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COMMENTARY: GOP Philosophy

President Ford's campaign theme has been "He made us proud again." Although relevant, the theme does not suggest what the President would do if he were elected to a full, fouryear term. Operating on ideas that Ford has already advocated and voting attitudes that already have been demonstrated at the polls, Ford would be well-advised to adopt, "Make Government Simple Again" as a watchword for a future, four-year term.

This Jeffersonian notion itself seems simplistic in a world which inevitably described as complex. To make government simple again evokes some images of a neanderthal elephant backstepping into the 19th century. But some 19th century virtues are precisely those being destroyed by the incredible intricacy of modern government. The sense of community, the sense of individual worth and responsibility, and the individual's faith in elected government were three key components in the success of American democracy. And they are attributes that American democracy needs to rekindle.

The notion that government should be simplified is more logical than appearances might suggest. The expected record low voter turnout this year is only one measure of persistent voter alienation from governmnet. The rhetoric and voting behavior of this year's presidential primaries has been cited as evidence of a conservative shift among Americans. Watergate is naturally assumed to be a key cause of voter distrust of politicians in general and Republicans in particular. The rise in muckraking journalism is another sign of public willingness to expose the "mess" in Washington.

The blame for voter apathy and distrust is usually placed on Watergate, failed Great Society programs, or government bureaucrats. Bureaucrats and politicians have been increasingly popular whipping boys for the nation's problems. It's not the American people that are to blame for the country's problems, Jimmy "arter would have us believe, because if the THE CASE FOR SIMPLE GOVERNMENT by Dick Behn and Brian McCarthy

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PREVIEW

country were as good as the people, then it would be in good shape. Both Jimmy Carter and Gerald Ford have picked up the anti-bureaucracy theme. But neither bureaucrats nor politicians are inherently evil. Some may be lazy. Others may be inefficient, inconsiderate, or power-hungry. But there is nothing about the bureaucracy that makes it inherently more sinful or incompetent than the rest of society... except for the way it is set up.

The notion which increasingly governs government at all levels is that increasing complexity leads to increased equity, fairness, and efficiency. If there is a problem, then a new law is needed. If a law is enacted, it must first take into consideration all the possible permutations, deviations, and exigencies that might ever be conceived. As Amitai Etzioni observed in the Washington Post over a year ago, we've become a nation of too many laws. Since legislators are paid to enact laws, they feel it incumbent upon them to find problems which need solutions. The goals sought are no doubt(?) admirable, but the cure is often worse than the disease. The Great Society was certainly laudable in intent, but it somehow was unable to legislate an end to poverty and unemployment despite the best intentions of Washington bureaucrats.

The best example of the nation's dubious attempt to achieve equity through complexity is its tax system. One of the wisest comments on the country's tax structure was made in a Wall Street Journal editorial September 14:

Yes, we realize the members of the House Ways and Means Committee and the Senate Finance Committee worked themselves into a state of near-exhaustion all year in producing their 1500-page 'tax-reform' bill. So we recommend that if and when President Ford vetoes the bill, as he should, he make special note of the hard work and long hours that went into producing it and give the relevant committees an 'A' for effort even though they have flunked on substance.

Mr. Ford should veto the bill not because it contains too many bad provisions and not because it doesn't contain enough good provisions. It should be vetoed because it contains too many provisions. For at least a quarter of a century, American Presidents and candidates for the presidency have been promising simplification of the tax codes, which, as Jimmy Carter argues, 'have become a disgrace to the human race.'

The reason we have delayed in commenting on the compromise legislation agreed upon by House-Senate conferees last Thursday was the vain hope that with a little time we could make some sense out of the legislation. But even after enlisting the aid of a number of eminent private economists and financiers, who spent the weekend slogging through those 1,500 pages, The Wall Street Journal is forced to announce its despair. And we have serious doubts that all the economists of Cambridge and Chicago, using all the computers at MIT, could tell us whether this bill would marginally improve or damage the U.S.economy...

In vetoing the bill, the President could get the campaign onto more substantial terrain by having his advisers draw up a tax bill on one type-written page. One sentence would make permanent the tax reductions of a year ago. Another would increase the personal exemption to \$1,000 from the present \$750. A third would increase the estate-tax exemption to \$150,000 from the present \$60,000. American voters would need neither economists nor tax lawyers and accountants to figure out that such a package would mean good things for the U.S.economy.

