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## Top of the Week

# Push and shove over coverage of President

**On Monday, ABC decided to broadcast Ford tax-cut speech while CBS, NBC stuck to their news-judgment guns and their regular programing; then on Thursday ABC chose to pass up news conference but the other two went ahead and aired it; grumbles at the White House, troubles at the networks over equal-time factor**

The White House and the networks last week seemed to be engaged in a bizarre game of chicken: Whether the networks would dare turn down offers to cover the President live, even if the offer was in the form of a request. The answer was "yes."

On Monday, it was CBS and NBC that did the unthinkable in facing up to and rejecting a request for time for the President to address the nation—an action believed to be unprecedented. The networks said they were concerned about incurring equal-time obligations, since the President is a candidate for the Republican presidential nomination—even though his only possible opponent at the moment is a man who is under federal indictment on various charges, is not taken seriously as a candidate in his home town, and whose whereabouts last week were unknown.

Then it was the White House's turn again. On Thursday, it announced that President Ford would hold a news conference at 8 p.m. that evening and that it would be available for television coverage. This time ABC did the unexpected and left the field to its two competitors.

Some of the President's men were anxious over the refusal of CBS and NBC to grant time to the President for his time-time speech on proposed major tax and spending cuts. And the President's television adviser, Bob Mead, before joining the White House staff who worked for CBS News in Washington as a producer, openly questioned CBS's motives.

"I think it's the programming department at Black Rock that made the decision," he said. He noted that Monday "is a very tight CBS owns." And he also noted the selection as part of an ongoing campaign to get rid of Section 315.

CBS News President Richard Salant dismissed the charges as "nonsense. . . I don't play games like that."

While all of that was going on in the foreground, President Ford was carrying on in a more relaxed manner. "It's their choice," he said of the network's decision.

But the presidential aides apparently were not prepared to let the matter rest. To some observers, the calling of a news conference on Thursday night seemed odd in view of the considerable exposure the President had been receiving. Besides his appearance on ABC on Monday, at 8 p.m., he was to hold a locally televised news conference in Detroit on Friday afternoon, one in which members of the White House press corps were to participate, and one that would probably furnish the networks with clips for their news programs. And then in Knoxville, Tenn., on Tuesday, the President had participated in another of a series of question-and-answer sessions in which he has engaged with local broadcast and print reporters.

Thus, although News Secretary Ronald Nessen said the President had been thinking of holding a national news conference for some time (the last televised news conference in the White House was on June 25), the feeling of some within the White House was that senior aides wanted

to test the networks—particularly in view of the FCC's reinterpretation of the equal-time law to exempt live coverage of candidates' news conferences. The President himself reportedly had no interest in "testing" or "punishing" the networks; aides say he simply enjoys meeting with reporters. And Bob Mead is known to have recommended against the news conference, pointing out that it would be too close in time to the one scheduled for Detroit—many of the reporters who asked questions on Thursday would be on hand in Detroit—and that there was a risk of overexposure.

ABC's decision to stay away from the news conference, said ABC News President William Sheehan, was based on the extensive attention the President has been receiving. "We decided it wasn't worthy of coverage. We didn't think there would be much left to be explored."

Mr. Sheehan saw his decision as much less significant than that of CBS and NBC in rejecting the White House request for time on Monday. "Coverage of a presidential news conference is not all that automatic," he said. But until Monday, he said honoring presidential requests for time had been.

And Mr. Sheehan indicated he was not entirely in sympathy with what the other networks had done. ABC, along with the

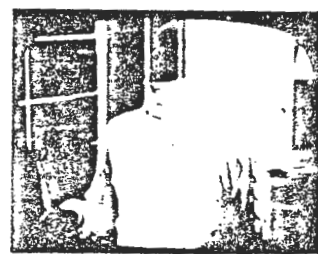
Monday



ABC

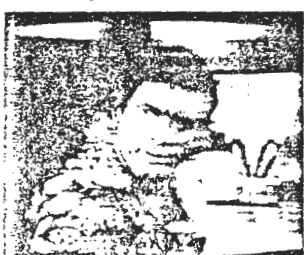


CBS



NBC

Thursday



ABC

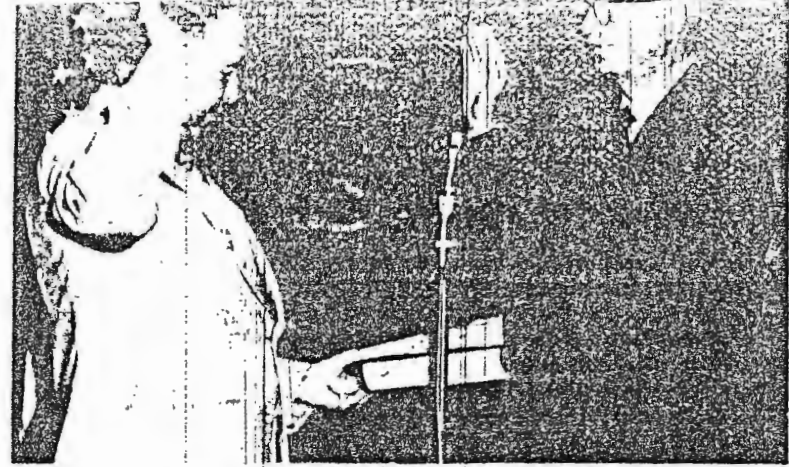
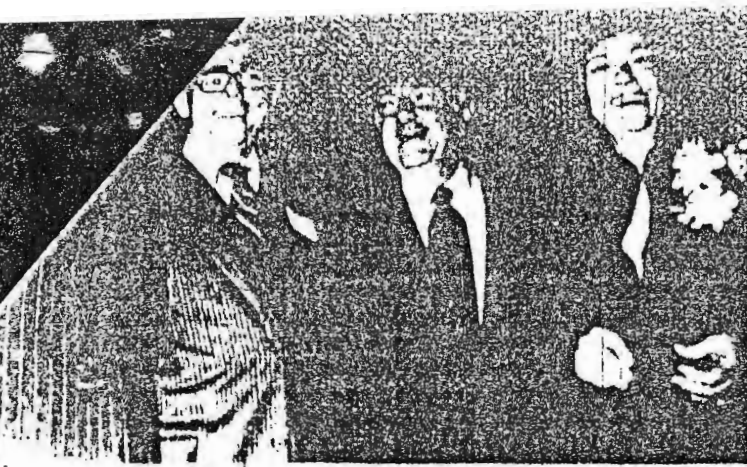


CBS



NBC

**Split decisions.** The President batted just 333 on commercial network television last Monday night, when only ABC carried the live broadcast of his presentation on economic affairs. CBS and NBC opted out, citing equal-time impediments. CBS went with *Rhoda*, NBC with *The Invisible Man*, whose pictures here were furnished by the network. Mr. Ford did better on Thursday with a news conference that even, and better, was reported. But he still didn't bat 1,000. ABC stuck with *Burney Miller*, argued that it had fulfilled its news obligation by carrying the Monday night speech.



**Ceremonials.** An industry and a government official were both installed in their respective positions last week in Washington. At left, Pat Sumpter, women's director of WVAW-TV, Arlington, Va., after her installation as president of the Washington chapter of American Women in Radio and Television. With her (C) are John W. Warner, administrator of

the American Revolution Bicentennial Administration, Richard E. Wiley, chairman of the FCC, and Walter Cronkite, CBS correspondent. At left, hand on the Bible, is Abbot Washburn, who was sworn in by FCC Administrative Law Judge Chester F. Naumowicz for a full term on the commission.

Mutual Broadcasting System and the public broadcasting stations across the country that carried the Monday speech had not experienced any concern about equal time. But he said "a larger question" than the legal one is involved.

If the networks are going to "change the rules" on granting presidential requests for time, they should carefully consider the matter first, Mr. Sheehan said. If he were requested, he said, he personally would feel it "presumptuous" to ask to review the presidential address before deciding whether to grant the request.

"We should also realize what we're talking about," he said. "Presidents do not ask for time often." Have there been abuses of the power to obtain time on request from the networks? Only in Kansas City last year, Mr. Sheehan said. "And President Ford apologized for that. I consider that a dead issue."

But a new era in relations between the White House and the networks seems to have developed since Kansas City. The networks, offered an opportunity to cover a presidential address to the Future Farmers of America, turned it down. They would cover it for the new shows, they said, but they did not regard the speech—effort to exhort the nation to fight inflation—as meriting live coverage. But the White House did; the press office made a final request for time, in prime time, and the networks fell into line, amid charges that the White House was engaging in heavy-handed media manipulation. (BROADCASTING, Oct. 21, 1974)

Last week there was no backing down at CBS and NBC. Even after advance copies of the speech were made available late Friday afternoon, CBS News's Mr. Wald and his opposite number at NBC, Richard Wald, held to the view they said their lawyers had impressed on them—live coverage would subject the networks to demands for equal time. And, finally, the existence of one declared candidate, John Jacob Gordon, of Wor-

chester, Mass.

The network's statements led to a debate over the fine points of the equal-time law, though to some it appeared that the participants were overlooking a major point. Mr. Nessen said the speech did not trigger the obligations under the law, since the commission "exempts from so-called equal-time regulations 'on-the-spot coverage of bona-fide news events.'" And he said the White House felt the President's speech "was such an event."

Mr. Salant and Mr. Wald said, no, their lawyers had told them an address by a President who is also a candidate would be exempt only if the speech dealt with matters of overriding national concern—as in the case of President Johnson's 1964 speech on changes in the Kremlin leadership and the explosion of an atom bomb by Communist China.

Commission officials familiar with the agency's practices in that area feel the networks have the best of the argument, as far as it goes. But there would appear to be some question as to whether there is another candidate for the Republican nomination on the scene who is entitled to ask for equal time.

According to the criteria laid down by the commission, Mr. Gordon would have to demonstrate his bona fides in order to assert his equal-time rights.

Mr. Gordon could not have entered a primary, since the date for registering in the New Hampshire contest, the first in the nation, is not yet set. However, he did run in New Hampshire in 1972, and CBS and NBC lawyers apparently feel Mr. Gordon has established enough of a record of soliciting support to warrant concern that the commission might consider him a bona-fide candidate in 1976.

In Mr. Gordon's hometown of Worcester, however, Richard Hafey, city editor of the *Evening Gazette*, said he was not aware of any solicitation for support on Mr. Gordon's part. Mr. Gordon has "no support other than himself," Mr. Hafey said. He noted that Mr. Gordon two weeks

ago ran in a preliminary election for candidates for the city council, and failed to place among the top 18 finishers who will compete in the election. He finished far down in a list of some 40 candidates.

But if the *Gazette* does not consider Mr. Gordon a serious candidate, he has been a source of news. He has been indicted on five counts of federal income tax fraud, and in addition faces charges of assaulting Internal Revenue Service Officers. He has also filed a large number of suits of his own—against President Ford and former President Nixon, among other prominent personalities—as well as against the networks, the *Gazette* and other media, charging them with blacking out news coverage of him.

Reporters attempting to reach Mr. Gordon last week had no luck: Mr. Hafey said, "We don't know where he is. We think he's out of the country. Our best information is that he is in Canada."

The appearance of the President on only one network on Monday and on two on Thursday afforded an opportunity to measure his drawing power against entertainment programming. He found the competition tough.

CBS's research specialist, Arnold Becker, said the speech probably was in the 10 to 12 rating range, and the audience share in the mid to high teens. That would factor out to about 10 or 11 million viewers.

The CBS competition, *Rhoda*, received a 24.9 rating and 40 share; the NBC competition, the first half of *The Invisible Man*, a 16.3 rating and 27 share. If all three networks had carried the speech, Mr. Becker said, the national audience would probably have been about 55 million.

A week earlier, ABC's *Barbary Coast* received a 12.3 rating and 21 share in the 8-8:30 p.m. time period, while CBS's *Rhoda* rating was slightly higher and NBC's *The Invisible Man* rating, somewhat lower, than they were a week later when President Ford was the competition.

...the networks carrying the news conference, Mr. Becker estimates that the President had an audience of some 30 million, an estimate based on Nielsen's New York overnights. WNBC-TV New York scored a 12.2 rating with a 19 share for the 8-8:30 p.m., while WCBS-TV New York was scoring an 8.5 rating and 13 share. (WNBC-TV scored so much higher because its lead-in show, *Hollywood Squares*, is much stronger than WCBS-TV's *the \$25,000 Pyramid*.) But the most-watched station in New York between 8 and 8:30 p.m. Thursday was WABC-TV, whose *Barney Miller* achieved a 27.2 rating and 42 share, scores somewhat higher than it normally gets.

But, again, whatever the audience, whatever the gains and losses his aides may have totted up from their dealings with the networks, President Ford appeared as undisturbed by ABC's absence Thursday night as he had been by CBS's and NBC's absence on Monday. An ABC reporter who crowded around him after the news conference Thursday asked if he thought all the networks should cover his news conferences. "I'm delighted if they do," he said, "and I understand if they don't."

## Divided house cannot stand, says Wasilewski

**NAB president urges radio and TV to keep a solid front, says his association serves radio well**

"Can a single trade association adequately represent both radio and television? My emphatically affirmative answer is that it can," National Association of Broadcasters President Vincent Wasilewski said, then added, "and NAB is set up to do just that."

In a speech delivered Oct. 4 to the combined fall meeting of the Missouri and Illinois broadcasters associations in St. Louis, Mr. Wasilewski extolled the virtues of maintaining a unified industry front before Congress and the FCC. He said, "There comes a time when the maverick, who refuses to make any concessions and who believes that only he is right, becomes a liability. Things get done when people subordinate some of their own preferences to the common good."

