

RIPON FORUM

RIPON SUIT REJECTED

SEE PAGE EIGHT

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COMMENTARY: THE GOP

NEW HAMPSHIRE AND THE CONSTITUTION

New Hampshire was not a disaster for President Ford. Nor was the state a disaster for Ronald Reagan. The absence of disaster, not the presence of victory was the message of the New Hampshire primary. As State Rep. Susan McLane(R), a Republican progressive elected as a Ford delegate, said, "It doesn't mean a damn thing. Ford didn't win. Reagan didn't lose."

Even Reagan, who can pump life into almost any statistic, seemed to find it difficult Tuesday night to inflate his "victory" into rousing rhetoric. He sounded dull, tired, and humorless. That is perhaps understandable, but it is not good politics. One does not waste valuable free broadcast time; Reagan did.

The absurdity and inconclusiveness of the New Hampshire results were highlighted by a little-noticed event earlier in the week. The Supreme Court denied the Ripon Society's petition for a writ of certiorari in Ripon's suit challenging the delegate allocation formula of the Republican National Committee. (See page 8.) The court thus blocked any judicial relief to the gross violations of the one-person-one-vote principle inherent in the current Republican formula. In effect, the court upheld the reasoning of the U.S. Court of Appeals for the District of Columbia, which held that the Republican formula was intended to help the GOP win elections and might be a good way of doing that.

As President Ford moves on from New Hampshire with 17 of the state's 21 delegates, he has reason to ponder the wisdom of the court's judgement. The White House scrupulously stayed out of the delegate allocation fight, and in so doing, Ford strategists rather naively allowed Reagan's allies to prepare a stacked deck. The delegate allocation formula, after all, is not intended to win elections—as the Court of Appeals maintained—but to win nominations. And if Ronald Reagan wins the GOP nomination in Kansas City this summer, it will be largely because a geographic and ideological bloc has been allowed to dominate the Republican Party in direct violation of elementary democratic principles.

As a group of prominent Republicans noted in an amicus curiae brief to the Ripon suit: "In 1976, 50 percent of the delegates will come from

states that have only 45.9 percent of the Electoral College vote and 38.9 percent of the population, and which cast just 38.6 percent of the Republican presidential vote in 1972. The eight most populous states, on the other hand, will be allotted only 39.1 percent of the delegates to the 1976 Convention, despite the fact that these states have 42.4 percent of the Electoral College vote and 48.7 percent of the population, and cast 48.6 percent of the 1972 Republican presidential vote." Those statistics sound rather lifeless, but Ronald Reagan could impart to them a sensuous vibrancy—if he chose to do so. Instead, Reagan has chosen to support the formula—in violation of the interests of the state of California of which he was governor when the formula was adopted and in violation of basic democratic equity. No one can rationally maintain such statistical differences are insignificant. Not when such lavish attention is directed to a 1,317 vote margin of victory in New Hampshire.

President Ford's obeisance to the status quo in the Republican Party is equally ill-advised and short-sighted. A formula which deliberately underrepresents the largest states in the country is not political sagacious. It can hardly be consoling to Ford to know that the largest states—California, New York, Pennsylvania, Texas, Illinois, Ohio, Michigan and New Jersey—are precisely the same states where he is generally strongest. With the possible exception of Texas, he has a chance to win the bulk of the delegates from most of these states. Nor can he write off these states in the general election. Not when they have 42.4 percent of the Electoral College vote.

The Court of Appeals said, in essence, that political parties will be motivated to do that which is politically beneficial to them. Political short-sightedness has often led political parties to do stupid and self-destructive things, however. The Constitution has traditionally been viewed as a document which limits the stupid and self-destructive things that politicians may do with citizen rights. It is a pity that neither President Ford nor Governor Reagan nor the Republican Party nor the Supreme Court have recognized that. ■

