 21, 1971, page 7). There are 66 million homeowners. Curbing property taxes is a natural issue. It should be ours; but we have skirted all around it. We made an unsuccessful attempt to equate revenue sharing with property tax relief and we hit the issue hard in this year's State of the Union, but there has been almost no substantive follow-up.

Bryce Harlow notwithstanding, (the business community isn't going to go with McGovern or Humphrey), we should quite candidly acknowledge that the present system is deficient, inequitable, overly complex, that the heaviest burdens are on middle-class people, that people shouldn't get away scottfree without paying any taxes and that property taxes are the most regressive and onerous of all. possible?

We can say that we have tried in a number of ways to change the tax structure (citing our position in 1969 versus that of the Corgress) and we are going to change it. We should proclaim it the number one priority of the second Nixon term. Ehrlichman got off to a good start with the briefing a week ago, but if it is not followed up by a continuous flow of substantive steps, the briefing will have proved to be counter productive or all John will be interpreted to have said is "let's wait until next year". That is not good enough. We should insist that the ACIR come in with a report in June and meet with the President. The President should adopt the recommendation that property taxes not be used for school financing purposes. He should then, by direction to the appropriate departments, order the preparation of legislative proposals to accomplish specific objectives and there should be subsequent announcements by various Cabinet officials of progress in their assigned areas of responsibility. Shultz can become highly visible as the architect of the next tax plan. By Executive Order, the President can direct a simplification of tax forms and procedures. By July 1, we will be able to announce that one essentail underpinning of the new Nixon tax program will be a minimum tax on everyone regardless of tax shelters; in short the rich must pay a fair share of taxes. (We proposed this in 1969 and were defeated -- it will not hurt our "fat cats"; they aren't the ones getting off scott-free.) By September 1 the public should have gotten a very good firm understanding of four or five key elements of the tax package that we will propose to the Congress in January of 1973. By that time, the President should have been seen visibly involved in managing a major Administration effort to come up with a fresh approach. In fact, I would propose this be June's number one issue insofar as the President is concerned -- meetings with tax experts, Treasury officials, etc. etc.

What I am suggesting here is a specific program with a series of substantive actions that result in a rather well defined set of principles that will govern whatever we propose next year (and what we discuss in the campaign). We can cut the ground out from under the demogogic arguments of McGovern and Humphrey if we do this. Otherwise we will be reacting defensively through the months of September and October.

- 3. Particularly if McGovern is the nomince, he will campaign against the establishment and the unresponsiveness of Government. This is an issue Wallace has used very effectively. Since we run the bureaucracy, we will be tarred with that brush. A major effort should be undertaken to put some day light between the President and the bureaucracy. We have opportunity for this at least once a week if we will use it. The housing scandals in FHA give us a perfect platform to call people in, raise hell, let a few heads roll and issue strong vigorous Presidential directives. We have done this a few times, I think very effectively in the drug area but need to do it more. Within 24 hours of the next mine disaster, the President should turn on the Bureau of Mines, perhaps fire someone and once again, issue a whole set of new, tough orders. Moreover Shultz and Weinberger can be very effective for us during the campaign and in the months leading up to it in talking about reducing the federal bureaucracy. Nobody understands reorganization; they do understand cutting back on bureaucrats. Substantively we have done all the right things management-wise; now it is time to do a few demogogic things which will have high visibility and show a tough, forceful President cracking down on the bureaucracy. This goes to
- B. <u>Busing</u>. The fundamental problem with our position on busing is that it is not clearly perceived. People know the President is against busing but in the South they know they have already instituted busing plans, which the moratorium won't help, and in the North they see the courts rushing forward with new busing orders. Nowhere is the gap between rhetoric and performance any clearer than in this area and I would submit this one really fuels the credibility issue.

the heart of the issue of Government being responsive to the

In part our program is not understood because the moratorium is in fact offensive in the South (they believe it will stop busing in the North, but do nothing about busing that has already begun in the South) and it is not clear in the North that it will do anything. If Congress acts on the moratorium and the courts respect the statute, then we will have something to run on in those areas affected but we still have a problem in the South. If Congress does not act, we

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have got to run against the Congress, once again, with a major effort in key areas. If Congress rejects the proposal, the President should consider calling for a constitutional amendment making it very clear, especially in the South, that existing busing plans <u>can</u> be undone.