His remarks were directed at the National Radio Broadcasters Association, although he never mentioned it by name. (Formerly National Association of FM Broadcasters) which has signaled its intention to introduce a radio-only license renewal revision proposal and generally to stir up greater awareness of radio's problems in the legislative and regulatory committees (BROADCASTING, Sept. 22 and 29).

The NRBA move to become an all-



Wasilewski

of the radio industry, that radio is forever walking in TV's shadow at NAB.

In his speech, Mr. Wasilewski defended his association: "When radio's problems are unique, they are separately handled at NAB. We have a radio re-regulation committee, a small market radio committee, a radio information office committee and a cable radio committee, a radio code board and, of course, we have a 29-member radio board of directors."

"Among bodies serving TV," he said, "are the 100-Plus Markets Committee, a special committee on pay television, the Television Information Office, a television code review board and a 15-member television board."

Mr. Wasilewski said because radio and TV use the electronic spectrum and are covered by the same act of Congress, they are "inextricably entwined" on many matters. He said he recognizes there are "real differences," not just between radio and TV, but between AM and FM, between UHF and VHF, between small and large radio, and between TV stations and networks, all of which can contribute to disunity within the industry.

"The real task is to draw people together and develop a position in the common interest which a majority can support," he said. "If the industry is divided, then a trade association goes into battle with a squabbling, disorganized army, and it is inevitably fated to lose."

## Old Detroit alliances end

CBS Radio will terminate its long-standing affiliation with WJR-AM-FM Detroit and take on WWJ-AM-FM there as of Jan. 1, 1976.

With this move to CBS, WWJ ends its charter 50-year affiliation with NBC Radio. Both Marion Stephenson, vice president and general manager of NBC Radio, and Nat Sibbold, WWJ station manager, agreed in separate conversations last week that WWJ's unwillingness to accept the NBC News and Information Service's minimum requirement of 30 minutes out of each 50-minute-per-hour network feed was the direct cause of the break.

On the CBS side, Sherril W. Taylor, vice president for network-affiliate relations of CBS Radio, said, "We'd been shopping around for another Detroit affiliate for years now because WJR was not clearing enough of our network feed. WJR has its

example of the network's clearance problems, Mr. Taylor said. WJR signed up for the *CBS Radio Mystery Theater* but kept pre-empting it so much that CBS finally moved the show over to WWJ. Peter Kizer, WWJ general manager, said he was prepared to clear CBS broadcasts "on a continuing, regular basis."

CBS actually had been talking to WWJ about becoming its Detroit affiliate "on and off for a couple of years now," Mr. Taylor added. Local sources say that WWJ hasn't been happy with NBC since it began its all-out effort to put NIS on the map. "Since the advent of NIS," a source close to the situation said, "NBC has been giving short shrift to its non-NIS affiliates."

Ms. Stephenson said NBC is on the prowl for a new Detroit affiliate. Negotiations, she added, have already begun with WJR, among other Detroit stations.

## FCC prefers to keep its shades drawn

**'Government in the sunshine' will have to come on Congress's order; majority votes down proposal to voluntarily open meeting doors**

The FCC has formally decided that "government in the sunshine" is not for it, at least for the time being. It is concerned that open meetings would have an inhibiting effect on the "free and candid discussion which has traditionally characterized" agenda meetings ("Closed Circuit," Oct. 6).

The commission stated its position on Thursday in letters to Representative Forbert Macdonald (D-Mass.), chairman of the House Communications Subcommittee, and Senator John O. Pastore (D-R.I.), chairman of the Senate Communications Subcommittee, after resolving the issue in a special meeting.

The meeting itself, staff members noted, was less open than most of those the commission holds. The commissioners gathered in Chairman Richard E. Wiley's office with only one member of the staff—an assistant to the chairman—in attendance. Previously, the commission had rejected a request by Common Cause that the meeting be open, and one by Representative Macdonald that a member of his subcommittee staff attend.

The commission told Representative Macdonald and Senator Pastore that it believes the free exchanges of views that now go on in commission meetings are essential to informed and intelligent decision-making. But it also says that if Congress adopts legislation requiring open meetings—and such legislation is moving forward now—it would fully comply with the letter and spirit of the law.

The commission expresses some reser-

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Editorials regarding  
Former President, Gerald  
Ford and his Administration

Senate action came just as the Treasury exceeded the current \$495 billion debt limit with delivery of \$3.55 billion of debt securities to purchasers of the Treasury's notes and bonds. [See p. 73D3]

Sale of the debt issues had been made in January, but delivery was postponed until there was final Congressional action on the debt ceiling, thereby allowing the government to continue its borrowing operations and to meet payrolls.

**Ford not to veto food stamp freeze.** President Ford announced Feb. 13 that he would allow a bill barring an increase in the cost of food stamps through 1975 to become law without his signature. Ford said he would not fight "the clear will of Congress" on the bill, which passed by large margins in both houses. [See p. 73G3]

The bill blocked Ford's plan to raise the cost of the stamps March 1.

The President expressed disappointment that Congress not only rejected his plan but failed "to advance a constructive proposal of its own." If Congress continued such practice "an unthinkable [budget] deficit will result and there will be no mistaking where the responsibility lies," Ford said.

The President's decision was announced as a federal court considered two suits filed against the increase. Judge William B. Jones had said Feb. 11 he would issue a temporary injunction against the increase unless informed by Feb. 13 the bill would not be vetoed. The suits, brought by Consumers Union and the Food Research & Action Center of New York, were dismissed after Ford's announcement.

**Layoffs mount.** More than 32,000 railroad workers were laid off during December 1974 and January, spokesmen for the industry said Feb. 14, adding that employees were continuing to lose jobs because of a steady decline in freight traffic.

Layoffs were also widespread throughout the metals industry. [See p. 54A1] Kennecott Copper Corp. announced Feb. 3 that more than 1,700 workers would be laid off within a few weeks when production at its western operations was curtailed. Kennecott's production during the 4th quarter was down 13% from the same period of 1973 and sales were off 22% from a year earlier.

Anaconda Co. planned to cut aluminum production to 90% of capacity from about 94%, it was reported Feb. 3. In a later announcement Feb. 20, spokesmen said that 1,500 jobs in Montana would be eliminated during 1975 because of rising costs.

Other major industries reporting layoffs:

Spring Mills of South Carolina announced Feb. 18 that 17 of its 20 plants would be closed for one week and 13,000 textile workers would be laid off.

Black & Decker Co. announced Feb. 10 that 5,000 production workers at five of its power tool plants in three states would be furloughed for two weeks. Another 450 workers, 6% of the firm's labor force, would be laid off indefinitely, officials

said. During January, every Black & Decker employee had been placed on a one week furlough.

Whirlpool Corp. announced Feb. 12 that 4,700 workers would be idled from April through October because of a shortage of natural gas supplies. About 2,000 persons already had been dropped from the payroll in cutbacks made during late 1974 because of mounting inventories.

McGraw-Edison Co., an appliance manufacturer, announced Feb. 12 that 2,500 production workers would be laid off temporarily when nine plants were closed. Another 700 workers would be affected by production cutbacks at nine other plants.

White Motor Corp. planned to close a heavy duty truck plant in Ohio for two weeks, idling 1,900 workers, spokesmen said Feb. 12. More than 600 workers had been laid off indefinitely after an earlier closing at the plant.

General Electric Co. announced Feb. 10 that 1,500 production workers in two New Hampshire plants would be laid off while two plants were closed for four days. Operations were being cut back because of large inventories, according to a GE spokesman.

The Farah Manufacturing Co., a men's clothing maker, announced Feb. 20 that two Texas plants were being shut down "indefinitely," affecting 1,200 workers.

Allis-Chalmers Corp. announced Feb. 20 that about 1,200 workers would be affected by the closing of one electronics plant in Pittsburgh and a cutback in operations at another plant. Officials said "losses and constant cash drain on the corporation" necessitated the actions.

**Teamsters urge economic plan.** A call for urgent federal action to stimulate the economy came out of an emergency economic conference held in Washington Feb. 13 by the International Brotherhood of Teamsters. [See pp. 85D2, 22A3] Attended by about 500 Teamster delegates, the conference adopted a program that included calls for:

■ Immediate price controls and a restraint on wages after "catch-ups" to balance purchasing power with prices.

■ A public-service jobs program—half-a-million to be created by July, and an additional half-million for each half percentage point rise in the jobless rate above 7%.

■ Strengthened aid to the unemployed, such as 52 weeks of benefits; hospitalization insurance; and federally-backed loans for the elderly, the poor and students.

■ Accelerated public works projects, credit allocation to industries hard hit by unemployment.

■ Emergency tax rebates of 12%, with a rebate ceiling of \$350, and no rebates for those with incomes exceeding \$30,000 a year; permanent income tax reduction for individuals; a \$5 billion cut in corporation taxes; an end to the oil depletion allowance and foreign credits for oil firms.

■ Gas rationing without price increases rather than President Ford's plan to cut down on gas use by increasing oil tariffs;

[See p. 100G2] a mandatory 40% improvement in car-engine gas mileage.

Teamsters President Frank Fitzsimmons called President Ford's economic ideas "outdated" and said oil companies should be nationalized if they failed to act in the national interest. [See 1974, p. 632E2]

**Wholesale prices fell .3%.** The government's Wholesale Price Index declined a seasonally adjusted .3% during January, the Labor Department announced Feb. 17. For the month, the index was at 171.8, based on a 1967 average of 100, meaning that items which had cost \$10.00 in 1967 currently cost \$17.18. Despite the monthly decline, the January index was 17.2% higher than the level set 12 months earlier. [See p. 23A2]

The overall decline in the index, the second in two months, resulted from the second consecutive monthly decline of 2.5% in the cost of farm products and processed food. Among the items that showed large drops in price were grains, livestock, and sugar.

The price of industrial commodities resumed its upward trend in January, rising .5%, after holding steady during the previous month. (Over the past 12 months, industrial commodity prices had risen 23.8%.) Price increases in this area were substantial: fuel prices were up 1%; chemicals rose 1%; pulp and paper prices increased 1.5%; machinery and equipment costs gained 1.6% and the price of nonmetal minerals rose 2.1%. (According to government officials, the auto industry's price rebate program helped spur sales and resulted in a .1% drop in the overall price index. [See p. 40D2])

Another component of the index—the measure of consumer finished goods—registered a .1% gain during January.

Officials were encouraged by the apparent slackening of inflation, evidenced by the decline in the January index. They also pointed to figures showing that the index rose at an annual rate of 1.5% in the three-month period ending Jan. 31, compared with a 35.2% annual rate gain registered in the previous quarter ending Sept. 30, 1974.

**Farm prices show third monthly drop.** The Agriculture Department announced Jan. 31 that the price of farm products declined 1.5% in the 30-day period ending Jan. 15. It was the third straight monthly decline in prices paid to farmers—the cost of farm commodities had fallen 1.5% by mid-November 1974 and 3% by mid-December 1974. [See 1974, p. 1083F1]

Prices paid by farmers for services and commodities were unchanged in the mid-January period, officials said.

In an earlier report Jan. 24, the Agriculture Department announced that the average weekly cost of a consumer food market basket climbed 14% during 1974. The weekly cost of feeding a theoretical household of 3.2 persons was \$33.65, up \$4.09 from 1973. (The market basket's cost increased 29c during December, its fifth consecutive monthly advance.)

According to officials, the jump in grocery costs was largely due to a record



Bank of Los Angeles, also immediately dropped its prime rate to 8.75%.

Nevertheless, other major banks were expected to follow Morgan Guaranty's lead. Chase Manhattan Bank of New York, the nation's third biggest, had lowered its prime rate Jan. 30 from 9.5% to 9%. The Bank of America, the country's largest bank, and First National City Bank of New York, the second largest, dropped their prime rates to 9.25% Jan. 31.

During January, commercial and industrial loans at major New York banks had declined by \$1.9 billion, from \$41.4 billion to \$39.5 billion, the Federal Reserve reported Jan. 30.

## The Administration

**Levi confirmed as attorney general.** The nomination of Edward H. Levi to be attorney general was confirmed by the Senate Feb. 5 by voice vote without debate. [See p. 25B2]

The nomination had been approved unanimously by the Senate Judiciary Committee Feb. 4. The committee had held confirmation hearings on Levi Jan. 27-29.

Among the highlights:

Jan. 27—Levi said he believed the death penalty, if enforced, "in a limited area," was a deterrent to crime. Imposition should be up to the states, he said, and must be "acceptable to the community."

He also upheld government surveillance and wiretapping in specific areas but thought protection was needed "against undue use." He promised to work with federal and Congressional representatives to develop guidelines for safeguards.

Jan. 28—Levi pledged priority attention to enforcement of the antitrust laws. He declined a commitment to probe the oil industry because he disliked "the kind of language that automatically condemns a whole industry." But he felt that "any important segment of industry dealing with the development of energy ought to be looked at for observance of antitrust laws."

Levi said he did not believe reporters had an "absolute privilege" against disclosure of sources "but certainly presumptively a privilege" and he advised caution in seeking such testimony.

He said he would put his securities in blind trust and would disqualify himself from matters involving corporations in which he had holdings.

Jan. 29—Spokesmen for the rightist Liberty Lobby and the leftist U.S. Labor Party opposed Levi's confirmation. Both attacked Levi for alleged ties to Vice President Nelson A. Rockefeller.

## Congress

**House panel votes \$20-billion tax cut.** The House Ways and Means Committee Feb. 6 approved a bill to stimulate the U.S. economy by reducing individual and corporate income taxes by \$20 billion. [See p. 52E3]

The legislation, supported by a 28-5 vote of the panel, would provide individual taxpayers with \$8 billion in cash rebates

on taxes paid on 1974 income; a reduction of \$8.4 billion in 1975 income taxes, with most of it going to wage earners in low and middle income brackets; and \$3.8 billion in tax reductions for business. To allow time for its staff to determine the exact amounts to be rebated on 1974 taxes, the committee delayed its final vote on the measure until after the House returned Feb. 18 from its 10-day Lincoln's birthday recess.

