## THE WHITE HOUSE

## WASHINGTON

## February 17, 1973

MEMORANDUM FOR:

H. R. HALDEMAN

FROM:

MICHAEL P. BALZANO

SUBJECT:

The Destruction of the

New Majority

I am writing you this memo because I believe you are the only one in the White House who is astute enough to see that a horrible error is about to be made. Further, I believe that even you are unaware of the magnitude of the error. I, therefore, submit to you the following; and I leave to your good judgment what should be done.

There are two prime considerations that one must keep before him when one talks about a New Majority. First, that the New Majority is a composition of at least three groups. One group is the labor movement. The second and larger of the three groups is the ethnic portion. The third is what I will call the discontented American. All of these people are Democrats. The second thing we must keep in mind is that the one thread which is consistent with these groups is that they do not trust Republicans. Taking these first two assumptions as my starting point, I will focus only on the voter block group that I directed: the ethnic groups.

Everyone knows here that I was the White House ethnic, and for the past year there has been much discussion concerning ethnics in the news media. The pity is that few people ever really understood what an ethnic theory really encompasses. Colson did. Ethnics in this country are of several kinds of European transplants. They are first generation, foreign-language speaking or they are the sons and daughters of them. They have worked their way up to be doctors, lawyers, and educators and they can be found all the way down the strata to the garbage truck. Coming from the garbage truck and climbing to what, I think, is the upper middle class in status, I have found many of the characteristics that define these people as ethnics and set them off from WASP America. Let me tell you about those characteristics.

- (1) They do not trust Republicans because Republicans are seemingly cold-blooded people whom they identify with the Depression.
- (2) Republicans are business people who do not care about little people. They are the little people and Republicans are symbolized by big business.
- (3) Republicans are notoriously liars and would do anything to win an election. Their promises are not worth the paper they are written on and their word is worth less.
- (4) Wherever there is a Republican Administration, whether it be city, state, or Federal government, you can bet they will admit no ethnics to high office. They keep the patronage strictly among the WASP's.

I came to work for the President because I believed in him. I ran around the country and talked about the work ethic to thousands of people. More importantly, I cornered the leadership of hundreds of ethnic fraternal organizations whose membership numbers in the millions. I spoke to them about our great President about a New Majority, and about a Republican Party that now held its arms open to everyone. Never would I have done any of this had I thought all of this was an election ploy. I believed in the President, and I still believe in the President. My experience since November 7th, however, has been a sad one. I have had to double-talk ethnic leaders throughout the country as to why there were no jobs. I need not remind you of the explosion that took place in the Oval Office when the President discovered that the New Majority was being denied access to the very jobs in the Administration that they were promised. I have had to lie to ethnic leaders concerning the status of my own position, because I knew that when Colson went I would be knocked off, too. I have had to double-talk the leaders of anti-busing groups throughout the country concerning why they are being bused after they had voted for a President who promised they would not be bused.

In addition to my work with ethnic, groups, I have tried to keep the President (through Colson) apprised of those social issues which concern my groups: again, busing, gun control, and other unpopular issues among the Domestic Council. My advocacy for the President's new constituency made me an unpopular figure, especially with the Domestic Council, who saw me as the enemy.

Shortly after the election, Colson decided he would leave me here to help you and to fight the battle for the New Majority and, above all, to see to it that the President's promises were kept so that the President's name would be clear. Early in December, it became apparent to Colson and to me that once Colson left I would be eliminated. The original plan was to take over the Labor Department for the labor part of the New Majority and another agency which delivered social goods -- i. e., the kind of social programs that affected the ethnic, middle American constituency across the board. That agency was ACTION, Colson and I agreed that I would take the agency and become the one visible ethnic appointment comparable to a John Volpe. Beyond that, I showed Colson my blueprint for making ACTION a monument to the President. Two months ago, I began preparing my constituency for my leaving the White House. This is no small matter, because to my constituency I represent hope that the ethnics have the President's ear. I spread the word throughout the ethnic leadership that the real delivery mechanism to serve the New Majority had to be in the agency rather than in the White House. I assured them that everything would be all right and that the President was committed to dedicating an entire agency to deliver his promises. I then took steps to keep on board at ACTION those loyal bureaucrats whom I could control. I acquired the help of certain prominent Republicans who had left ACTION because it was an agency which had no hope under Blatchford. I secured from them the promise to work for me in turning that agency into a monument to Richard Nixon.