Our whole objective here is to simply get our position clearly understood nationally. Once it is understood, then we need not campaign on it as a national issue, but rather exploit hell out of it in key areas. I would argue that busing, unlike a lot of other issues, is clearly voter motivational. It is one of those issues in particular areas that is absolutely decisive in a voter's mind. He will put up with anything else if he feels that we not only are against busing, but can and will do something about it (witness Michigan yesterday, which I hope will lay to rest the last vestiges of doubt around here as to whether or not busing is a cutting issue).

C. Inflation/Food Prices. Inflation as an issue probably is worthless. People do not really know what the CPI means, nor is it terribly important to them that Rumsfeld succeeded in rolling back the price of Ford Pintos by \$30 a car. What counts is the one basic commodity that people buy every day -- food. Food prices have been rising so long that people think they are rising even when they are not. They are relatively stable right now and perhaps the best that we canhhope for is to simply neutralize the food price issue. On the other hand, if they begin to go up again, we know the political impact this can have. We should be prepared to take very dramatic, bold action, perhaps another freeze, before the issue gets away from us. I happen to believe the Sindlinger polls in March which showed a significant political upheaval building in the country over this one issue. I would urge that we not only be prepared for very dramatic action if food prices begin to rise again, but that we also consider possible ways to insure now that prices do not rise so that we can crow about having stabilized food prices (for example meat import quotas).

All of the other components of the economic issue are in my opinion either cosmetic or regional. Obviously we should talk about doing things to create more jobs, but at this point in time, they are either



going to be there or they are not. The President should obviously be postured against unemployment but there isn't a hell of a lot substantively that we can do. Regionally we can exploit the defense spending issue very effectively particularly if McGovern is the opponent.

In short, except for the food price issue I think that there is not much that we are substantively lacking in this area (at least that we can doanything about).

- D. Welfare. I assume that our game plan is clear -- get no bill from the Congress and then blast Congress for having failed to act. If we can pull this off, it will give us the best of both worlds. I would urge, however, that we be prepared once we are out of danger insofar as Congress acting, that we take executive action (even if it is later upset in the courts) to do something about the welfare problem. The President might consider an Executive Order cutting off funds to welfare recipients who fail to meet certain work standards, (a rigid enforcement of the Talmadge Bill with a strongly worded Presidential statement will do it). The HEW bureaucracy will revolt and everyone in this building will argue the legality of it and it's ineffectiveness. The impact could be absolutely electric if it were done under the proper circumstances in September. The President could say he has waited 4 years for the Congress to do something, the Congress hasn't acted and that he is therefore taking firm and decisive executive action to eliminate abuses in the welfare system. We can play around all we want with pilot programs in New York and California as we have done to curb excesses in the welfare program. What we need to get through to the folks, however, is a very bold action by the President which would highlight his commitment to end welfare abuses and at the "same time the Congress' inability to deal with the problem. (I watched something very similar to this on the state level turn a gubernatorial election 180° around in 1970.) There will be 50 reasons why we shouldn't do this, but someone should figure out exactly how we can if we want to.
- E. <u>Drugs and Crime</u>. I don't know whether there are additional substantive steps that can be taken, but I would assign two or three of the very best minds we have to develop additional substantive initiatives in this area.

P.R. wise we can be helped enormously on the crime issue by building Pat Gray. He is a great subject to work with and in the final analysis this may be the best weapon we have. There is much more we can do as far as Presidential visibility is concerned -a helicopter trip over the Rio Grande, building up Ambrose, visits to treatment centers and meetings in key cities with strike forces.