Under the bill, a taxpayer (individual or joint) with a 1974 tax liability of under \$100 would have his taxes refunded. Those with tax liabilities between \$100 and \$1,000, would receive rebates of \$100. For tax payers with higher liabilities, rebates would be 10%, up to maximum of \$200. However, when adjusted gross income was greater than \$20,000, the rebate would decline, dropping to a minimum of \$100 for those earning more than \$30,000.

The \$8.4 billion reduction in 1975 personal income taxes would be achieved by increasing the standard deduction and the minimum standard deduction and by providing a 5% tax credit to low-income individuals.

The bill would increase the income tax credit for most businesses from 7% to 10%. It would raise the investment tax credit from 4% to 10%. (Because this provision would provide American Telephone & Telegraph Co. with a \$475 million tax cut, the committee decided that no utility should receive a tax break larger than \$100 million.) The bill doubled to \$50,000 the income on which a company would pay a tax rate of 22%. Above that amount, the current 48% rate would apply. Another provision, which particularly would aid nuclear power plants, gas liquefaction operations and other large facilities, would allow concerns to gradually start taking the investment tax credit for installment payments on equipment that took longer than two years to install. Finally, the bill would increase from \$50,000 to \$75,000 the ceiling on which the investment tax credit could be taken for used equipment.

The committee's bill differed sharply from President Ford's tax-cut proposal set forth in his State of the Union Message Jan. 15. The panel's measure was at least \$4 billion more expensive than Ford's \$16-billion tax rebate. Ford's plan provided for rebates up to \$1,000 for each family, with 43.5% of the total refund going to persons earning more than \$20,000 annually. [See p. 19C1]

The committee apparently rejected the reasoning of Ford's economic advisers, who said that one-shot, large lump-sum rebates would be spent on large purchases, thereby aiding such financially troubled segments of the economy as the automobile industry. Private economists told the committee, however, that decreases in withholding taxes would stimulate the economy more than lump-sum payments, which taxpayers might save or invest. These private economists also said that taxpayers would be more likely to spend rebates between \$100 and \$200 than larger amounts.

Ways and Means Committee members favoring a bill similar to the one subsequently approved by the committee received backing from Federal Reserve Chairman Arthur Burns, who testified Jan. 30 that he "could support" a reduction in withholding taxes, if the cuts were limited to 1975 only. Burns urged the committee to act quickly on a relatively simple tax cut bill to revive the economy, but to go more slowly on more complicated matters of tax revision.

Rep. Al Ullman (D, Ore.), chairman of the committee, did oppose complicated or controversial amendments to the bill that might delay its passage. Besides postponing consideration of tax cuts tied to higher energy prices, Ullman successfully led opposition to an amendment repealing the 22% oil depletion allowance. Ten Democrats joined the panel's 12 Republicans Feb. 4 to defeat by a 22-14 vote the amendment by Rep. Sam Gibbons (D, Fla.). (Oil and gas companies using the depletion allowance did not have to count the first 22% of gross income from oil or gas wells.)

**House votes to block Ford oil tariff.** The House Feb. 5 voted 309-114 to suspend for 90 days President Ford's power to increase tariffs on imported oil. Overwhelming passage of the bill came despite an intensive, last-minute lobbying effort by the President and his top energy advisers. [See p. 52E1]

In another action the same day, the House approved by a 248-170 margin a bill raising through June 30 the ceiling on the national debt by \$36 billion to \$531 billion. Seeking to create veto-proof legislation, the Ways and Means Committee originally had tied the debt ceiling increase and the oil tariff bill into a single package. However, the House Rules Committee split the bills apart Feb. 4 after being warned that Ford might veto the combined legislation anyway and blame the Democrats. Without an increase in the debt ceiling, the government would exceed the current \$495 billion ceiling by late February, forcing it to curtail its borrowing and probably making it unable to meet some of its obligations.

In the vote to block the oil tariff increase, 42 Republicans crossed party lines to join 267 Democrats opposed to the boosts. A one dollar increase in the price of each barrel had taken effect Feb. 1. The House-passed legislation would rescind this increase and the other increases set to take effect March 1 and April 1. The House Democratic leadership asserted it needed the 90 days to draft its own energy legislation.

**Congress freezes cost of food stamps.** An administrative proposal by President Ford to increase the cost of food stamps March 1 was overwhelmingly rejected by Congress. The House Feb. 4 approved by 374-38 vote a bill blocking food stamp price increases for the remainder of 1975. The Senate followed suit Feb. 5, passing an identical bill 76-8.

The Administration had proposed the increase as part of its effort to stem the

**A** rapid growth in the cost of social programs. Under the proposal, the cost of a month's allocation of food stamps would have increased from an average of 23% of recipient families' net income to 30%. The Administration had hoped to realize annual savings of about \$650 million. (About 17.1 million poor and elderly persons participated in the program, administered by the Agriculture Department.)

**B** Congressional opponents of the increase argued that it would worsen the plight of the poor and elderly during a time of recession and inflation.

In testimony before the House Agriculture Committee Jan. 30, Edward Hekman, administrator of the Food and Nutrition Service of the Agriculture Department, had defended the proposed increase. Calling it a means of slowing the growth rate of federal expenditures, Hekman asserted the increase would make the program more equitable because "everybody would pay the same thing for food." Hekman, who claimed to have suggested the increase, also said that poor people paid a lower percentage of income for food than the rest of the population.

**C** *Ford condemns recalcitrant Congress*—President Ford, speaking through his press secretary Feb. 6, condemned Congress for obstructing his energy and tax programs. "Congress has been here a month and does nothing but vote for a delay," Ron Nessen, the White House press secretary, said to reporters. Nessen was referring to an earlier House vote suspending increased oil tariffs, and the House and Senate votes to freeze the cost of food stamps. [See above]

**D** The President was attacking Congress, Nessen said, "more in sorrow than in anger, because he believes the nation needs and wants action."

**E** Nessen said the President hoped the Senate would not join the House in opposing the increased oil tariffs. Nessen also defended the proposed rise in the cost of food stamps, noting that the Administration's projected fiscal 1976 budget deficit of \$52 billion would be \$650 million higher if the price of food stamps remained the same.

## School Integration/Civil Rights

**F** *Voluntary Boston school plan submitted.* The Boston School Committee Jan. 27 submitted to a federal court judge a plan for desegregating the city's public school system in the fall of 1975. Unlike the interim, court-ordered busing plan currently in effect, the new proposal provided for voluntary student enrollment in biracial classes. [See 1974, p. 1090A2]

**G** Three of the committee's five members had been cited for civil contempt by U.S. District Court Judge W. Arthur Garrity Jr. Dec. 27, 1974 when they refused to approve a desegregation plan. However, Garrity ruled that the school committee dissidents would purge themselves of contempt if they "authorized" an integration plan by Jan. 7. Garrity subsequently extended the deadline after he was informed that a voluntary plan was being readied for submission. On receiving the 600-page

proposal, the judge ordered further hearings. He said he would appoint "masters" to study the committee's plan and the blueprints for integration filed by 15 other government agencies and community organizations.

The school committee's plan relied heavily on so-called "magnet schools" located in six different zones in the city. Children already attending integrated classes would be given the first chance to enroll in the varied learning programs at the magnet schools, and "an attempt then will be made to accommodate every student who applies for a citywide magnet school," a summary of the plan said.

Based on the make-up of surrounding neighborhoods, the remaining schools would be designated either "predominately white" or "predominately minority." Pupils of the opposite category then would be allocated to these schools. Children attending schools that still failed to meet federal court guidelines for racial mixture would participate in compulsory scholastic activities at a "neutral" site one day a week.

*Violence persists*—Meanwhile, violence continued to plague high schools of the South Boston area. More than 100 policemen patrolled the corridors of Hyde Park High School Jan. 14, after racial clashes the day before had resulted in three injuries and 13 arrests. Racial fighting had also resulted in arrests of 15 Hyde Park students Jan. 9 on charges of disorderly conduct.

South Boston High School, closed since a Dec. 11, 1974 stabbing incident, reopened Jan. 8. The approximately 400 students—31 of them black—who returned to classes were guarded by an estimated 500 state, metropolitan and city policemen. Judge Garrity Jan. 2 had denied a motion by Boston city attorneys to permanently close the school, which had been the focal point of opposition to the court-ordered, forced busing plan.

*Miss. college segregation charged.* The Justice Department Jan. 20 charged that the student bodies and faculties of Mississippi's 25 state colleges and universities were illegally racially segregated. Contained in a proposed supplemental complaint, the charge was submitted to the U.S. District Court in Aberdeen, Miss. Having already intervened in 1971 in a private suit to desegregate the state's two land-grant colleges, the Justice Department sought to broaden its attack on Mississippi's alleged dual system of higher learning by combining the new complaint and the existing suit. [See 1974, p. 537A2]

The proposed complaint, which named Gov. William L. Waller and key state higher education officials as defendants, asked the court to prohibit them from continuing to operate a racially dual system and to order them to develop and implement a desegregation plan.

According to the complaint, student admission policies, faculty hiring and assignment practices, resources, programs and activities of the institutions

were largely segregated by race. Such acts and practices, the complaint charged, perpetuated an unlawful, dual system and deprived black students of equal protection under the law.

More than 72,000 students were enrolled in the state's eight four-year colleges and universities, its medical center and 16 two-year junior colleges.

The private suit, filed in 1970, charged that the state's two land-grant colleges—predominately black Alcorn A & M and predominately white Mississippi State University—were "integral parts of a dual, segregated system of higher education." It asked the court to prohibit the practice.

*U.S. agencies scored on rights effort.* A report by the U.S. Commission on Civil Rights, made public Jan. 22, accused the federal government of laxity in enforcement of civil rights laws in education. The 400-page document singled out for criticism the Department of Health, Education and Welfare (HEW), the Internal Revenue Service (IRS) and the Veterans Administration (VA).

In its recommendations to President Ford, the report warned, "We are at a dangerous crossroad in connection with school desegregation. . . . We cannot afford—because of organized resistance in Boston or any other community—to turn back. Extraordinary action is called for. . . ." To insure effective civil rights compliance, the commission said, the President should appoint a White House coordinator of enforcement to bring about "vigorous and effective enforcement of the constitutional mandate to desegregate. . . ."

The commission found that HEW had failed to issue comprehensive guidelines on such matters as busing and city-suburb desegregation because of pending court or Congressional action. "Administrators are entitled to guidelines based on today's law. If the law changes, changes can be made in the guidelines," the report said.

To a large extent, the report contended, HEW had depended too heavily and too long on voluntary compliance "to the virtual exclusion" of the ultimate sanction of cutting off funds. As a result many educational institutions stopped taking government enforcement efforts seriously, the report asserted.

The report suggested HEW monitor at least 25% of the colleges receiving federal funds each year and take prompt action to assure minorities and women equal job opportunities.

The commission accused the IRS of negligence because it was not fully using its power to withhold or withdraw tax-exempt status from nonprofit and private schools, many of which were created by communities to avoid sending children to integrated schools. The IRS had sent a questionnaire to church-sponsored schools in 1971, but had yet to finish reviewing the responses, the report noted.

The commission said the VA had failed to fulfill its responsibility of insuring equal educational opportunities in the trade

## CONGRESS REJECTS FORD'S PROPOSAL TO INCREASE COST OF FOOD STAMPS

An administrative proposal by President Ford to increase the cost of food stamps beginning March 1 was overwhelmingly rejected by Congress. The House Feb. 4 approved by 374-38 vote a bill blocking food stamp price increases for the remainder of 1975. The Senate followed suit Feb. 5, passing an identical bill 76-8. The Administration had proposed the increase as part of its effort to stem the rapid growth in the cost of social programs. Under the proposal, the cost of a month's allocation of food stamps would have increased from an average of 23% of recipient families' net income to 30%. The Administration had hoped to realize annual savings of about \$650 million. (About 17.1 million poor and elderly persons participated in the program, administered by the Agriculture Department.) Congressional opponents of the increase argued that it would worsen the plight of the poor and elderly during a time of recession and inflation.

In testimony before the House Agriculture Committee Jan. 30, Edward Hekman, administrator of the Food and Nutrition Service of the Agriculture Department, had defended the proposed increase. Calling it a means of slowing the growth rate of federal expenditures, Hekman asserted the increase would make the program more equitable because "everybody would pay the same thing for food." Ford announced Feb. 13 that he would accept the congressional price freeze on food stamps for the remainder of 1975.

## The Houston Post

*Houston, Texas, February 2, 1975*

Up to now the worst aspect of food stamps has been the failure to reach many Americans who need them. Of the 35 million who are eligible, some 20 million know nothing about the food program. Congress wanted the American poor to have this help. It gave the Agriculture Department \$200,000 to use in informing the public. Secretary of Agriculture Earl Butz ignored the directive, apparently acting on the theory that what the poor don't know won't hurt them. But a U.S. district court judge recently ordered Butz to spend the money to publicize the food stamp program.

In exact counteraction to this philosophy, President Ford is going right ahead with his plan to raise the cost of food stamps until they become meaningless to millions of Americans. The elderly, whose diet is already notoriously inadequate, will be the hardest hit. Despite the uproar in Congress and suits filed by civic groups, the administration will increase the cost of food stamps for 95 per cent of the people on the program. The reason: To save \$650 million. We will be saving the money at the expense of the poor. But an Agriculture Department spokesman, in a fascinating piece of doublethink, said this would not only save money but "provides the greatest fairness to all."