DULY NOTED: The Presidency

● "Reagan's Mistake," by Garry Wills. Anchorage Times, January 24, 1976. Commenting on Reagan's plan for a \$90 billion cut in federal expenditures, Wills writes: "Was it a greater mistake to say part of his plan was a mistake or to say that reports that he had called all of it a mistake were mistake? Reagan's dance looks like an attempt to swallow himself. He thinks it is mean of people to pounce on the figure \$90 billion just because he happened to use that figure. Would he be happier if the press used other figures, on the grounds that he had not mentioned them? What figure did he expect them to discuss, once he brought it up? Reagan thinks he is being unfairly treated by the press, and he is probably right. It is unfair to expect accuracy or depth from him." After poking some holes in the accuracy of some of the stories Reagan tells, Wills concludes: "Reagan, so wrong on Vietnam, on Nixon, has already shown his political skill by coming out for right-to-work laws---at just the time when the right wing hopes to win blue-collar workers away from the union leadership on issues like busing. Reagan seems destined to keep playing second lead, even to a bungler like President Ford. As for the other candidates---well, Harris offers a more genuine populism; Carter economized more as governor; Bayh has labor; Jackson has money; Shriver dresses better; and Wallace is even more ignorant."

● "Reagan and Ford: Blurred Differences," by David Broder. Washington Post, February 18, 1976. Commenting on the failure of Reagan's "moderating" on controversial issues to draw fire from either GOP moderates or conservatives, Broder writes: "The result has been a blurring of differences between Mr. Ford and Reagan. Given this blurring, it is not surprising that the challenger is rated on a par with the incumbent President, not only in the primaries but as a Republican candidate in the general election. While (U.S. Rep. Pete) McCloskey prophesies 'disaster' for Republicans if Reagan is the nominee, the Gallup Poll shows him running virtually as well against Democrat Hubert Humphrey as Mr. Ford does, in a trial heat of a general election that would, today, be a virtual toss-up. Thus, the ambivalence of Republican office-holders may reflect the ambivalence in Reagan himself. If Reagan were a rabid right-wing ideologue, he might well spell disaster for the GOP. But if he is a politician of driving ambition, smoother than Mr. Ford in sliding out of dangerous corners but every bit as pragmatic, he may be the Republicans' best hope. So far, Reagan the politician seems to have the ideologue well under con-

trol." It may be remembered that Broder suggested that Reagan had a respectable shot at the GOP nomination long before it was respectable to do so.

● "Time To Jettison That 11th Commandment, Ron," by Patrick Buchanan. Phoenix Arizona Republic, February 11, 1976. Commenting on the tough tactics being implemented by Ford campaign strategists, Buchanan suggests that "they are under no obligation to adhere to a political prescription dreamed up by Reagan and his men a decade ago, to place at a tactical disadvantage a primary opponent by the name of George Christopher. Nor do my brother conservatives have genuine grounds for grievance. Some of them have spent many of their waking hours beating up on Republican liberals. And if any would argue that the right wing of the GOP has observed religiously the 11th Commandment, they might ask themselves who is responsible for all that scar tissue around the face and eyes of Nelson A. Rockefeller." If winning requires the abandonment of the 11th Commandment by Reagan ("Thou Shalt Not Speak Ill of Another Republican"), then Reagan should do it, according to Buchanan. "because no one, but no one is going to be impressed with a marble tombstone that reads: Here lies Ronald Reagan, defeated candidate for his party's nomination; he refused to speak ill of another Republican."

● "Reagan's 'Strapping Buck,'" by Carl T. Rowan. Cleveland Plain Dealer, February 15, 1976. Ronald Reagan makes a small change in nomenclature when he moves "the speech" from New Hampshire to Florida. Rowan explains the southern version: "In denouncing the food stamp program, which serves some 19 million Americans, Reagan paints a picture of some hard-working taxpayer at the checkout counter in a supermarket wondering how he'll pay for his few pounds of hamburger. Then, as Reagan dramatizes things, along comes a 'strapping young buck' with a pile of T-bone steaks and a fistful of food stamps. This is shameful demagoguery on Reagan's part, but is clever stuff nonetheless. Clever because it is racism disguised just enough to be palatable to millions of whites. Everyone knows that 'stapping buck' is a code phrase that conjures up images of Mandingo, of some 'burly' black male, chomping down T-bones courtesy of the food stamp program." Concludes Rowan: "Most politicians indulge in demagoguery, but Reagan seems to have that ruthless instinct for zeroing in on the fears, hatreds and other vulnerabilities of voters."