- F. Environment. If the Harris theory is correct that the election will be decided by the over \$15,000 a year, upper middle-class, white suburbanites, we should start planning carefully ways in which to promote our record in the environmental area. I have no illusions that this is a cutting issue; it is not. It is, however, a good, rather appealing little package that could be used especially with certain constituencies and we should not neglect it simply because none of us feel it will be decisive in the election. Substantively, we need do nothing but there should be a complete strategy for exploitation of the good record we have made.
- G. No Fault Automobile Insurance. I believe this is a real sleeper issue and that we should poll on it as quickly as possible, particularly in those states where it has either come into effect or has been debated in the legislature. Auto insurance is a little like property taxes, everybody feels they are being cheated. The Democrats really have not gotten out front on this one. There is still time for aggressive Presidential leadership and we can take over the issue right now. It's an excellent antidote to the big business versus little guy syndrome. At the moment, we really have no position.

#### Key Voter Blocs

In the last two meetings with Ehrlichman, Mitchell, you, MacGregor and Harlow, I have been emphasizing the need for analytically determining what will be the decisive voting blocs in the '72 election. I suspect we will never refine this to a scientific analysis and so perhaps we should come to some subjective consensus.

I can never get out of my mind the '48 election (see again my memo of May 21, 1972). Truman won it, among other reasons, by cultivating the

self interest of a few key voting blocs. We have precisely the same opportunity with the white ethnic, blue collar, new middle class, Catholics. In this area we are blowing it. In my opinion, we have a wider gap between promise and performance here than in any other area and with just a little substantive effort, we can do a great deal. For example:

- 1. We can support the Mills bill (which has strong bipartisan cosponsorship) providing tax credits for parents who have children in non-public schools. This issue can be exploited to a fare-thee-well and even if we are only talking about 7 or 8 million Catholics (which is Morey's argument) that is one hell of a powerful bloc. With the support of the Catholic hierarchy, we can undertake a very effective organizational effort in November. Humphrey is all for aid to parochial schools so at the very least we would neutralize him on this issue. McGovern is against it and here the opportunities are immense in the key states. This is like busing; if properly exploited in key areas, it is a cutting issue.
- 2. We can also support a form of guaranteed annual income for the building trades. All of the staff work has been done on this within the Federal Government. Almost everyone recognizes the need for something substantive in this area. It will happen in the next 2 to 3 years. All we need to do is seize the issue now, endorse it and then campaign selectively within the areas where it too can be a cutting issue.
- 3. Finally, we have the whole open-housing issue. Freezing Romney in place or even selectively rolling him back could pay enormous political dividends.

The second voter bloc of major concern is the aging. It can be statistically established that no Republican has been elected (or perhaps can be) without a solid majority of the over-60 voters. Our program is right now so much mush; we embraced the Kennedy nutrition program which is of concern to poverty level elderly only. This is sheer nonsense because that is not the aging group that will ever vote Republican. Our highest priority in this area should be to get an agreed upon Social Security increase so that the Democrats will not base their campaign on higher Social Security benefits or force us to veto the increase presently contemplated in the Congress which in turn will become a highly symbolic campaign issue. Also, with some clever legislative maneuvering, we could lift the earning ceiling limitation on Social Security recipients out of H. R. 1 and attach it to another bill so that perhaps we would have this one good one to talk about with our elderly constituency. The property tax issue is also big with the old folks. We are badly treading water in this area; especially if Humphrey should be our opponent, we will be in deep trouble. His image is good with the elderly and he can really hurt us in key areas. We are not well positioned.

In my view, if we can solidify the traditional Republican vote with the over-60's and make the inroads I think possible with the Catholics (including marginal gains with the Spanish-speaking -- we are doing well in this area ) these two blocs could be decisive.

As a final item, I have recommended to you before that we compile a list of goody type announcements that can be issued virtually every day in September and October -- things like maritime contracts, parks being returned to the states, special manpower grants in key states, etc. Some of these will provide excellent forums for Presidential participation, and will in any event have strong political appeal at the time of maximum impact. As best I can tell, these are being let out now as they become ready. I suggest that as many as we think judicious be held back to be used during the key months and to give us at least the option of involving the President in them. We may be overly sensitive to what appears blatantly political but I would have no hesitation in recommending that the President go to an event like the San Diego Shipyard event in September to do another major maritime award. Whether the press calls it political or not, it will get through to the people, at the very time we want to remind them very visibly of what the President is doing for them. I believe that we should brazenly exploit the advantages of incumbency while all the other side can do is promise.