Those who buy food stamps spend them immediately in the nearest grocery store. Because food stamp money goes directly back into the economy, the cut in food stamp dollars will mean a cut in dollars spent on food. The Community Nutrition Institute estimates that if 10 per cent of the recipients leave the program — a conservative guess — the Texas economy will lose \$69 million. Ohio would lose \$50 million, Maryland \$16 million, Virginia \$13 million. Comparable losses would be felt in every state.

This means that people now working and self-supporting will lose their jobs and be thrown onto welfare. Though the administration calculates to save \$650 million a year with its cut in the food stamp budget, it may soon have to pay out much more to help a new horde of the jobless. It is to be hoped that Congress can act quickly to circumvent this particular piece of false — and cruel — economy.

## St. Petersburg Times

*St. Petersburg, Fla., February 3, 1975*

Maybe President Ford misread the message. When ordinary Americans applauded his promise to cut government spending, they didn't know he meant to take the saving out of their hides.

Or to snatch the food off their tables. Or to let their pensions erode with inflation. Or even to cut back the grants that help bright, poor high school graduates make it to college.

**THEY THOUGHT** he intended to ferret out government waste. They assumed he figured to save some of the billions of dollars we formerly had to spend on the Vietnam War.

But the Pentagon, the President says, requires more, not less, now that we aren't fighting a war anywhere. And Mr. Ford says he urgently needs an extra \$522-million, to prop up tottering governments in Saigon and

Phnom Penh, the same governments we weren't quite able to save with an outlay over 10 years of 55,000 American lives and maybe \$150-billion.

Luckily, this crucial transfusion of funds won't actually unbalance the budget. Because Mr. Ford has found he can save that much, and a little bit more, by cutting back on food stamps.

Too many hungry Americans — about 17-million of them, by latest estimate — have latched onto this program, the Ford Administration believes. So it will shake some of them off — the poorest ones, probably — by raising the minimum cash payments required.

**ALSO FINGERED** in the government's financial crunch is the Social Security set. Mr. Ford says the pensioners' next cost-of-living increase will have to be trimmed. Five

per cent tops, Mr. Ford says, no matter how much harder than that their checks are hit by inflation.

And in a \$2.6-billion package of proposed economies Mr. Ford sent to Congress last week, he called for other dubious savings. In cancer research. Construction of schools. The "jobs opportunities" program. Grants to help poor students meet college costs. Alcohol and drug abuse work.

We believe President Ford to be a reasonable, intelligent, compassionate leader. Obviously, though, he is getting some hard-hearted advice. Fortunately, Congress will have something to say on his budget priority list. It already is moving to block his most short-sighted cuts. We trust it will go on from there to apply some better ones, on its own.

## The Afro-American

Baltimore, Md.,  
February 4, 1975

Congress has the responsibility to prevent President Ford and his Administration from stripping poor people of some of the benefits they get by taking advantage of the food stamp program.

At a time when recessionary problems, according to some sources, have forced the number taking advantage of food stamps from 15.8 million to 17 million, it is idiotic to talk about cutting back on the amount of high-cost food poor people can purchase.

The Agriculture Department on March 1 plans to change its program so that poor families would have to use 30 per cent of their income to buy food stamps rather than the 23 per cent now required.

That would force some families to drop out of the program.

It would reduce the amount of money poor families would have left to buy other necessities, such as higher fuel bills.

For President Ford to push this kind of cut as part of his anti-inflation program borders on inhuman treatment of an element of the society now struggling to make ends meet at the bottom of the heap.

Just as the Congress has moved to prevent President Ford from imposing his energy tariff plan on the country, it must stop the March 1 food stamp cutback.

The amount of money President Ford claims he could save by imposing more hardship on the very poorest, is relatively so small as to be meaningless.

It is hard to imagine Congress permitting this national disaster to befall already suffering poor people.

At best these citizens, many of them elderly, can't look forward to much better days. Surely they should not have unnecessary hunger as one of the burdens the government imposes as part of its war against inflation.

## THE PLAIN DEALER

Cleveland, Ohio, February 8, 1975

Both the U.S. Senate and the House of Representatives have now voted to block the Department of Agriculture's plan to save \$650 million a year by raising the price of food stamps.

Congress responded with commendable speed after it became clear that the agriculture bureaucracy could not be talked out of its idea even though the number of persons using food stamps is at an all-time high. The Agriculture Department wanted to require every recipient to pay a flat 30% of his or her monthly income for stamps. Some recipients now pay as little as 5%, and for them the increase would have been devastating. Others would have been priced out of the program because the amount they would have been required to pay would have been more than the face value of the stamps.

The Ford administration has made it plain recently that it is more than slightly leery of proliferating federal social welfare programs. We sympathize with that concern and with the administration's effort to curtail government spending. We believe, however, that the Department of Agriculture and other departments can find ways to reduce spending in programs that are not so vital to the poorest segment of society.

## The Des Moines Register

Des Moines, Iowa,  
February 7, 1975

The first legislation passed by the Ninety-fourth Congress was a stinging rebuke for President Ford. His proposal to raise the price the needy would have to pay for food stamps was blocked by a vote of 374 to 38 in the House and 76 to 8 in the Senate. Members of his own party voted heavily against him.

Iowa and several other states already had mailed instructions about the new regulations to district food stamp offices, and quick congressional action was necessary to prevent their taking effect. Congress responded with unusual speed. The bill scuttling the new rules cleared the House less than a week after emerging from committee. The Senate completed action on it a day later.

The proposal would have saved an estimated \$648 million a year in federal funds, but it would have placed a significant share of this federal belt-tightening on those whose belts already are the tightest. U.S. Department of Agriculture figures show that retail grocery prices have risen faster than increases in food stamp benefits.

Raising the price of the stamps would have discouraged their use.

Ford's proposal came under heavy fire when it was first published in the Federal Register, but Ford didn't budge. The size of the votes overturning his plan ought to convince him to redirect his inflation-fighting efforts away from those already suffering the most from inflation.

## The Boston Globe

Boston, Mass., February 8, 1975

There are few for whom these are the best of times and many for whom they are the worst. The poor, whose condition was but a little altered by the war on poverty, are with us still, joined now by a growing family of unemployed, underemployed, students and wanderers.

Caught in the web of this tangled economy, the poor suffer most when government sets out to tighten belts. This is not liberal mush, and those who think it is might well volunteer and take the place of a marginally employed breadwinner with two or three offspring. Suddenly, the often-criticized food stamp program would seem heaven-sent, though inadequate.

President Ford, no friend of the program, wants to increase the price of food stamps in the name of econ-

omy. The Ford Administration estimates this would save \$216 million in fiscal 1976. We believe that President Ford is not personally a stingy man, but he cannot escape appearing so when he urges such a paltry saving in a budget that approaches \$350 billion.

The Congress has no intention of further pressing the already hard-pressed, and has overwhelmingly voted to freeze the price of food stamps at the current level. The President must now either veto the measure or sign it and we urge him to do the latter, if for no other reason than national unity in a time of crisis. Otherwise, the Congress should override his veto unanimously. This is no time to nickel and dime the poor.

## New York Post

New York, N.Y., February 7, 1975

Two lopsided votes in Congress—374-38 in the House and 76-8 in the Senate—have passed legislation preventing the Ford Administration from boosting the prices of food stamps. Those figures are extraordinary. They relate to bigger numbers elsewhere.

In this city alone, nearly 950,000 people depend on the federal food coupons, which represent a total of some \$30 million in extra purchasing power for them. Nationally, as of last summer, the program was serving 13 million Americans, and there has been a rapid increase since then. Today a minimum of 17 million persons, many of them recently unemployed, depend on the subsidy, now involving an estimated \$4 billion annually.

The Department of Agriculture's decision to make \$650 million in economies

at the expense of these Americans was not simply an attack on the defenseless aging and poor. It also strikes hard at middle class victims of economic disasters the Administration seems unable to combat. That is probably one reason for the overwhelming votes in House and Senate on the bill suspending any stamp-price increase in 1975.

In any case, the heavy margins suggest plainly that the measure is veto-proof—and that the President's ill-considered defense of the aid cuts is viewed as inequitable and irresponsible by much of the nation.

He can hardly evade the message embodied in these votes. They reflect unmistakable national unrest over a White House economic strategy that gives so much higher a priority to military expenditure than to human needs.

# THE TENNESSEAN

Nashville, Tenn., January 24, 1975

**T**O justify the slashing of food stamp benefits, officials of the U.S. Department of Agriculture have pointed to President Ford's State of the Union speech.

and does nothing to contribute to a new debate on balancing social services and fiscal responsibility.

## The Providence Journal

Providence, R.I., February 10, 1975

An aroused Congress has virtually killed the Ford administration's drastic and ill-considered plan to raise the price of food stamps. Both the House and the Senate registered lopsided votes against the plan (374-38 and 76-8, respectively), showing the breadth of concern for millions of the nation's poor who depend on the stamps, especially during a period of cruel inflation.

By freezing the price of food stamps for the rest of 1975, Congress has helped the program's 17.1 million recipients eke out their meager food dollars a bit further. Yet while this freeze was imperative to keep poor families from suffering even worse hardship, it should not be read as a blanket endorsement of the entire food stamp program as it now functions. The program is a complicated crazy quilt of administrative burdens, special exemptions and deductions and, above all, glaring inequities that hurt those most in need. While in its purpose the food stamp program represents perhaps the most worthy of governmental social assistance outlays, its regulations badly need revision.

Food stamps provide a bonus system under which low-income families can stretch their food dollars by 10 or 15 percent. Participants pay, on the average, 23 percent of their monthly net income for the stamps (a ratio that President Ford had wanted to increase to 30 percent). They receive stamps with a face value greater than the amount paid (\$154 a month for a family of four), and use them in grocery stores in place of cash. The laudable purpose: to funnel government aid directly to alleviating the most devastating fact of being poor — hunger.

But flaws in the system abound. For one thing, the fraction of income that must be spent on stamps varies sharply according to family size and income level. Lower-income families (except the poorest, who obtain the stamps at no cost) and the largest families generally have to pay proportionally more of their income for stamps than do relatively better off, or smaller families.

Additionally, the requirement that all public assistance recipients are eligible for food stamps works an unfair disadvantage on non-welfare families at the same income level, who may not be eligible for food stamps. Finally, the program's outreach effort, designed to inform all possible eligible families about food stamps, has been strongly criticized as inadequate. There also are reports of abuses that deserve investigation, and an appalling lack of data on the categories of people enrolled in the program and the numbers of those needy whom it does not reach.

Clearly, the need for seeking greater equity is great. Congress acted in an emergency situation to forestall a food stamp price increase that was to have gone into effect March 1. Now that it has taken this important step, it needs to institute a careful review of the whole program to provide more aid to those most acutely in need.

"For decades, we have been voting ever-increasing levels of government benefits — and now the bill has come due," the President said last week. "One characteristic of these programs is that their cost increases automatically every year because the number of people eligible for most of these benefits increases every year."

When the decision to cut back food stamps was first announced in November, administration officials talked of seeing the reductions in a "long-range" perspective. So, President Ford's statement is not new; and that is the problem.

The social service programs are open-ended and do present budget and administrative problems. However, those problems can only be solved through a new debate on the purpose and means of effecting social services and the consequent passage of legislation.

Instead of beginning a new debate, Mr. Ford has reiterated the conservatives' theme of welfare waste. To counter that argument by pointing to the de facto open-ended defense budget — or other examples of the government's generosity to special interests — is a futile exercise

The reduction of food stamp benefits is not the beginning of a long-range effort to restore fiscal responsibility to the federal budget, and in the immediate future it will only make worse the effects of the economic crisis on those persons who cannot control their situation.

In slashing the food stamp benefits by about \$645 million, the administration will literally take the bread out of the mouths of many elderly persons on fixed incomes. Indeed, the original USDA directive would have meant that some persons would have paid more for the food stamps than the food stamps were worth. The final directive is more generous: eligible persons will always receive at least \$1 more in food stamps than they pay. Thus, the poor will not have to pay for the privilege of being needy — a small consolation.

A number of senators and representatives, both liberals and conservatives, have begun action to rescind the USDA directive slashing food stamp benefits. That will be a good short-term answer. In the end, however, Congress will have to begin the debate on balancing social services and fiscal responsibility; and congressmen will have to get down to the business of governing this country.

## The Salt Lake Tribune

Salt Lake City, Utah, February 1, 1975

President Ford's attempt to tighten up the food stamp program as one means of reducing federal spending has apparently run into insurmountable opposition in Congress.

Much of the blame must be laid to bad timing and a too sweeping approach to cost cutting which inevitably penalized certain classes of food stamp recipients (such as the elderly) who need the assistance most.

Even members of the House Agriculture Committee who voted 33 to 2 against the President's plan to trim benefits concede that a review of the food stamp program is needed. But the President's proposal, which would have forced the needy to pay a greater percentage of their income for stamps, was not a review. It was a one-shot effort to cut costs without due consideration for harsh side effects.

Mr. Ford's pruning attempt coincided with a dramatic increase in applications for food stamps brought on by worsening economic conditions. Latest reports indicate that although millions eligible for stamps still have not applied for them, many thousands who may once have held

themselves "above" accepting government aid are now avidly seeking it.

Latest food stamp figures show an increasing percentage of the work force, both unskilled workers and jobless journeymen are turning to stamps.

In view of the increased reliance on food stamps it is more than ever necessary to review the program with an eye to confining it to those who actually need the assistance. That means going over the federal guidelines word for word to eliminate unrealistic barriers to aid as well as cutting off moochers.

Once eligibility requirements have been made more equitable, official attention can turn to the President's proposals for higher spending by recipient families.