True, the simplicity of it might confound the Congress, which lately has become almost incapable of writing major legislation in fewer than 1,000 pages. But if this Congress can't pass a simple, one-page tax bill in a couple of days, there's always the chance the voters will elect one that can and would get results in a matter of weeks. We don't see how Mr. Ford could lose by vetoing the bill. If Mr. Carter sides with Congress and its tax version of 'War and Peace,' he'll be on the wrong side of the issue and he knows it.

The complexity of America's tax laws naturally leads to cynicism on the part of taxpayers, who need lawyers and accountants to understand what their government expects from them. To put it less idealistically, taxpayers need lawyers and accountants to understand what they can or cannot get away with. Believing that their neighbors or bosses are utilizing provisions in the law to rip off the government, taxpayers are encouraged to seek their own loopholes and their own evasive maneuvers. Believing that the laws are stacked against them--which is a natural reaction if they can't be understood---taxpayers seek to redress for themselves what the government won't redress for them. The tax laws, which are meant to provide an equitable system which meets desired social goals subverts in the long run the society it is meant to promote. Instead of knitting together the nation's social fabric, it weakens it with a series of imperfections and flaws. The methods by which tax laws such as the most recent one are enacted encourage this cynicism. An editorial in the Detroit Free Press last July commented:

Secrecy, back-scratching, and special treatment for special interests have for too many years been the modus operandi in the drafting of hidden treats and favors that force the bulk of American taxpayers to cough up more and more into the federal treasury...

There may or may not be anything inherently wrong with each and every tax concession plotted over the years by the wily leaders of the Finance Committee and those with unusual access to them.

But what is obviously wrong is the mystery and sometimes secrecy with which such favors become shrouded within the committee and the Congress as a whole. The majority of those in Congress who vote on tax legislation seldom know of the little loopholes and special treatment tucked cleverly into the tax bills by such experts as Sen. Russell B. Long. (D-La.), the committee's chairman, and others.

There may be good reasons why the recycling industry, for example, is entitled to \$300 million worth of tax advantages sponsored by Sen. Mike Gravel (D-Alaska), and which are opposed by the Treasury Department. But the fact that Sen. Gravel received at least \$7,000 in campaign contributions from lobbyists and lawyers associated with the industry at least leaves the issue open to some question.

In the past, such tax favors have whizzed through the committee and Congress with almost no notice or debate. That is because Sen. Long and others who control the bill have almost never informed their colleagues as to what it actually contained.

Some senators, the media and citizen organizations are beginning to take an interest in the drafting of the legislation. Sen. Edward Kennedy's confrontation with the committee on Tuesday and Sen. Long's belated identification of 73 special treatment items in this year's legislation are steps in the right direction.

The old style of writing the country's tax laws was typified by the response of Sen. Carl Curtis of Nebraska, the committee's ranking Republican, to Mr. Kennedy's plea for detailed information on the beneficiaries and sponsors of special loopholes and favors.

Sen. Curtis was positively apopletic. 'We have too much work to do here to provide

demagogues with bills of particulars,' he shouted at Sen. Kennedy.

That's baloney, of course. And the sooner the Senate wakes up to that fact and gins writing tax laws out in the open where they belong, the sooner the American public will accept those special treatment tax favors and loopholes that may have some legitimacy.

Both the complexity and the enactment methods of tax laws make the average American feel helpless. Helplessness---as demonstrated by the high crime rate among unemployed, urban teenagers---does not encourage respect for government or law. The solution to the country's tax problems ideally lies in the direction of a proposal made early this year by Treasury Secretary William E. Simon:

This is my proposal: Let's refashion the tax systems all over again, by going back to those three bedrock principles---equity, simplicity, efficiency. Let's wipe the slate clean of all personal tax preferences, special deductions and special credits, exclusions from income, and the like. Let's impose, instead, a single progressive tax on all individuals.