The next step in the scenario was for Colson to explain to the President why it was necessary for me to be sent to ACTION to direct the agency instead of being in the White House. Colson told me that the President agreed.

The events of the last 72 hours are strange indeed. Colson's plane is no sooner off the ground and there is an unconfirmed news leak that Patricia Hitt is going to be the Director of ACTION. There is now the rumor in the White House that I will be sent to the Labor Department.

Now let me tell you exactly the situation that we are in. I've got every ethnic leader in this country wired into an operation at ACTION that we are about to give away.

There will be no way of explaining how without one ethnic appointment in the entire Federal government, a non-ethnic female is placed at the head of this agency. There will be no way for me to explain why I am now going to the Labor Department.

Not only do we lose a visible, ethnic top-level appointment, but we lose the entire political machine I have designed for that agency.

Add to all of this a number of other "unnotice" events which have occurred since the election:

- (1) Alex Armenderez, the Administration's top Mexican-American at 1701, was offered a second place job at OMBE--second place to a black. As I predicted, Armenderez refused because he could not take second place to a black. He is now back at his old job at OEO. He is deeply hurt and the Mexican-American community knows it.
- (2) Taras Szmagala, the ethnic at 1701, is back at his job in Ohio. For his services, he was taken out to lunch before he left and given a firm pat on the back. All he wanted was to have the courtesy of being offered a job. Consequently, the President is taking the blame among ethnics.
- (3) Laszlo Pasztor, Mr. Ethnic himself, was unceremoniously fired last week and is now beating the drums throughout the ethnic community that George Bush told him that he is going to do away with the Nationalities Council at the RNC.

By now you should get the picture. My office is being deluged with calls concerning the overt bad faith on the part of the President. How it has escaped the news media, I do not know. But I do know it won't be long now. People are calling me and withdrawing their application for Administration jobs. People are calling me and crying, "Tricky Dick."

If we lose ACTION, we may as well pack it in. The terrible part about all this is that even though he is innocent, the President's image will be totally destroyed. My own view here is that someone has put Pat Hitt on a scale with Mike Balzano. That is not the contest. It is Pat Hitt vs. the New Majority and the President's intent to keep faith with the New Majority.

I know now that the President does not know the truth and that he has not beeen told the truth. I know he is innocent. This is probably the most important decision he has to make with respect to the ethnic constituency of the New Majority. He takes Pat Hitt, he loses the ethnics.

It is my understanding that John Ehrlichman is vigorously pushing Pat Hitt for this job at ACTION. I wonder if he knows what he is doing with respect to the New Majority. I am told that he is aware of the situation and the ramifications of moving me out of that spot. If this is true, I cannot see how he can continue to push for Hitt.

I do not have to tell you how badly Ehrlichman wants to knock me off--but is he so desperate that he would smear the President's name to do it? He cannot get me; he can only hurt the President.

Ehrlichman does not know how many times I have protected him-from anti-busing people, anti-gun law people, anti-New Left
educators, and ethnic groups, especially the Italians and Poles.
I did not protect him for his sake but only because I did not want the
President to be hit accidentally. Ehrlichman is now succeeding
in completely destroying the President's name. If this happens, it
will not be because I didn't try to stop him.

I love the President too much to see him hurt. I will not be here to watch it.

Finally, for the record let me say this. I want the President to know that I do not seek the job at ACTION for my own benefit. Money did not attract me to the White House and money will not keep me here. I am here to serve the President, because I believe in him. Therefore, I will not have Mr. Ehrlichman carry my resignation to the President for me. I could just hear him explaining that, "Mike left the Administration because he wanted the job at ACTION and it was a case of sour grapes." No, not this time. When the protesting waves of ethnics hit the White House doors, I want the President to know why they are angry.

I write you this memo because as far as I am concerned you are now my Colson. Don't let the President take the rap for all of this political stupidity. Don't let him read about the latest political blunder in the news summary. Can't we in the White House unite and fight the Democrats instead of each other? The news media is waiting to expose the whole farce of the New Majority. They know this coalition is shakey. The President doesn't deserve all this. They are killing this man's good name.