Food stamps, which cost the government in excess of \$4 billion a year, were conceived as a means of assuring that everyone could obtain an adequate diet. This original concept must not be lost sight of during the overhaul.

The food stamp program must not be seen as a handy budget cutting opportunity nor as an easy touch for freeloaders who don't need the help.

## TULSA DAILY WORLD

Tulsa, Okla., February 7, 1975

## The Washington Post

Washington, D.C., February 1, 1975

**T**HE HOUSE Agriculture Committee has acted speedily and wisely to prevent the Ford administration from going forward with its planned increases in the cost of food stamps to the poor. The committee vote, 33-2, orders the administration to charge no more for food stamps than it charged on Jan. 1. As sensible—and needed—as that injunctive action was, the committee should realize that its work in the area of food stamps has just begun. Elsewhere on this page today, Jodie Allen lays out in some detail the reason that this is so and offers an alternative to both the present program and the administration's proposed variation on it.

From its inception, the food stamp program has been a patchwork affair, with a series of convoluted deductions that help to determine a family's net income for the purpose of establishing how much it should pay for the stamps. While no one would argue that no such system is necessary, the problem with the present program is that it creates inequities against the weakest persons in the system, the elderly indigents who live by themselves.

Other problems cry out for careful study, including the so-called "outreach" program that the states are supposedly conducting to inform their poor residents of the existence of the program. Congress intended that the outreach program be a vigorous one, but a U.S. District Court has recently held that the program is anything but adequate. As a result, perhaps as many as half the people eligible for food stamps are not receiving that assistance.

One of the measures of the Agriculture Department's sensitivity to its constituency among the poor was demonstrated in the Agriculture Committee hearings recently. Edward J. Hekman, who administers the food stamp program, told the committee that public comment had been solicited before the administration proposed the price increases the committee later voted to prevent. Hekman said he received 4,317 responses from the public. "All of the comments were carefully analyzed in the decision-making process," Hekman assured the committee. Then he was asked how many of those 4,317 comments supported the increase in prices his department was proposing. "Fifty," the agriculture official replied.

And so it has gone at Agriculture. The department assured the Congress it could save about \$100 million by eliminating the "non-needy students" who now receive the stamps. But how many students who aren't really poor are receiving food stamp assistance? The Department doesn't know. It is not sure how many of its recipients are elderly or how the drastic reduction it had proposed would have affected the elderly.

These are among the reasons we believe the whole food stamp program needs a full-scale review by the Agriculture Committee. The department plays a vital role in the fight to combat hunger in America. Yet, from all indications, it doesn't know a great deal that it should know in order to administer the food stamp program properly. All that would seem to suggest that food stamps are an insignificant part of the Agriculture Department's business, a small part of a much larger enterprise too busy with other matters to keep a close eye on this program and know its workings well. Not so: since the vast reductions in the farm support program over the last several years, the food stamp program now represents two thirds of the department's budget. That is why oversight is of the utmost importance. Hunger is too serious a matter to leave to the Agriculture Department without some serious supervision.

IF A vote-conscious Congress had laid out the scenario itself, it couldn't have picked a better example to show its compassion than food stamps. PRESIDENT FORD served up a patty-ball and both Houses slammed it back for a kill.

The Administration had the nerve to try to increase the cost of food stamps to the poor. Politically, it couldn't have picked a worse way to save money unless it had tried to cut Social Security payments or aid to disabled veterans.

A hungry Congress, in the current phrase, ate the PRESIDENT'S lunch. First the House clobbered the increase by a vote of 374 to 38; then the Senate finished it off by 76 to 8. The sentiment was so one-sided that it's predicted Mr. FORD won't even bother to veto.

That means a projected \$650 million a year saving in Federal funds will not be achieved. The 17 million participants in the food-subsidy program will not have to pay 30 per cent of their net income for the stamps.

Yes, that is compassionate, and the Congress can hardly be blamed for

rescuing people on low incomes from the first blow in the anti-recession campaign. The PRESIDENT and SECRETARY OF AGRICULTURE EARL BUTZ must be very hard-headed men even to suppose that such a political heresy could slip by the new Congress.

So the Administration's nose has been bloodied and we go on from here. Congress has proved it will not stand for kicking poor people around. But the vote does raise a couple of questions.

First, is Congress willing to examine the food-stamp program and determine what excesses or inequities have come into it? Is it intended, for example, to support college students and other people who, although their incomes are not high, cannot be considered poor people down on their luck? Can improved guidelines be set to limit the eligibility requirements to those genuinely in need?

And secondly, will Congress find some more suitable place to save the money it has refused to save in the food-stamp program? What the lawmakers have done up to now is the easy part. Let's see how they respond to the tough task that remains.

## St. Louis Review

St. Louis, Mo., February 7, 1975

The proposal to withhold cost of living benefits from the elderly living on social security and to raise the cost of food stamps for the poor is incredibly gross. Just those citizens whose lives are most acutely imperiled by uncontrolled inflation are asked to bear the principal burden of stabilizing our economy.

Unlike inflationary periods in the 1960s when the impact of rising prices was distributed evenly among income groups, the current inflationary period is 20 per cent worse for the poor than for middle-income families, precisely because of escalating food prices. At the same time, the unemployment rates for those with the lowest income have risen fastest.

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The Ford Administration has proposed to raise the cost of food stamps for the poor to a flat 30 per cent of their monthly income, which is a substantial increase over the present average of 23 per cent of monthly income. What we fail to see is a serious effort to invert the burden of our inflation cum recession so that those best able to sustain increased costs and taxes will bear the principal burden. Current Congressional action to freeze the

price of food stamps at their current levels should be encouraged.

The domestic exercise in inequitable treatment of the poor is possibly related to our government's mishandling of food distribution overseas. A recent published study shows that the developing nations most in need of food shipments, including the famine stricken areas of Africa, the poorest nations in Southeast Asia, such as Bangladesh and India and selected poor neighbors in Latin America, receive the smallest allotment in our Food for Peace program. At the same time, food is used as a political tool to extend our influence with less needy nations. The disproportion is so startling that the program has been described by critics as a Food for War tool.

This is substantially what Pope Paul VI warned against when he addressed the World Food Conference in Rome last November. He pointed out that food is being used as a weapon in the world today and that this usage is immoral. We must insist that our elected representatives scrutinize closely all proposals which involve the domestic and foreign distribution of food.

## The Oregonian

Portland, Ore., February 1, 1975

President Ford's executive order raising food stamp costs to millions of poor Americans beginning March 1 is calculated to save the government \$645 million. In spite of the reduced government outlay, strong congressional opposition has developed, because the price increases will particularly affect elderly recipients under the Supplemental Security Income Program whom Congress expressly acted to keep in the program. The battle will be fought later this year, when Congress may act to modify details of the President's order.

However, while the legislative-executive jockeying occurs, the poor must be confused by the federal hand that withdraws food aid from

them only to redirect it elsewhere. The New York Times News Service reports that the administration is about to announce a \$500 million increase in the food foreign aid program, to \$1.4 billion. Americans whose food stamp costs will rise sharply in another month would surely like a clear explanation of why more than \$500 million of the food aid is going to nations not classified as among the most needy.

This irony is about as bad as that in which the federal government will be giving tax rebates or "negative income taxes" to the poor but will be collecting more than the refunds in higher food stamp prices.

AKRON BEACON JOURNAL.

Akron, Ohio, February 9, 1975

THE ADMINISTRATION'S plan to increase the cost of food stamps may, as Sen. Hubert Humphrey said, make "Scrooge look like a social worker." But even Scrooge would have had a dickens of a time being generous if he didn't have any money.

The overwhelming votes in the House and Senate to block the Ford plan make a veto appear suicidal. The House voted 374 to 38; the Senate vote was 76 to 8.

Mr. Ford had proposed that some 95 percent of those enrolled in the food stamp program pay 30 percent of their net incomes for stamps. They now pay about 23 percent. The savings to the government would have been \$648 million.

The hot reaction by the Congress was understandable. No one, not even administration supporters of the increased food stamp cost, wants to pick on the poor, particularly when dealing with something so essential as food.

But it is plainly irresponsible for the Congress to spend \$648 million without either raising \$648 million or paring \$648 million from some other part of the budget.

Those congressmen who voted to block the food stamp price increase may argue that \$648 million is peanuts in a \$1 billion-a-day budget. And they would be right. But that budget contains more than \$50 billion worth of peanuts the government can't pay for.

The time is long overdue for the Congress and the administration, working together, to go back to square one with the budget. They cannot continue to look only at the annual add-on; they must go back to how the first dollar is spent and ask whether it should be.

They must look not only at new Pentagon programs but at Teddy Kennedy's beloved Boston Navy Yard. They must look not only at new social programs but at whether anything of value is being received from long-established programs.

It took the United States nearly 200 years to compile a national debt of \$498 billion, a figure the Treasury estimates will be reached in two weeks. At the rate estimated in President Ford's proposed budget, that figure would double in less than 10 years. At the rate the U. S. is spending money it doesn't have this year, it would take less than 15 years for the deficit to double.

And when Uncle Sam borrows money, he must pay interest just like the rest of us. In the next year, interest will account for more than 10 percent of the total budget.

The problem with Congress dealing with the budget is that everyone has his favorite slice of the pie. Sen. Kennedy can be a leading critic of defense spending and still lead the fight to save a Navy installation the Pentagon wants to close.

The Congress must face the fact that it cannot continue its reckless spending habits without wrecking the economy; it cannot continue to borrow against the future while thinking the future will never arrive.

The future is here. Now. There has to be belt-tightening. Somebody's ox is going to be gored. And if the Congress does not want the food stamp recipients' ox gored, it will have to agree on somebody else's.

To do otherwise would be totally irresponsible. A deficit of \$1 billion a week is a national disgrace. But it appears that a blind and irresponsible Congress is determined to make it worse.

## OKLAHOMA CITY TIMES

Oklahoma City, Okla., January 28, 1975

THE FOOD STAMP program is being widely criticized because officials admit they are unable to prevent benefits from falling into hands of ineligible persons. An assistant commissioner of welfare said, "We shovel it (food stamps) out the door. There are virtually no controls."

Costs of food stamps are expected to double in less than two years. The future is even more frightening, because talk of more stamp plans is circulating in Washington. Those who are now having part of their grocery bills paid by taxpayers are saying that it would be nice if Congress would set up stamp plans also to help pay for their fuel, their clothing and their housing.

The proverbial camel has his nose inside the tent, and is working to squeeze in all the way. If he makes it, the result may be government handouts for everybody, and everything.

## The Evening Gazette

Worcester, Mass., February 8, 1975

The House and Senate votes against President Ford's proposal to put the brakes on the zooming federal food stamp program shows how difficult it is going to be to get any balanced economic program through Congress.

Congress is all in favor of the idea of cutting taxes, even though this will produce a budget deficit next year of more than \$50 billion.

But Congress is unwilling to consider steps to cut down government spending in order to hold the deficit at that figure. With their eyes nervously on the next election, few representatives are about to be caught doing anything that would look like a vote against the poor and the old.

Given the political climate in this country, and the chronic unwillingness of Congress to look beyond its nose, we don't see how President Ford is going to do much toward solving the problem of the so-called "transfer payments." These are the billions of dollars, both those included in the budget and those outside it, like Social Security payments, that are taken out of the producing sector and given to the non-productive.

It is the explosive growth of these programs — Social Security, Railroad Retirement, Medicaid, welfare, veterans benefits, etc. — that has pushed the dollar to the wall. The United States now has a gross national product of \$1.5 trillion and one-third of that is spent on government at all levels. At the current rate of increase, government will be taking almost two-thirds of the total gross national product in another 25 years.

The food stamp program, which has leaped from \$578 million per annum to \$2.7 billion per annum in the past five years, is a prime example. It threatens to become another monster welfare program, uncontrolled and shot through with abuse. Already there are unhealthy odors, as in the numbers of college students getting the stamps.

President Ford wanted poor families to pay at least 30 per cent of their income for food stamps to

participate in the program. The current average is about 23 per cent. A family of four with an income of \$230 a month now pays about \$65 for stamps worth about \$150 at the grocery store. Ford's plan would increase that to \$69. It was estimated that the Ford plan would have induced 10 to 20 per cent of current food stamp recipients to drop out of the program.

The change would not have increased the cost of food stamps one penny for most recipients. It would have applied only to those somewhat better off.

It seemed like a modest reform, but Congress would have no part of it. And Congress will probably have no stomach for any of the other cost-cutting measures that Ford has suggested.

If any budget cutting is done, Congress is apt to look at the defense budget, set at \$92.8 billion — an \$8 billion increase from the current level. Defense Secretary Schlesinger is arguing that this boost hardly covers the extra cost of inflation, and that the Soviets are now outspending us handily on defense.

We don't think the defense budget is sacrosanct. We wish Congress would give it a going-over with an eye to cutting waste and abuse there, too. However, we suspect that the defense budget will survive pretty much unscathed for all the wrong reasons. Faced with the prospect of putting defense contractors out of work, which could lead to mass layoffs, Congress will probably go along with most of what Schlesinger proposes.

At any rate, the defense budget is only about 6 per cent of the gross national product. It has held that percentage for the past several years. It is by no means an uncontrollable monster, growing by leaps and bounds, like the social welfare segment.

President Ford is the first president to deal frankly and directly with the problem of taxing the productive sector of the population to benefit the nonproductive. Whatever the fate of his proposals, the issue is going to be with us for years.

## Ford Allows Food Stamp Cost Freeze

By Austin Scott

Washington Post Staff Writer

President Ford announced yesterday he will allow a bill freezing the cost of food stamps through 1975 to become law without his signature.