● "Peach-Pit Conservative or Closet Moderate," by Richard J. Whalen. New York Times Magazine, February 22, 1976. After suggesting that Reagan is not really as much of a conservative as he is cracked up to be, Whalen con-

cludes:"The questions about Reagan in the minds of Republicans in New Hampshire and elsewhere do not concern his intelligence or strength of character so much as his basic seriousness, his ability and willingness to look beneath the one-liners to the inescapable complexity of the subjects that preoccupy a President. Cutting the federal government down to size and standing up to the Russians are slogans, not policies. Reagan has come a long way over the past generation playing the same script, but now the country's more conventional politicians have caught up with him and his anti-government themes. To get to the White House, Reagan will have to describe, not how he would reduce government, but how he would enhance America's spirit and self-confidence."

● "The President Builds A Case," by Robert Healy. Boston Globe, February 23, 1976. Says Healy:"President Ford daily builds the case against a Ford-Reagan ticket. In an interview Saturday with Globe reporters in the Oval Office, he acknowledged that he had offered Ronald Reagan a cabinet post but that a cabinet post was not the same as the Presidency. Asking a person to assume an administrative post 'where his views would be thrown into the discussion does not mean that I think an individual...should be President or can be elected. There is quite a difference,' said Mr. Ford. The President said, as he had before, that it was still 'conceivable' that Reagan would be on the ticket. But at the same time he surrounded that answer with sharp and implied criticism of Reagan. He said in the interview that the reason he picked Nelson Rockefeller to be his Vice President is that he was the best prepared person to assume the Presidency if anything happened to Mr. Ford."

● "Mr. Ford's Trips To The Provinces," by Joseph Kraft. Washington Post, February 22, 1976. "Everybody knows that Jerry Ford stakes his best claim for the Republican nomination on the basis of performance in running the country as Mr. President. So why does he keep hitting the road to the provinces wearing the mantle of Mr. Candidate? The answer lies in the general state of public apathy, and the particular structure of the Republican Party in the early primary states. Unless Mr. Ford stirs moderate Republicans out of their apathy, he could be wiped out by the militant right-wing minority backing Ronald Reagan in New Hampshire and Florida...The upshot is a kind of schizophrenic presidency. Mr. Ford has to keep interrupting his management of great affairs to play parish politics. His trips to the provinces are not so much bids for victories as essays in survival. For unless he can hold the line against Mr. Reagan in New Hampshire and Florida, he will not be in position to

win decisive victories in Illinois and Wisconsin, victories that should settle the Republican race."

● "The Moynihan Factor." National Review, February 27, 1976. Speaking of disorder in the Ford Administration, National Review editorialized:"The Vice President has become a stranger in his master's house. It has proven impossible for Mr. Ford to keep a campaign organization glued together, and in every region of the country there is no longer any hesitation among prominent Republicans to shy away from the Republican incumbent...more and more the veto has become---and has become recognized as---Gerald Ford's primary mode of exercising the Executive office; and in the past month even most of his vetoes are getting overridden. There is no longer any coherent foreign policy, and virtually all of the sporadic foreign policy moves proposed or attempted by the Administration are negated either by Congress or by their inherent unsuitability."

● "'Competence' A Risky Strategy," by Jerald TerHorst. Chicago Tribune, February 2, 1976. "By making 'competence' the theme of his election campaign, President Ford is taking a calculated risk of very high odds. It is both his strongest card and his weakest. The competency issue is based on two assumptions. First, it assumes a majority of Republican primary voters and convention delegates will perceive Ford as more capable than Ronald Reagan and entitled to the nomination. Second, it assumes a majority of voters will judge Ford more competent than any Democrat who may be running---even Sen. Hubert Humphrey(D-Minn.), the man the President thinks will be the Democratic challenger," writes TerHorst. "The competency theme is based upon an interesting premise. It assumes that the voters will settle for competency. It amounts to saying that the American electorate is not going to place a higher priority on inspiring, challenging leadership from the nation's highest office... Voters may doubt that they will ever get real leadership, but they crave it. A good many have told me, as well as the pollsters, they would be willing to make material sacrifices and would rally behind a presidential candidate who offers the moral and governmental leadership that could lift America out of its doldrums."