This plan would affect virtually every American---the rich, those with moderate incomes and those with lower incomes---but not all alike. At present, our tax system is riddled with so-called loopholes, which favor those rich enough to take advantage of the benefits allowe legally. I suggest that we get rid of them. Eliminate them all. Then lower all tax rates without any loss of revenue to the government because of the expanded amount of income subject to tax.

We're approaching the time, and very fast, when we must admit that one man's loophole is nothing more than a subsidy---a special privilege others do not enjoy. If taxpayers really believe in the free-enterprise system, then they should be willing to put their money where their conversation is.

Under the proposal I am making, I expect each special-interest group to relinquish its own single advantage just as everyone else will do, in order to promote a far better tax system than we now have. That's free enterprise. That's moving off voluntarily from the public trough, instead of gorging on a special advantage while paying lip service to the free-enterprise system.

Simon is intelligent enough to see that the government's complexity is a function of its desire to satisfy all the special interest groups which compete for its attention. Increasingly, social progress has been forged not by consensus but by splitting up the governmental pie into as many pieces as there are beggars. It is a natural human reaction for taxpayers to seek their own loopholes when they see so many, obviously less deserving people receiving theirs. The difficulty of enacting Simon's proposal rests on the same premise. Everyone sees the desirability of eliminating all loopholes---except theirs of course. There are so many special interests to be protected that government is almost incapable of protecting the society's general interest. The general interest is instead defined as the sum of the special interests. Politicians repeatedly run for office against the "special interests," which can generally be defined as any interest which they don't share.

The American democratic system is based on the notion of competing interests. What has instead evolved is a system of aggregate interests, e.g., if everyone's objections and everyone's goals are sifted together, mixed at low speed and topped with the President's signature, then presto, the country has a law. Although many Americans would rant and rave about the pervasiveness and stupidity of government, many would draw a protective line around those particular government actions which benefit them. New York City's financial difficulties are a graphic example of aggregate government.

Meanwhile, taxpayers are in a curious They all benefit from certain provisions bind. of the tax law. But they might disagree with as much as 80 percent of its provisions. In order to protect "their" 20 percent, they must put up with the other 80 percent. Consequently, they are angered by the unresponsiveness of government, but incapable of forging a movement to change the situation. Everyone is mad at the 80 percent he/she doesn't like or understand, but it is not the same 80 percent for everyone. Redress for his/her unhappiness with present inequities is frequently equated not with the elimination of the hideous 80 percent but with addition of another "good" loophole to the beneficial 20 percent. The whole force of government is to add to the mountain of garbage. The mountain is supposed to make taxpayers happy. Instead, they feel its burden and curse the mountain's makers.

The tax system is merely the most obvious and pervasive way in which government acts to alienate its citizens while "solving" their problems through complexity. Another is the myriad of social welfare programs which are meant to aid the poor and unemployed. Many of these programs are looked upon with suspicion by the non-participating middle class, while poorer citizens often view them as some sort of retribution for their exploitation by the government and the rich. Public confidence in these programs is not helped by scandals and well-publicized "horror" stories of recipient abuse. Nor is it improved by revelations that such programs sometimes boost the recipients above the poverty line, as a recent study in New York City revealed. Drastic simplification of social welfare programs would be beneficial to both recipients and non-recipients, who could see more clearly the use of their tax money. A negative income tax approach in place of the complicated web of grant and service programs would cut bureaucracy, particularly if administration was made a local responsibility. It is, after all, one thing to defraud the federal government. It is something else to defraud one's neighbors.

Revenue sharing is another step in this process, but increased consolidation of categorical grants into block grants under special revenue sharing is needed. No productively employed citizen has the time or sanity to examine the paperwork paradise centered on federal categorical grants. The average citizen can only nod or shake his head when politicians cite one of these programs as a blessing or a boondoggle. For example, although the Community Development Act initiated the special revenue sharing approach for urban programs, there are still 103 urban grant programs. Because federal aid has been filtered through so many agencies and accounts, it is easy for taxpayers to conclude their payroll deductions are wasted. A simplified blockgrant system for education and other social service areas would clarify the federal government's assistance role without necessarily cutting back needed social services.