He faced his announcement with criticism of Congress for blocking his attempt to raise food stamp costs without suggesting any ideas of its own for reducing the program's \$3.7 billion annual budget.

The President's proposal to charge almost all 17.1 million food stamp recipients a flat 30 per cent of their adjusted incomes, instead of the current 21 per cent average, was blocked by the Senate last week, 78 to 6, on the heels of a 374 to 38 vote against it in the House.

A presidential veto almost certainly would have been overridden by Congress.

The Agriculture Department had predicted the proposed price increase would save taxpayers \$650 million a year.

"The Congress and the President share the responsibility of finding ways to limit the spending of taxpayers' money," Mr. Ford said in a statement yesterday. "... If the Congress simply rejects these proposals without coming for-

ward with good and timely alternatives, an unthinkable deficit will result and there will be no mistaking where the responsibility lies."

The President's announcement was prompted by two court suits filed against the proposed price increase, which was to go into effect March 1.

U.S. District Court Judge William B. Jones had said Tuesday he would issue a temporary injunction against the increase unless the government could tell him at a hearing set for 4 p.m. yesterday that President Ford would not veto the bill.

The Agriculture Department said Tuesday it did not know what Mr. Ford would do. An announcement of the President's plans came from the White House shortly before the court hearing.

Both suits contended that the White House delay in say-

ing what it would do was putting state food stamp agencies in a bind.

Without clear notification to the contrary, the suits argued, the states would have to reprogram their computers to handle the increase. The longer the outcome remained uncertain, they argued, the greater the likelihood of confusion, delays and possible loss of benefits to food stamp recipients around March 1.

Judge Jones dismissed both suits yesterday, after Agriculture Department attorneys assured him telegrams were being sent out to all states telling them to disregard the proposed increase.

Agriculture Secretary Earl L. Butz, in a short statement, echoed President Ford's concern over the cost of the program, and applauded a Senate resolution calling for a congressional review of the program.



## Wrong-Way Budget

President Ford's budget for fiscal 1976 is not only economically feeble—by its own account, it would leave unemployment hovering around 8 per cent for three years—but socially irresponsible.

The Administration contends that, in this time of intense hardship especially for the poor and the aged, social programs should be cut in order to curb inflation and keep the budget deficit from growing any larger. The Administration's stress on its forecast of an 11.3 per cent inflation rate this year and of a combined budget deficit of \$80 billion or more for the current and next fiscal years appears designed to reinforce the President's warning to Congress that it would only worsen the grim economic outlook if it voted bigger tax cuts and larger spending programs, and failed to give the President the \$17 billion in expenditure cuts he is requesting.

But Congress is showing that it has no intention of being cowed into submission by such alarmist tactics. This week Congress overwhelmingly defeated the President's proposal to raise the price of food stamps and instead froze their price for the rest of this year.

The issue of the Administration's social priorities goes far beyond food stamps. With so high a rate of inflation, many social programs have suffered sharp cutbacks, while defense spending is climbing. The President has proposed to increase defense outlays from \$85.3 billion in fiscal 1975 to \$94 billion in fiscal 1976. Proposed defense authorizations, which affect future spending and which reached \$95 billion for fiscal 1975, are marked for an increase to \$107.7 billion in fiscal 1976. This is needed, says the President, to maintain preparedness and keep up with rising costs.

Similar logic is not applied to social programs, however. Mr. Ford is proposing to hold Social Security benefit increases to 5 per cent instead of the 8.7 per cent cost-of-living increase that is scheduled to go into effect this summer. He wants to cut the Federal contribution to the states for social services—the states' share to rise from 25 per cent to 35 per cent in 1976 and to 50 per cent in 1977. The Federal Government is in a much better position than most states to finance social services in a time of falling incomes and tax revenues.

Mr. Ford is also proposing cuts in grants to the states for child nutrition, cuts in health research and in health education and training, holddowns and cuts in elementary, secondary and vocational education, trims in manpower programs, larger charges for Medicare patients, and other efforts to pass the burdens of the economy to those least able to afford them.

The President has asked Congress to accept his proposal for a moratorium on all new social programs; but the United States is not too poor to afford such programs. Quite the contrary; with vast unused resources, it is suffering from too much poverty and hardship to do without them.

## Butz Is Conciliatory on Farm Program; Clashes With McGovern on Food Stamps

By WILLIAM ROBBINS

By United Press International

WASHINGTON, Feb. 20 — Secretary of Agriculture Earl L. Butz, testifying at a hearing marked by a clash with Senator George McGovern, surprised the Senate Agriculture Committee today with a conciliatory position on farmers' demands for guarantees against severe distress if large crops should depress market prices.

The Secretary, laying aside a prepared statement "written by somebody else" that expressed adamant opposition to "disruptive modifications" in present farm law, softened its impact with extemporaneous testimony that he said came "from the heart."

### Unaware of Statement

In contrast with the prepared statement and his past position, Dr. Butz said he was "flexible" on increasing levels of loans that farmers can get from the Government, using their crops as security. He also indicated some flexibility on the rate of payments that farmers can receive if prices drop below prescribed "targets."

He acknowledged that the statement represented an administration position that had been coordinated with the Office of Management and Budget, but a high-ranking official in the Agriculture Department said the Secretary had considerable leeway to make compromises.

Dr. Butz was himself surprised by his first questioner, Senator McGovern, who accused the Secretary of sabotaging the food stamp program.

"Mr. Secretary, your Administration daily violates not only the law as passed by Congress, but even your own regulations," the South Dakota Democrat said.

His voice rising in anger and his eyes flashing, Dr. Butz responded: "I can't let you sit there and say that I have deliberately violated the law. I have sworn to uphold the law."

The Senator opened his criticism with this remark: "It's my own judgment that the program is not working as well as it could because administrators at the state and local

level know you don't want it to work."

Mr. McGovern said he based his accusation on several counts. He said the Agriculture Department's regulations did not provide a "nutritionally adequate diet," as the food stamp law requires, and that the Administration's response to its mandate to try to reach needy families was "a total failure."

He also criticized the Administration's recent effort to increase charges for food stamps, saying, "You must know that's a violation of law."

The Secretary cited the rising costs of the food stamp program and cited difficulties of administering a program jointly with state agencies, but he defended his agency's own efforts.

Referring to the move to raise the cost of food stamps which was blocked by Con-

gress, Dr. Butz said, "I think that was in compliance with the law."

Senator McGovern had distributed his statement to reporters in advance, but the Secretary made it clear that he had been unaware of it prior to the hearing.

The food stamp controversy occupied much of a three-hour hearing, although it was called to consider possible changes in the farm program.

Under present law, farmers are guaranteed certain "target prices"—\$2.05 a bushel for wheat, \$1.38 a bushel for corn and 38 cents a pound for cotton. If market prices, which are now above those levels, should fall below the target prices, the Government must make up the difference.

The law also provides for price-support loans, below the level of the target prices, which allow farmers to borrow from the Government to hold crops in the hope that the market will improve.

Farmers contend that the target prices and the loan rates are considerably below the cost of production, and testimony by experts in recent hearings has supported those contentions.

Dr. Butz did not dispute those contentions in his testimony today.

In their questioning, all the Senators on the Agriculture Committee said they wanted to get the price guarantees and the loans levels raised.

The Secretary's actual testimony differed significantly from his prepared statement, which was entered into the record of the proceeding. The statement said:

"This Administration opposes amendments to the present target price and loan levels of the Agriculture and Consumer Protection act of 1973, which would artificially stimulate production and again lead to Government ownership of feed grains, cotton and wheat, and a return to potentially excessive direct payments."

In response to a question, Dr. Butz said he expected to see an agreement "at some place between what you want and what I want."

Marquis Childs

## Estimating the Number of Hungry in America

In preparing various drafts of President Ford's response to the overwhelming vote in Congress rejecting his proposed increase in the cost of food stamps, his aides invoked the word sacrifice. In the grave national crisis we must all be ready for some sacrifice.

For those at the bottom of the heap, sacrifice means trying to make a little money last a little longer. It means going hungry at the end of the month when food stamps have run out and the Social Security payment is exhausted.

Just how many people in America are hungry? In a column on the rise in the cost of food stamps I put the figure at 30 million to 40 million. This was challenged by Edward J. Hekman, administrator of the food and nutrition service in the Department of Agriculture. That figure was too high.

Nutrition specialists I have talked with put it conservatively at 10 million to 20 million. That is in itself a shocking figure for a nation that until the onset of the recession was regarded as having the highest standard of living in the world.

Estimates are hard to come by. How much of the hunger is actual malnutrition is difficult, if not impossible to know. But Hekman's claim that with the school lunch program, food stamps and other forms of food assistance

*"As reports from around the country show, it could mean the difference between hunger in the last week or 10 days of the month and just enough to get by."*

there is virtually no hunger in America, cannot be substantiated.

The most damning contradiction is that there are an estimated 34 million to 39 million families and single persons eligible for food stamps. The number now getting them is 17 million, representing a jump of nearly 2 million in the latter weeks of 1974, much of it resulting from the addition of Puerto Rico.

Thus, only half of those eligible by reason of income, many close to the poverty level, are benefiting from the food stamp plan. And this is true in spite of stern prodding from the Congress to seek out eligible individuals and break some of the constricting red tape that makes qualification difficult.

Speaking of sacrifices, another Ford proposal would cut a small slice off the budgetary deficit at the expense of those at the bottom of the heap, the

elderly. In accord with a cost of living increase, Social Security payments will go up in mid-year by 8.7 per cent. The President is asking Congress to make this 5 per cent instead of the 8.7 required by law.

It's hard to translate this into penury or downright poverty and the desperate business of eking out existence on too little, but here's a try. The lowest Social Security payment is \$93 a month, the highest \$316, the average \$186. If the increase required by law goes into effect, it would mean an additional \$84 a year for the pensioner on the average allowance.

That seems little enough, but as reports from around the country show, it could mean the difference between hunger in the last week or 10 days of the month and just enough to get by. Twenty million Americans over 65 are

on Social Security. Approximately 20 per cent have no other income. It must go for rent, food, clothing, transportation, with little or nothing left over.

Day to day reports from around the country tell of the old, the poor, the lonely, barely hanging or not hanging on. As prices of just about everything go up it is increasingly hard to stretch that Social Security check.

Social Security is such a mammoth operation that rumors of its troubles are deeply disquieting. To offset those rumors, former HEW administrators in both Republican and Democratic administrations recently voiced their faith in the system. A measure of its scope is seen in the savings that would accrue if Congress should hold the increase to 5 per cent. The figure is \$2.6 billion, the difference between the \$6 billion for the 8.7 hike and \$3.4 billion at the Ford rate.

There is little inclination in Congress to comply with the President's request. Those 20 million old folks have a vote, and, as statistics show, they are more likely to go to the polls than the young. Aside from cynical consideration of politics, that \$84 a year and what it could mean in barely making it will be in the minds of many members of Congress.

# President Won't Veto Food Stamp Bill

By NANCY HICKS

Special to The New York Times

WASHINGTON, Feb. 13 —

President Ford announced today that he would allow a bill freezing the price of food stamps for the rest of this year to become law without his signature.

The action was viewed as a concession of defeat to Congress, which voted overwhelmingly last week to halt a price increase planned by the Administration that would have raised the purchase price of the food coupons for almost all of the 17.1 million recipients.

The President said that the price increase, scheduled to take effect March 1, was needed to save the Government \$650-million and to hold down the rapid rise in Government spending on social programs.

"The Congress passed this bill by large majorities in both houses to block reforms which I consider reasonable and necessary," the President said in a statement released by his office as he left the capital for New York.

The votes were 374 to 38 in the House and 76 to 8 in the Senate, margins much greater than the two-thirds needed to override a Presidential veto.

Mr. Ford's statement said:

"In a major test of my efforts to offer constructive reforms and reasonable savings, I am disappointed that the Congress has not only rejected this plan but has failed to advance a constructive proposal of its own.

"If this Congress simply rejects these proposals without coming forward with good and timely alternatives, an unthinkable deficit will result, and

there will be no mistaking where the responsibility lies."

The President's statement was also released at the United States District Court here this afternoon during a hearing to determine whether Judge Walter Jones should issue a temporary restraining order to prevent the price increase from going into effect. The order had been sought by Consumers Union and the Food Research Action Center of New York.

The motion was ruled moot when the President's announcement was presented, accompanied by a telegram that had been sent to the states ordering them not to raise the March purchase price of the food stamps.

"I fully share President Ford's concern for the negative effects of this bill," Secretary of Agriculture Earl L. Butz said in a statement. "His statement documents them well."

The food stamp controversy began last fall, when the Department of Agriculture, with the President's approval, said that it would raise the price of a month's allocation of food stamps to a flat rate of 30 per cent of a family's net monthly income, the maximum allowed by law.

## How Cost Is Determined

Currently, the cost of the stamps is determined individually for each family and is determined by the family's size, source of income and net monthly income. Under this formula, recipient families pay an average of 23 per cent of their net monthly income for the stamps.

The amount of food stamps allocated to each family each month is based on the cost of purchasing what the Department of Agriculture estimates is an economic, nutritious diet. A family of four, for instance, is currently entitled to stamps worth \$154—the estimated cost of such a diet for such a family—which are redeemed for food at regular commercial groceries.

The proposed increase was strongly opposed by groups representing the poor, by Con-

gressmen who had set up the program more than 10 years ago and by the rank and file of Congress, whose constituents are joining the program in growing numbers.

The program's enrollment was stable until the last year, and since then has risen along with unemployment. Enrollment for June was 14.9 million. By November, it was 15.9 million, and it was 17.1 million by December. The last figure is 8 per cent of the population. January figures are expected to be higher.