● "Winter Book On The GOP," by Howard L. Reiter Nation, February 7, 1976. Writing on the shifting power and geographic balances in the Republican Party, former national Ripon Vice President Reiter suggests: "Since 1964 it has been apparent that the fusion of old and new conservatives has domination Republican national conventions. There have been five hotly-contested

roll calls at the past three GOP conventions--- the civil rights and Presidential votes in 1964, the Presidential and Vice Presidential votes in 1968, and the fight over delegate apportionment in 1972. Twenty-eight states cast a majority for the conservatives on all five votes, and they will control 56 percent of the votes in Kansas City. They include three giants---California, Texas and Illinois---which represent the three geographic pillars of the conservative coalition: Far West, South, and Midwest. The liberal wing, which was once able to dominate five successive conventions, has now shrunk to the Northeast, a few Midwestern industrial states, and a handful of small allies. Only there is Reagan promised a hard battle; Ford is so weak that he cannot count on much of the Midwest. So the course of prudence would be to watch those states which have Democratic governors and which lie outside the region north of the Ohio River and the Potomac; that is where Reagan's campaign is likely to go furthest. Unfortunately for Ford, that is a dominant chunk of the Republican Party."

● "Whither the GOP?" by Vermont Royster. Wall Street Journal, January 21, 1976. "Others have simply observed that the Republican Party has been out of touch with the political times, which is true enough but explains nothing. Irving Kristol is more precise when he cites the inability of Republicans to articulate their political ideas---such as less reliance on government to solve every social ill, more attention to fiscal integrity in government---without sounding callous...The curious thing is that Democrats, or some of them, are able to. Anyway, some of the newer ones---Governor Brown of California come to mind---are able to talk about the limits of government power and the need for fiscal integrity without sounding like Neanderthals. There's certainly irony in seeing Democrats sell political ideas Republicans find unsalable," writes Royster.

● "The Republican Gamble," by James Reston. New York Times, February 22, 1976. "The Republicans have lost seven of the last 11 Presidential elections, have been out of power for 28 of the last 43 years, largely because they have been on the unpopular side of reform, but in

the Presidential election of 1976, they are betting that the popular majority has finally come over to the conservative side...The Age of Reform, as Richard Hofstadter called the politics of this century, has not really ended: The question has merely been changed. At home, the Republicans are probably right in arguing for decentralization of power and re-examination of the social programs of the welfare state, but in the world, the oil-producing countries and the new industrial societies of Germany and Japan have warned us that America must compete as a nation, with new labor, commercial and political relations. For the moment, in the New Hampshire, Massachusetts, and Florida primaries, the Democrats are playing the Republican game of decentralized power, but in the future, the chances are that, to compete with the new industrial nations, we are probably going to need more power in Washington rather than less."

● "Ford's Two Opponents," by David Nyhan. Boston Globe, February 18, 1976. Two of President Ford's most quotably contradictory quotes are noted by Nyhan. In a recent CBS-TV interview with Walter Cronkite, he said:"I don't believe there's any serious differences between Gov. Reagan and myself." In a later news conference, Ford said:"I think he is to the right of me in a pragmatic and practical way." Notes Nyhan:"If the President had been taking an hour exam in political philosophy, he would have flunked last night, because he did not pin down for once and for all whether he does disagree with Reagan philosophically."

● "Ford Shatters '11th Commandment.'" Human Events, February 28, 1976. President Ford and his henchmen are getting mean, according to this Human Events editorial:"Along with his political hatchmen, (Ford) has tried to tar Reagan with virtually every major smear that Nelson Rockefeller and the Democrats accused Barry Goldwater of in 1964. Both Ford and his aides are tagging Reagan as an 'extremist,' an incompetent and a man too dangerous to have his finger near the nuclear button. Exploiting prime-time television, the President has suggested that Reagan may destroy the 'integrity' of the Social Security system---as if this Ponzi scheme were somehow sculpted in honesty."