Another source of taxpayer confusion is the nation's regulatory sytem. The Civil Aeronautics Board has recently been wise enough to realize that it ought to substantially get out of the regulating area. Although criticism of the CAB and its fellow regulatory agencies has intensified in recent years, such criticism contradicts a basic tenet of twentieth century government: the government which governs best, regulates. In its omnipresent benevolence, government seeks to protect its citizens from adversity. Its chief protective weapon is the rule. If there is a problem, or better still, a potential problem, there ought to be a regulation to control it. One of this decade's more notorious examples of this trend are some of the regulations promulgated by the Occupational Health and Safety Administration. Its definition of an exit has become a classic. Meanwhile, what farmer in his right mind is going to read OSHA's 600 pages of "general industry standards" to find out what he's doing illegally?

The current anti-trust suit, U.S. v. IBM, is stark testimony to the heights to which regulatory complexity may reach. The ongoing trial has used only 34 of the projected 504 witnesses and will use six billion sheets of paper. It currently employs the energies of about 200 lawyers and though the suit was commenced in 1969, its end is nowhere in sight. Regardless of the merits of the case, such complexity is bound to boggle the mind of the average taxpayer and lead him to believe that a government of the lawyers, by the lawyers and for the lawyers has been invented.

There is certainly a legitimate place for government regulation of safety hazards and corporate monopolies. But that does not justify the choking, paralyzing complexity with which regulation has become associated. The system works on the premise that all possible problems must be accounted for. As a result, government is slow, unresponsive, inflexible and mired in red tape.

Checks and balances are the basis of our federal system. But our belief in checks and balances seem to have been warped to the side of all checks and very little balance. In an effort to protect individuals, government has become more and more complex, more and more bureaucratized, more and more immersed in paperwork and forms. If all this effort were successful, citizens would presumably have an enhanced sense of government efficacy and an enhanced faith in government. Yet, precisely the opposite has happened.

Citizens feel impotent and exploited. They don't understand very much about government but they don't like what they do understand. Their feelings of helplessness seem to be one of the primary drives behind a conservative shift in the electorate. That helplessness also contributes to citizen irresponsibility. They don't bother to get involved in politics because they don't believe in their ability to affect the system. Many don't even vote. Where possible they avoid the nation's tax system and almost as conscientiously evade the nation's 55 mile-per-hour highway speed limit. These feelings of helplessness are a direct result of a government so complex that citizens feel it is beyond their influence and unresponsive to their needs. One consequence is the destruction of community and reenforcement of selfishness. The tax system is not a method of delivering benefits but for extracting tribute. And when one doesn't believe in a system's equity, he has a tendency to cheat. Government has somehow become a permissive parent whom the kids no longer respect.

In its August issue, <u>U.S.News and World</u> <u>Report</u> outlined precisely how complicated the federal government has become:

• Five million Americans, one in every 43, draw federal paychecks. The government employs some 2.9 million civilian workers in 11 Cabinet departments, 59 independent agencies, Congress and the federal-court system. Another 2.1 million persons are on active duty with the armed services. • The government spends an amount equal to almost one quarter of the country's total output of goods and services. In doing so, federal workers wrote about 772 million checks in the last 12 months.

• Washington owns one third of the country's land---760 million acres. It holds title to 405,000 buildings that cost 91 billion dollars. It pays more than 663 million dollars a year in rent for another 54,000 buildings. In all, it occupies 433 million square feet of office space. That is equal to 96 Sears Towers, the 110floor Chicago building that is the world's tallest.

• The federal government provides the cash for one fourth of the total spending of state and local governments. Grants this year will amount to 60 billion dollars.

• There are 4,504 different types of federal forms---down from 5,418 last year. The 'official records' they generate each year would fill 11 Washington Monuments. To handle the paper work, the U.S. government employs 211,000 secretaries, typists and clerks.

• Federal workers administer 1,026 different aid programs and get advice from 1,240 advisory boards. They deal with the public at more than 34,000 offices all over the U.S.

The magazine noted: "Despite the startling size of those numbers, they only partly measure the sweep of the government and its impact." The editors' conclusion was: "The truth of the matter is that the federal government has become so huge and so pervasive that it is incomprehensible to the average American."