The Administration contended that the opposition was unwarranted because the cost increase would have meant that families would still be paying only about 16 per cent of their total income for food, even though the stamps would cost 30 per cent of their net income.

## Several Bills Pending

But the price increase was considered most harmful to the elderly and to single-person families, which do not readily qualify for the deductions that determine net income.

All along, a number of food stamp bills have been pending in Congress, some to reform the program, others to liberalize it.

It was decided, however, that as an emergency measure, all immediate efforts in Congress would go into stopping the price rise. This was done with the understanding that the other issues would be acted upon before the freeze expired next Jan. 1.

The Senate, for example, had unanimously passed a resolution asking Secretary Butz to investigate the growing number of alleged abuses in the program and recommend corrective legislation. In his statement today, Dr. Butz said that he would do this.

Representative Thomas S. Foley, Democrat of Washington, said that his Agriculture Committee would hold extensive hearings and recommend new legislation.

## A Can-Do Congress . . .

President Ford is embarked on an aggressive, high-risk strategy when he goes around accusing the new Congress of doing "basically nothing" about the nation's urgent problems. His criticism is unwarranted by the facts up to now, but an element of justification might appear if certain institutional shortcomings are not resolved more fully in the weeks ahead.

During its first month, the House of Representatives dramatically shook up the seniority system, dislodging three incumbent committee chairmen and reshuffling key subcommittee chairmanships. This reorganization, which will have immeasurable beneficial effects on the work of this and future Congresses, understandably required a week or more to arrange.

Under new leadership, the House Ways and Means Committee has virtually completed the drafting of a major tax reduction bill that differs significantly in emphasis but not in broad outline from what President Ford requested. Both House and Senate have approved a bill barring the Administration's unbelievably ill-timed proposal for an increase in the cost of food stamps to the poor. The House has also passed a bill to block temporarily the President's imposition of an inflationary oil import fee. The Senate Labor Committee has reached informal agreement on a bill to expand the public service program for the unemployed by one million jobs.

By any reasonable comparative standard, this Congress is off to a constructive start, even though the House would have done better if it had emulated the Senate and renounced the traditional ten-day Lincoln Birthday recess.

The Ways and Means Committee's prompt and coherent action on the President's tax recommendation shows how responsive this committee, with its new leadership and new members, has become to the majority of the House. By contrast, the Senate Finance Committee continues to be more hostile to tax reform than are Senate Democrats as a whole. Thus, although a tax reduction bill is certain to pass, its final form cannot now be foreseen. The outlook is cloudier still for a second bill making basic tax reforms—a measure long promised by the Democratic party and now scheduled for action later this year.

Congress last year overhauled its procedures for dealing with the Federal budget. The new House and Senate Budget Committees are supposed to examine the projected spending for each Federal program and arrive at an alternative budget to the one submitted by the President. If their substitute is to have worth, the Congressional version should relate spending to total revenues and consider the impact on the economy, just as the President's attempts to do.

House Democrats last week elected Representative Brock Adams of Washington as budget chairman. He and his Senate counterpart, Edmund S. Muskie of Maine, provide strong leadership for an experiment which must succeed if Congress is to play its part responsibly in shaping the budget.

# Sometimes 'Nothing' Is Best

IN THE NATION

By Tom Wicker

Ron Nessen was not really in the wrong but he was more than a little one-sided the other day when he attacked the Democratic Congress for doing nothing. That is a phrase the Democrats will no doubt hear often, since Mr. Nessen's remarks obviously reflect the basic White House political strategy.

President Ford's news secretary spoke just after Congress had completed swift action to freeze the price of Federal food stamps. That prevented Mr. Ford from raising the price by executive action, "saving" the Government \$645-million from the higher prices and far more from the two to three million people who would be priced out of the program. On the same day, the House had voted to stop Mr. Ford from taking executive action to impose a tax on imported oil.

So it is true that Mr. Ford had moved in both cases to "do something"—save money by increasing the cost of food to the poor, and save energy by increasing the cost of oil to everybody. It is also true that Congress by voting to stop these White House actions—the Senate is expected to follow the House on the oil tax—was literally opting to "do nothing."

In fact, however, Congress had little choice but to act as it did, unless it was to let Mr. Ford have his way. If the food stamp price increase had been put in effect by March 1, as Mr. Ford proposed, the states would have to start making complicated administrative changes now; so the increase had to be stopped now, if at all. Since Mr. Ford already has proclaimed the oil tax, and since its economic bite will begin to be felt by March 1, Congress again had to take quick negative action, or let Mr. Ford's plan go unchallenged.

Mr. Ford's food stamp proposal, moreover, was manifestly ill-conceived in a time of recession, both raising the cost of food for the poor and taking money out of the economy; and it is far from clear that his energy conservation plan is either the best available for that purpose or that it will not

prove a strong drag on economic recovery. A responsible Congress could hardly let either program be imposed on the nation by executive fiat.

But the Democrats will find it difficult to persuade the public that Mr. Ford should not force their hands by arbitrary executive action, that he should work with them to develop programs acceptable to all—based, perhaps, upon plans originating in the executive branch. That is complicated, sounds self-serving, and produces no effective slogan to match that of a "do-nothing Congress."

Politically, therefore, the Democrats' best strategy—and their hardest task—is to take action on effective alternatives to Mr. Ford's proposals. On food stamps, for one good example, far more could and should be done than merely freezing prices in their present inequitable pattern, which heavily favors the better-off among the poor as against the poorest persons, and which penalizes large families. Most poor families of four or more are already buying food stamps at close to the 30 per cent of their incomes that Mr. Ford wanted to make mandatory for all, while individuals seldom have to pay more than 20 per cent. The food stamp program, moreover, is one that really does give more help to the welfare poor than to the working poor, at least in many states.

Designed originally as much to sell surplus foods as to relieve the poor, the food stamp program has been developed over the years in bits and pieces, many of them ill-fitting. But 8 per cent of the American people now are using them, and the program needs a thorough overhaul, which it would have been better for Mr. Ford to propose than his arbitrary price increase. That Congress has stopped the latter now gives it the opportunity to go ahead with the former—and imposes the danger that members may now think they have done all that's necessary.

In energy conservation, a Democratic study committee is reported to be at work on a plan to couple a rollback of Mr. Ford's oil tax with a new gasoline tax that would rise as unemployment falls, with part of the revenues earmarked for improving rail service and financing energy research. Such a program would have the virtue of stretching out energy conservation rather than trying to achieve the necessary reductions in oil imports all in one year, which could have disastrous effects on economic recovery.

But if the Democrats settle on a gasoline tax as the prime device for saving energy, they will have to make it stiff indeed—ultimately 30 to 40 cents a gallon—to be effective. That really would be doing something.

## Food Stamps and Congress

**F**OR THE FIRST bill of the season, the 94th Congress could not have made a better choice than to reverse the ill-advised attempt by the Ford administration to raise the price of food stamps for the poor. By voting in overwhelming margins against the President's action, both houses sent the clear message that a veto would be useless. Indeed, once the sentiment of Congress became clear earlier in the week, the administration might even have done well to rescind the regulation on its own.

But in one sense, and only one, it is good that the administration permitted the issue to reach a vote in Congress. Now, at least, there is a commitment from the Congress and the administration to have a thorough review of the manner in which the stamp program is being operated. There is some concern that some people who are affluent are receiving benefits intended only for the poor. If that is true, the abuses should be stopped. But the problems should be dealt with in a manner that does not spread punitive procedures through the whole program; the many should not suffer for the sins of a few. At the same time, there are many other problems with the program, among them that its provisions tend to hurt the elderly poor living alone—the very people who need this assistance most.

In its moment of crisis, the food stamp program turned out to have a remarkable coalition of friends. Sen. James Allen, the conservative Alabama Democrat, joined forces with George McGovern, the South Dakota liberal, to bring about the 76-8 result in the Senate. And William C. Wampler, the Virginia Republican loyalist, went against his party's President when the House voted 374-38 to freeze the food stamp prices.

There is a message for the President in these votes and it appears to reject the notions propounded in the President's budget message. The administration has adopted the view that cutting food stamp outlays and reducing planned increases in Social Security payments is a proper approach to reducing federal spending in a

time of recession. At the very point at which the administration was working to cut benefits for food stamps, the enrollment in the program was increasing by hundreds of thousands, and it now stands at 17.1 million persons. In light of these conditions, it is no wonder that the President had a hard time persuading congressmen whose constituents are facing rising unemployment that this is the time to reduce the federal food assistance dollar.

The administration is projecting a high rate of unemployment over the next several years, and yet it proposes cutting the programs that can assist the unemployed most effectively. A simple calculation of the impact on local economies if the food stamp program had been successfully reduced shows that the most likely result of those reductions would have been even more unemployment. Consider that at the present rate of unemployment, \$7.50 of every \$100 spent on food in the United States today is paid by food stamps. As Sen. McGovern said in the floor debate, "I don't think we have a better social program on the books than the food stamp program. It is absolutely essential to our country, especially at this time."

Other than its attempt to reduce social programs, we have seen little from the Ford administration that suggests anyone is thinking comprehensively about the problem of the new unemployed or the chronically poor. The best the administration has been able to tell us is that there are likely to be more poor people, that they are going to stay poor for awhile to come, and that they are going to consume a larger and larger share of the federal, state and local tax dollars. It seems to be assumed by the administration that such a state of affairs is inevitable and endurable. It would be nice if the administration had also spoken in more precise detail of its great hopes for curing this situation by describing its attempts to put large numbers of people back to work. That remains the best way of reducing the load on the food stamp program.

# Ford Condemns Congress For Resisting His Policies

## Strikes Back After Unfavorable Votes on Oil Import Fee and Food Stamps— Nessen Is Silent on Any Veto Plans

By PHILIP SHABECOFF

Special to The New York Times

WASHINGTON, Feb. 6—President Ford struck back at Congress today, accusing it, through his press secretary, of inaction on his energy and economic programs and of doing "basically nothing" in a month of operations.

Earlier this week, the House of Representatives voted to suspend an oil import fee, and both the House and Senate voted to freeze the cost of food stamps. The higher oil tariff and the food stamp price increase are two of the President's high-priority programs.

Ron Nessen, the White House press secretary, noting that the House was beginning its unofficial Lincoln's Birthday recess today, charged at today's regular news briefing that so far, "All they've done is stop action."

"Congress has been here a month and does nothing but vote for a delay," he said.

He said that the President was attacking Congress "more in sorrow than in anger, be-

cause he believes the nation needs and wants action."

Mr. Nessen said that Congress had "two choices."

"It could take power away from the President and do nothing itself," he said. Or it could pass the President's proposed energy program and tax cut.

"It seems as if they are taking the first course," he added.

Today's accusation by the President's chief spokesman is one of the more striking manifestations of the widening gulf between the White House and a Congress dominated by the Democratic party. Shortly after taking office last summer, Mr. Ford, a member of the House for a quarter of a century, said that he expected to work in close cooperation with Congress.

Mr. Nessen's comments today indicated that the President was not inclined to accept the action of the House on his oil tariff and the Congressional vote to freeze the price of food stamps. While Mr. Nessen would not say whether the President would exercise his veto, he defended the oil tariff and Mr. Ford's call to increase the price of the stamps and expressed hope that they would be enacted.

"The President wants Congress to get busy and stop wasting time, and he thinks the people do, too," Mr. Nessen said at the briefing.

He also said that the President had seen "good news and bad news" in the 309-to-114 House vote yesterday to suspend for 90 days the President's authority to impose additional fees on imported oil. "Considering he started with no support whatever, the 114 votes was better than expected," Mr. Nessen said. "The bad news is that he didn't do as well as he hoped he would."

### Price Rise Defended

Some members of Congress have called the President to tell him that the negative vote was not on the substance of his proposals but on the timing of the tariff on oil imports, the press secretary said. His comments would seem to indicate that the President believes there is still a chance that Congress will enact his program to conserve energy.

Mr. Nessen also defended the President's proposal to raise the price of food stamps. The House voted by 374 to 38 on Tuesday to freeze the price of food

stamps, and the Senate passed an identical measure yesterday, 76-8.

If the price of food stamps is not allowed to go up, Mr. Nessen said, the budget deficit will grow even larger than the \$52-billion already envisioned. He also said that the President believed that the food stamp program was being abused, especially by college students who come from affluent families.

Under questioning, Mr. Nessen conceded that increasing the cost of food stamps would not end the abuses, and he also conceded that the amount of money involved could not be considered a major inflationary factor.

### Unemployment Cited

The White House attack on Congress today indicated that the President intended to fight for his program. Whether he can muster enough support on Capitol Hill and around the country remains to be seen.

Indications do not seem propitious for him. Many Republicans, including conservatives, voted against his food stamp and oil tariff proposals. Today, several Republicans, including the Senate minority leader, Hugh Scott, joined Democrats in sponsoring a bill to expand the public service employment program by one million jobs despite repeated White House warnings about widening the budget deficit.

Senator Scott cited high unemployment in his state, Pennsylvania, as one reason that he was supporting the expanded public jobs program. Many if not most members of Congress, including conservative Republicans, are under pressure from constituents to do more than the President proposes to end the nation's economic slide and halt the rise in unemployment.

Some observers thought that the President's attack on Congress today could be viewed in the context of yesterday's White House statement that Mr. Ford intended to run for a full term in office next year regardless of economic conditions.

Mr. Ford's criticism, they suggested, recalled President Truman's attacks on the "do-nothing" 80th Congress in his successful election campaign in 1948. Mr. Ford, who has on several occasions publicly expressed admiration for and compared himself with President Truman, could well be remembering Mr. Truman's political success in attacking Congress.