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COMMENTARY: ECONOMICS

CAPITAL FORMATION: KEY TO MORE JOBS, LESS INFLATION

by Charls E. Walker and Richard W. Rahn

In essence, capital formation means the accumulation of savings and its investment. This results in more efficient technology, which increases productivity. Increased productivity results in greater output and lower real costs, in turn reducing inflationary pressures and resulting in higher real income. Higher real income results in increased expenditures for goods and services which increase the demand for labor, resulting in a greater supply of jobs.

Serious studies of our long-term capital outlook---by the Brookings Institution, Data Resources, Inc, the U.S. Department of Commerce, and others---all agree that the demand for capital will be increasing at a much greater rate than we have experienced in the recent past. By the best estimates available, the U.S. will need the incredible sum of \$4.5 trillion in new capital funds in the next 10 years---three times the \$1.5 trillion of the past decade. The Department of Commerce has concluded that private, fixed investment must increase from 10.4 percent of the GNP that characterized the 1965-74 period to 12 percent of the GNP between now and 1980, if we are to have a capital stock sufficient to promote full employment, control pollution, and maximize development of our domestic energy resources.

It has been recognized by economists, at least since the days of Adam Smith, that in order for a society to grow and prosper, it has to accumulate capital and channel it into productive investment. In other words, a society must consume somewhat less than it produces and use its savings to create capital goods which in turn increase productivity. The main source of our nation's prosperity has been our willingness and ability to save and produce productive capital.

Since 1960, however, the United States has had the lowest level of capital investment among the major industrialized countries. Significantly, among these nations, only the United Kingdom has shown a productivity growth rate slower than that of the United States. Japan's rate of investment and productivity growth rate have been triple our own; the rates in Germany, France, and Canada are all substantially higher than ours.

All of these nations give more favorable tax treatment to capital investment than do we. Productive investment is the keystone of productivity. If, through continued underinvestment we lose the ability to compete effectively with other industrialized nations, we will

suffer a further loss of markets and jobs to competitor countries, and a decline of our world political, economic and military positions.

The U.S. Treasury estimates that to reach a full employment economy we will need to create almost 20 million new jobs by 1985---7 million more than we created during the past decade. Henry Wallich, of the Federal Reserve Board, has concluded along with other experts that, as a result of inadequate past investment, the United States is already experiencing an overall shortage of capital with respect to jobs. Under this condition, there are not enough jobs to provide full employment even when industry is operating close to capacity. Thus, capital capacity falls short of labor force capacity. Obviously, labor has as much interest as business in remedying this serious situation.

Increasing investment is the fundamental factor in creating jobs. Unfortunately, our capital to labor ratio for workers is declining while Japan and most of Europe have been rapidly increasing their capital investment per worker ratio. Paul W. McCracken, former chairman of the Council of Economic Advisers, has concluded that the amount of nonresidential capital formation-per-person-added-to-the-labor-force in the United States during the 1970's has declined by 22 percent from the levels reported in the 1956-1966 decade.

During the period from 1947 to 1967, the shares of U.S. income going to labor in the form of wages and salaries and to capital in the form of before-tax profits, interests, and rents remained basically constant. Approximately 70 percent of the income went to labor and approximately 30 percent to capital. Since 1967, however, there has been a significant decline in the capital share (with labor getting a much larger share) and in the pre-tax rate of return on the invested capital of non-financial corporations---from a level of about 14 percent in 1967 to about 8 percent in 1974. The process of business adjusting to lower returns for capital results in a decline in capital formation until the stock of capital shrinks relative to labor. As capital becomes less abundant relative to labor, its rate of return rises. But as a result, we end up with less capital relative to labor, which in turn diminishes the productivity of labor. Diminished labor productivity in turn causes a lower wage rate (in real terms), which then results in a decline in real economic growth, thus reducing new job formation. In other words,

without increased capital formation, increased productivity will be stifled; real economic growth will diminish; and fewer jobs will be created.