In the old, awful days of corrupt city

machine politics, the ward boss took care of citizen needs. If one got a job with the city, he knew whom to thank. It was a crude but often efficient form of social service welfare, but one which the citizens could fairly well understand. It has been replaced largely by a social welfare bureaucracy in Washington to which the average citizen has little access and for which he has little understanding. If the net result is lowered citizen confidence in government, the change represents little progress.

Americans have been led to believe that complexity and remoteness are natural outcomes of technological progress. Beneath his guru mystique, California Gov. Jerry Brown(D) has raised some valid questions of the desirability and benefits of this sort of massive governmental and technological growth. America cannot afford the indifference of its citizens. Americans cannot be patted on their heads by politicians and technocrats and told: "Don't worry. It's too difficult for you to understand." Not unless we are prepared to welcome 1984. To respect government, citizens must be able to respect themselves. None of us can respect a government we don't under-"Daddy knows best" is not the American stand. credo.

In recent years, there has been a continuing controversy over government's attempts to "fine tune" the economy. Such attempts have been notably unsuccesful. Government's attempts to "fine tune" society have been equally unsuccesful. Far better a simple government that the citizens understand and trust than a well-intentioned, complex government that neither works nor is appreciated.



POLITICS: THE STATES

While everyone is worrying about or sleeping through this year's presidential election, some politicians around the country have visions of 1977 and 1978 already dancing in their heads. A sample of some of these reveries follows:

ALASKA: Gov. Jay Hammond(R) has announced his intention to seek reelection in 1978 but his limited growth policies have alienated many of his fellow Republicans. Possible Republican candidates include former House Speaker Tom Fink and Sen. Ted Stevens. Democratic possibilities include former Lt. Gov. Red Boucher, former Senate president Chancey Croft, and former Gov. Bill Egan.

COLORADO: Sen. Floyd Haskell(D) has not endeared himself to his constituents by his messy divorce nor to fellow Democrats by his bumbling on the Denver Water Board controversy. He may have a primary in his own party and could face U.S.Rep. Bill Armstrong in a general election.

CONNECTICUT: Gov. Ella Grasso's popularity may be on the upswing, but it will probably never reach its 1974 heights. That suggests the possibility of six Republican gubernatorial candidates in 1978: U.S.Reps. Ronald A. Sarasin and Stewart B. McKinney, State Sen. Lewis B. Rome; State Rep. Gerald F. Stevens, former U.S.Rep. Robert H. Steele, and former State Environmental Protection Commissioner Dan Lufkin. If reelected, Stevens and Rome are expected to continue in their state legislative leadership roles. If Sarasin declines party pressure to enter the gubernatorial race, he may find himself facing U.S.Rep. Christopher Dodd (D) in the 1980 Senate race to succeed Sen. Abraham Ribicoff(D).

MARYLAND: Regardless of the outcome of Gov. Marvin Mandel's bribery trial, he will be out of a job in 1978 and possible Democrats have wasted no time salivating over the opportunity presented. They include Lt. Gov. Blair Lee III, State Senate president Steny Hoyer; State Comptroller Louis Goldstein, and Baltimore County Executive Theodore G. Venetoulis. U.S.Rep. Gilbert Gude (R) is retiring from Congress but his bipartisan popularity has raised speculation about a gubernatorial run. In describing his final days on the Hill, the Washington Star noted: "Adjectives routinely used to describe him include capable, respected, sincere, easy-going. 'He is one of the kindest, most considerate people you'll ever meet,' says someone who works for him."

MASSACHUSETTS: Gov. Michael Dukakis' popularity with the state legislature seemed to increase while he was out of the country in Greece. He gained favor with State Sen. president Kevin Harrington(D) by helping to defuse a controver-sy over a special kitchen for state senators. Dukakis' rocky relations with his own party had fueled considerable speculation that he would be defeated in his own primary. He seems to be learning, however, that he is not the only person in the state government and that humbling discovery may boost his reelection chances. The loss of his chief political advisor (and friend), his press secretary, and his chief political organizer, however, has led to some speculation that the incumbent governor is not really as bright as he looks --- or thinks. If the Democrats don't dethrone the state's ethical tyrant, several Repúblicans would like to: former Gov. Francis Sargent, Commerce Secretary Elliot Richardson, U.S.Rep. Margaret Heckler, and House Minority Leader Frank Hatch, Jr. Despite persistent rumors about retirement, Sen. Edward Brooke (R) insists he will seek reelection. U.S. Rep. Michael Harrington(D) is preparing his bid, but Attorney General Francis Bellotti might be a stronger candidate.