Mr. Truman, however, was attacking a Congress that failed to act on social programs requiring higher levels of Federal spending. Mr. Ford's program would cut back on social programs to slow the growth of Federal spending.



# Congress Bans Food Stamp Rise

By Richard L. Lyons  
Washington Post Staff Writer

The Senate joined the House yesterday in casting an overwhelming vote to block the administration's March 1 plan to increase the cost of food stamps to the poor.

By a vote of 76 to 8, the Senate sent to the White House a bill the House approved Tuesday, 374 to 38, forbidding any increase in stamp costs during the remainder of 1975. The votes made it clear that Congress could muster the two-thirds necessary to override a presidential veto.

A White House aide said after the Senate vote that President Ford was likely to sign the bill in view of the overwhelming majorities by which it cleared both houses. The aide cautioned, however, that Mr. Ford had not personally given any "firm signal" of his intentions.

The plan to save \$650 million a year by making all but the very poor pay more for food stamps was drawn up last fall when inflation rather than recession appeared to be the nation's main economic problem.

The 17 million participants in the food subsidy program, which now costs about \$4 billion a year, would have been required to pay 30 per cent of their net income for food stamps. The maximum required by law, this would have been an average increase of about one-third in the amount participants now pay.

Congressional opponents said it made no sense to take away food money from the poor at the time they are getting a double dip of trouble from both inflation and recession.

Redeemable at stores for food, stamps are sold on a sliding cost scale according to income.

An elderly person with monthly income of \$148 now pays \$30 for \$46 in food stamps. But under the administration plan he would pay \$43 for the same \$46 worth of stamps. It has been estimated that such an increase would cause more than 1 million persons to drop out of the program.

Sen. Hubert H. Humphrey (D-Minn.), an original sponsor of the food stamp program, said it made no sense to increase military and foreign aid budgets and try at the same time to cut food aid to the poor in this country. "What kind of economics is that?" asked Humphrey. "It makes Scrooge look like a social worker."

Reportedly, computers in some states already programmed to turn out stamps at the higher cost starting March 1 can't be reset before then. If so, purchasers would be entitled to refunds.

House and Senate supporters of the bill pledged major surveys of the food stamp programs by the two agriculture committees this year to remove inequities and stop abuses.

The Senate also passed, 83 to 0, a separate resolution expressing the sense of the Senate that the Secretary of Agriculture should send Congress by June 30 legislative recommendations to get non-poor persons out of the program and otherwise tighten up on abuses. Some members of Congress are agitated by reports of children from rich families moving into communes and living off food stamps.

Sen. George McGovern (D-S.D.), manager of the bill, supported the resolution because he thinks it will produce a report that reports of abuses have been exaggerated.

Virginia Senators Harry F. Byrd (Ind.) and William L. Scott (R) voted against the bill. Maryland Senators Charles McC. Mathias (R) and J. Glenn Beall (R) voted for it.

# Senate, 76-8, Votes Freeze In Price of Food Stamps

**Measure, Identical to the House Version,  
Bars Increase for a Year—Margin in  
Both Chambers Seems Veto-Proof**

By NANCY HICKS

Special to The New York Times

WASHINGTON, Feb. 5—The Senate voted 76 to 8 today to freeze the price of food stamps for the rest of the year.

The bill, identical with one passed by the House yesterday, would prevent a March 1 price increase proposed by the Administration that would affect almost every one of the 17.1 million current recipients of food stamps.

The legislation—the first passed by the new Congress—now goes to the White House, where its future is uncertain. The Ford Administration proposed the increased price as part of an economy policy that seeks to reverse the rapid growth in the cost of social programs.

John Carlson, assistant White House press secretary, said in response to a question: "The President will have to reflect on the vote and the alternatives. We have nothing to give you at this time."

The overwhelming vote in both houses—the House passed it 374 to 38—would indicate that Congress would override a veto.

The Senate also unanimously

passed a resolution that asks Earl L. Butz, the Secretary of Agriculture, to investigate alleged abuses in the food stamp program and to recommend corrective legislation by next June 30.

The vote on the stamp price freeze came at the end of a long day of activity on this issue, beginning with an 11-to-2 vote in the Agriculture Committee that sent the bill to the Senate floor in less than two hours. The committee vote followed hearings in which representatives of a number of groups spoke of the need to continue the program.

The two dissenting committee votes were cast by Senators Carl T. Curtis of Nebraska and Jesse A. Helms of North Carolina, both Republicans, who continued their opposition to the bill on the Senate floor.

The bill would prevent the Department of Agriculture, which administers the program, from putting into effect an increase in the price that a family pays for a monthly allocation of food stamps.

## Cost Set Individually

The cost of the stamps, as well as the value of a month's allocation, is now determined for families individually computed on a sliding scale that takes into account family size, income level and source of income. Families now pay an average of 23 per cent of their net monthly income for the stamps.

Under the proposed new regulation, a flat rate of 30 per cent would be charged each family, the maximum allowable by law.

Opponents of this regulation change contend that raising all families to the maximum purchase price violates the intent of the original law, which was passed in 1964.

A family of two with a net income of \$100 a month now pays \$23 for \$84 worth of the food coupons, which are redeemable at commercial stores for groceries. Under the proposed change, the same family would pay \$30 for \$84 worth of coupons. For those whose monthly income is higher, the increase would rule them out of the program, because the value of the stamps would be less than their purchase price.

Between 1.5 and 3 million current participants thus might be eliminated.

"I don't think we have any better social program on the books than the food stamp program," Senator George McGovern, Democrat of South Dakota, who led the fight against the increase, said in presenting the bill.

The need for quick action became apparent when the states, which distribute the stamps, indicated they needed at least two weeks to change the formulas under which the stamps are issued.

If Congress had not acted this week, the states would have begun preparing for the increase, which would have been difficult, if not nearly impossible to rescind, once people were notified that their benefits had been reduced.

The resolution calling for correction of program abuses attempted to head off a proposed amendment to the bill, introduced by Senator Curtis. That amendment contained the exact wording of the resolution, introduced by Senator Robert Dole, Republican of Kansas.

The proposed amendment was defeated, 52 to 34, after a plea from Senator McGovern, who said the amended bill would have to go back to the House for approval before it could be sent to the President.

The resolution asked Secretary Butz to recommend the changes necessary to disqualify families who have adequate incomes from receiving stamps, overhaul the administrative complexities and tighten accountability for procurement and handling of the stamps.

The resolution reflects a growing concern among the more than conservative members of both houses that the food stamp program, which grew by almost two million persons late last year, has become wasteful.

"I've heard reports of a man driving up to a supermarket in a Cadillac and purchasing \$189 worth of steak with food stamps," Senator Herman E. Talmadge, Democrat of Georgia, said during the hearings this morning.

"I, too, know that there are abuses in the program," Senator Walter Huddleston, Democrat of Kentucky, said in reply to Mr. Talmadge.

"There are abuses in every Federal program and most private ones, too," he continued. "It seems to me we get very concerned with abuses of programs that are there to help poor people, but there are probably abuses of privileges right here in the Senate."

# A G.O.P. Loyalist Opposes Some Key Ford Proposals

By MARJORIE HUNTER

Special to The New York Times

WASHINGTON, Feb. 4— Representative William C. Wampler is a Republican with impeccable conservative credentials. He abhors deficit spending. He has voted against most liberal programs through the years, and is considered a party loyalist.

But today, in one of his rare floor speeches, Mr. Wampler stood in the well of the House to urge passage of a bill to forestall a Ford Administration plan to raise the purchase price of food stamps.

Today's vote, a crushing 374-to-38 defeat for the Administration, appeared to signal a clear message to the President—a message that even hard-core conservatives cannot be counted on to support budget-cutting plans that strike deep into the heart of Congressional constituencies.

Even the 34 Republicans and four Democrats who stood by President Ford today did not appear to be totally convinced of their arguments as they waged their lonely fight.

Significantly, the man who succeeded Mr. Ford as House minority leader, Representative John J. Rhodes of Arizona, did not join the floor de-



The New York Times

Representative William C. Wampler in Washington.

bate, although in the end he voted for the Administration position.

Far more symptomatic of the rocky road ahead for the President in this heavily Democratic Congress was the stand taken by Mr. Wampler, a soft-spoken Virginian from a region of coal mines and little farms and factories deep in the Cumberland Mountains.

The job of defending the Republican President's position on the food stamp issue ordinarily would have fallen to Mr. Wampler, the ranking Republican on the House Agriculture Committee.

"I just couldn't go along with the President, much as I would have liked to," Mr. Wampler said today. "I admire him, he's my friend. He's had tough decisions to make, but I just couldn't go along."

Mr. Wampler is deeply troubled over other Administration proposals, too.

He is inclined to oppose Mr. Ford's proposal to hold Social Security benefit increases to 5 per cent, instead of the 8.7 per cent cost-of-living raise scheduled to go into effect this summer.

He has about decided to vote against the President's proposals for supplemental aid of \$300-million for South Vietnam and \$222-million for Cambodia—although he acknowledges that he was quite hawkish on the Vietnam war "until our troops got out."

He is concerned, too, over the President's imposition of increased tariffs on imported oil, and may vote to nullify the action when the House votes on the issue this week.

In staking out positions on these and other issues, Mr.

Wampler concedes that he is listening to the voices of his constituents.

"I feel that my first obligation is to my constituents and not to my party," he said.

The President's proposal for increasing the price of food stamps "shocked my sense of equity," he said. "I just can't understand how some of the folks in my district manage to scrape by as it is."

As for holding Social Security benefits increases to 5 per cent, Mr. Wampler said he felt that this could "hit the groups least able to cope."

The Administration's oil tariff, which is certain to increase the cost of oil and gasoline, could have a severe impact on his district, Mr.

Wampler continued.

"We're a rural district, and a lot of my people have to drive 75 to 100 miles a day from their little farms to the factories," he said. "A big increase in gas could cause terrible hardship. They have no other way to get to work."

While he said he would oppose sharp cutbacks in the food stamp program and a limitation on Social Security benefit increases, Mr. Wampler indicated that he favored trimming the Federal budget in other areas.

"We'll probably have to take a meat-ax approach, except in such sensitive areas as food stamps and Social Security," he said. "A cut of \$5-billion to \$10-billion in defense spending is not out of the realm of possibility. That's a fertile area."

## Food Stamps: A Legislative Injunction

**T**HE HOUSE Agriculture Committee has acted speedily and wisely to prevent the Ford administration from going forward with its planned increases in the cost of food stamps to the poor. The committee vote, 33-2, orders the administration to charge no more for food stamps than it charged on Jan. 1. As sensible—and needed—as that injunctive action was, the committee should realize that its work in the area of food stamps has just begun. Elsewhere on this page today, Jodie Allen lays out in some detail the reason that this is so, and offers an alternative to both the present program and the administration's proposed variation on it.

From its inception, the food stamp program has been a patchwork affair, with a series of convoluted deductions that help to determine a family's net income for the purpose of establishing how much it should pay for the stamps. While no one would argue that no such system is necessary, the problem with the present program is that it creates inequities against the weakest persons in the system, the elderly indigents who live by themselves.

Other problems cry out for careful study, including the so-called "outreach" program that the states are supposedly conducting to inform their poor residents of the existence of the program. Congress intended that the outreach program be a vigorous one, but a U.S. District Court has recently held that the program is anything but adequate. As a result, perhaps as many as half the people eligible for food stamps are not receiving that assistance.

One of the measures of the Agriculture Department's sensitivity to its constituency among the poor was demonstrated in the Agriculture Committee hearings recently. Edward J. Hekman, who administers the food stamp program, told the committee that public

comment had been solicited before the administration proposed the price increases the committee later voted to prevent. Hekman said he received 4,317 responses from the public. "All of the comments were carefully analyzed in the decision-making process," Hekman assured the committee. Then he was asked how many of those 4,317 comments supported the increase in prices his department was proposing. "Fifty," the agriculture official replied.

And so it has gone at Agriculture. The department assured the Congress it could save about \$100 million by eliminating the "non-needy students" who now receive the stamps. But how many students who aren't really poor are receiving food stamp assistance? The Department doesn't know. It is not sure how many of its recipients are elderly or how the drastic reduction it had proposed would have affected the elderly.

These are among the reasons we believe the whole food stamp program needs a full-scale review by the Agriculture Committee. The department plays a vital role in the fight to combat hunger in America. Yet, from all indications, it doesn't know a great deal that it should know in order to administer the food stamp program properly. All that would seem to suggest that food stamps are an insignificant part of the Agriculture Department's business, a small part of a much larger enterprise too busy with other matters to keep a close eye on this program and know its workings well. Not so: since the vast reductions in the farm support program over the last several years, the food stamp program now represents two thirds of the department's budget. That is why oversight is of the utmost importance. Hunger is too serious a matter to leave to the Agriculture Department without some serious supervision.

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November 23, 1988

Dear Ms. Circle:

Enclosed are draft letters for President Ford's signature to be addressed to the four White House Office of Records Management staff members that I mentioned to you in our phone conversation last week. Never having served as a Presidential speechwriter, I'm not entirely comfortable putting words in the mouth of the President. Feel free to delete, add, change, or modify in any way you feel is appropriate in order to convey the true expression or tone normally used by President Ford.

Is there a possibility of having these back to us by December 1? (I realize this is short notice, but the first of two retirement parties has been moved up to December 2.) Feel free to call me if you have questions on this time frame or on the contents of any of the letters at (202) 456-2240.

Thank you very much for your efforts in this matter. I appreciate your help tremendously and, of course, the letters will be treasured by those who will receive them.

Sincerely,

Lee R. Johnson  
Assistant Director  
Office of Records Management

Ms. Penny Circle  
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Post Office Box 927  
Rancho Mirage, California 92270

LRJ/jg (11MISC)