MICHIGAN: Gov. William Milliken(R) has said he won't seek reelection in 1978. One likely GOP candidate is former Lt. Gov. James Brickley, now president of Eastern Michigan University.

MINNESOTA: The election of Jimmy Carter as President wouldn't completely disappoint local Republicans. The fratricide among Democrats anxious to succeed Sen. Walter Mondale is about the nicest thing Republicans can think about. If Gov. Wendell Anderson(R) resigned and had himself appointed to the post by his successor, he would be sure to infuriate supporters of Attorney General Warren Spannaus and U.S.Rep. Donald Fraser. Such bloodletting would be the best thing to happen to Minnesota Republicans in years; it might allow a strong GOP candidate like U.S. Rep. Bill Frenzel to capture the seat in 1978.

NEBRASKA: It is assumed that Sen. Carl

Curtis(R) will have to step down in 1978. After the Republican National Convention, Lincoln Evening Journal Editorial Page Edi-tor Dick Herman wrote: "Private conversations with delegates here reveal significant opposition to yet another Curtis reelection bid in 1978. It isn't that the Republican loyalists find very much fault in Curtis, save those displeased with his endorsement of Gerald Ford above Ronald Reagan...After 40 years, it is said, Curtis has had a sufficiently long public career. The time is near for a fresh figure to aggregate seniority. Besides, critics say, Curtis probably can't lick (Democratic Gov. J.J.Exon) in a head-to-head competi-tion anyway." Curtis' logical heir is U.S.Rep. Charles Thone, but there are other Republicans interested in either the Senate seat or the gubernatorial seat that Exon must vacate: State Sen. Loran Schmit; Attorney General Paul Douglas, Secretary of State Allen Beerman, Reagan leader Jerry Stromer and others.

NEW JERSEY: There are long lines of aspirants on both the Republican and Democratic sides. In both parties, there is some question what they are lining up for. It seems likely that the gubernatorial race in 1977 may be a warmup for the senatorial race in 1978 with both campaigns attracting large crowds. Gov. Brendan Byrne (D) probably can't chew gum or walk and his popularity within his own party reflects that fact. The presence of the gubernatorial race in an off year gives aspiring politicians greater latitude in seeking higher office without risking their present positions. Running for governor, therefore, is more attractive for congressmen than it might be in a state where an incumbent congressman would have to jeopardize his House seat. Furthermore, as the only constitutional office in the state, the governorship is the only game in town. There are no preliminaries and no warmups. U.S.Rep. Robert Roe(D) is one congressman who might aspire to unseat his fellow Democrats, but Byrne's incompetence may attract such diverse personalities as State Labor and Industry Commissioner Joseph A. Hoffman, Jersey City Mayor Paul T. Joran, and State Sen. James P. Dugan, who doubles as state chairman. Despite the overwhelming success they have enjoyed at the polls in the last two elections, Democrats could use a little of the love and trust Jimmy Carter is spreading around. The governor is an anathema to his own party and the State Senate president is under indictment for bribery. Fate has not been as kind to the GOP at the polls lately but their contingent of potential governors and senators is about as large: House Minority Leader Thomas Kean;

former State Senate president Raymond Bateman; Treasury Secretary William Simon, U.S. Rep. Matthew Rinaldo, State Sen. James H. Wallwork and Federal District Judge Frederick Lacey. Sen. Clifford Case will be 74 in 1978 and although he has not indicated he will step down, he could easily be vulnerable to a Republican primary challenge. An un-known won 30 percent of the vote against him in 1972. Democratic freshman U.S.Reps. James Florio and Andrew Maguire might also be attracted by the Senate by 1978. The only two congressmen unlikely to be lured from the House are Judiciary Committee Chairman Peter Rodino and Administration Committee Chairman Frank Thompson; those two merely despise each other.

NEW YORK: The Big Apple may still be a mess but Mayor Abraham Beame appears determined to seek another term in 1977. That apparently would block Manhattan Borough president Percy Sutton from a mayoral bid but it wouldn't rule out another rematch with U.S.Rep.Herman Badillo(D). Democratic disaffection with Beame, however, may still be high enough to allow the election of State Sen. Roy Goodman(R), a progressive Manhattan legislator who hopefully would get the Liberal Party line as well. State Sen. John Calandra (R), the Bronx County GOP chairman, might challenge Goodman for the GOP nomination. Gov. Hugh Carey's popularity has also improved somewhat, but like Beame, he has the habit of alienating members of his own party and could face a Democratic primary challenge from the party's liberal wing. The long list of possible Republican challengers includes Assembly Minority Leader Perry Duryea who wanted to run for the post in 1974, State GOP Chairman Richard Rosenbaum whose direction of the Ford campaign this year is widely viewed as a pre-gubernatorial effort; State Sen. John Dunne of Nassau County; Erie County Executive Edward Regan; State Board of Elections Chairman Stephen May; and State Court of Appeals Judge Sol Wachler.

NORTH DAKOTA: There has been speculation that if Republican Richard Elkin is elected governor this year, Sen. Milton Young(R) might resign, allowing U.S.Rep. Mark Andrews(R) to be appointed in his place.

OHIO: Gov. James Rhodes(R) has already indicated his intention to seek an unprecedented fourth term. U.S.Rep. Wayne Hays(D) was getting ready to run for governor when Elizabeth Ray turned blabbermouth. Both Cuyahoga County Commissioner Seth Taft and Ambassador to India William Saxbe have been mentioned as possible GOP primary opponents.

OREGON: Former Gov. Tom McCall(R) doesn't

think his successor, Gov. Robert Straub, is doing such a great job. McCall has indicated he has gotten a lot of pressure to run, but would prefer to see Straub improve his performance.

PENNSYLVANIA: One interpretation of Sen. Richard S. Schweiker's decision to join Ronald Reagan as his running mate was that it would solidify his position to run for gov-ernor in 1978. If that was his intent, the result was precisely the reverse. Schweiker's attacks on Ford leader Drew Lewis damaged his already weakened position in the state party. The Democratic gubernatorial race meanwhile focuses on State Auditor General Robert P. Casey and Lt. Gov. Ernest P. Kline.

TENNESSEE: Although Gov. Ray Blanton (D) can only serve one term, things are beginning to look rather bleak for Republicans. Their best hope was former Gov. Winfield Dunn (R) but Dunn appears to be settling into corporate life.

VIRGINIA: Attorney General Andrew P.

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Miller and former Lt. Gov. Henry Howell have been fighting over the Carter campaign as a preliminary to the 1977 Democratic gubernatorial primary. The result should be bloody, probably providing Lt. Gov. John Dalton(R) his only chance to win the general election. One Democrat looking to succeed Dalton as lieutenant governor is Charles S. Robb, son-in-law of the late Lyndon Johnson.

TEXAS: Sen. John Tower(R) did not endear himself to his fellow Republicans by supporting President Ford this year. There may be other Texas voters alienated by the senator's pending divorce. A split Democratic Party has always provided Tower with his entree to the Senate. A split GOP is one thing unneeded by Tower, who is considering a race for Senate minority leader. Perhaps the frontrunner among the Democratic Senate possibilities is freshman U.S.Rep. Robert Kreuger, former English professor; others include U.S.Rep. Charles Wilson, Secretary of State Mark White, Houston Mayor Fred Hofheinz, and Barefoot Sanders, who ran against Tower in 1978.

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	2. Mail Subscriptions	1470	1470
c.	Total Paid Circulation	1470	1470
D.	. Free Distribution by Mail, Carrier or Other Means: Samples, Complimen-		
	tary, and other Free Copies	450	450
Ε.	Total Distribution	1920	1920
F.	Copies Not Distributed		
	1. Office Use, Left Over, Unaccount	ted,	
	Spoiled After Printing	380	380
	2. Returns From News Agents	0	0
G.	Total	2300	2300

11. I certify that the statements made by me above are correct and complete. Richard J. Behn

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