During 1973 and the early part of 1974, the U.S. economy suffered major shortages in many basic industries, including those of chemicals, steel, paper, and fertilizer. These shortages served to exacerbate inflationary pressures and hinder growth in the economy. This lack of sufficient industrial capacity was a result of inadequate prior investment which caused a capital shortage in the affected industries.

The Council of Economic Advisers has noted several inhibiting factors which may cause business to fail to provide the adequate new investment to avoid future shortages. For example, actual rates of return on business investments have lagged, in recent years, as a result of such things as increased price stability, experiments with wage-price controls, and increased costs resulting from environmental and safety regulations. These factors force businessmen to increase their "investment risk" premiums, in turn reducing the number of acceptable investments.

Also, general price inflation has raised corporate taxes by a greater proportion than the before-tax return on fixed capital. This has occurred because inflation-induced inventory profits have boosted the tax base. In addition, inflation has caused the real value of historical cost depreciation allowances to decline.

The increase in corporate debt-equity ratios has partially resulted from the tax treatment of interest as deductible expense. This has made debt-financing particularly attractive during inflationary periods, thus increasing business financing risks, in turn increasing the cutoff rate of return on many new projects.

Finally, fiscal policies have been biased against private investments by emphasizing the stimulation of consumption through Federal tax and expenditure policies rather than investment. When these policies have led to inflation, monetary restraint has been imposed which has led to incomplete capital formation through the business cycle. The bias in our tax laws against capital formation must be eliminated to insure that sufficient productivity capacity is produced to create full employment and to reduce inflation-producing shortages. This destructive bias can be mitigated by:

The Elimination of Double Taxation of Corporate Dividends. Currently, corporate profits are taxed by the corporate income tax, and then taxed again when they are distributed

to shareholders by the personal income tax. We must begin to eliminate the two-tier tax on corporate profits and tax business income only once, as most of the major European nations and Japan have done. Integration of corporate and personal taxes would do much to eliminate the bias toward debt financing and against equity financing. The corporate tax is paid by consumers in higher prices and/or by stockholders. Corporations do not pay taxes; they are merely a form of doing business. People, citizens, consumers---they pay taxes.

Permanently Extend the Investment Tax Credit (ITC) at a 12 Percent Level; Remove Restrictions Relative to Earnings; and Make ITC "refundable." In other words, the ITC should be granted as a cash rebate to businesses which earn nothing or too little to realize the full benefits of the credit. Most observers agree that the credit has been a valuable device for reducing the costs and increasing the supply of capital and, in so doing, providing jobs and material supplies which reduce inflationary pressures. Labor members of the President's Advisory on Labor-Management Relations unanimously endorsed a 12 percent ITC in early 1975.

Provide for Fairer and More Realistic Depreciation Allowances. Depreciation allowances under the Tax Code do not reflect the true cost of capital replacement. The United States has the most restrictive depreciation allowance provisions of almost any major industrial country. A more realistic approach would be to permit business to "catch up" with inflation by permitting depreciation on a replacement basis rather than original cost basis.

More Equitable Capital Gains Tax Rates. The capital gains tax ought to be made more rational by taxing a smaller portion of the gain the longer the asset is held, to reflect inflation costs and the basic time value of money. Such an approach would help free up locked-in capital, encourage new investment, and treat long-term investors and small businessmen more equitably.

Provide Tax Incentives for Stock Ownership. A plan allowing taxpayers to defer tax payments or providing for tax credits for income invested in common stocks up to some limit, as President Ford and others have proposed, would have a number of desirable benefits. Such a plan would encourage additional savings and investment in productive equity markets, thus stimulating business expansion, which in turn will provide new jobs and greater material well being. The program would have the desirable and socially-stabilizing benefits of expanding ownership of American enterprise to many more citizens and providing additional motivation and reward for individual savings. ■

DULY NOTED: STATES

● "The Senate Is A Fallback Position," by Kaye Northcott. Texas Observer, February 13, 1976. Commenting on Sen. Lloyd Bentsen's former quest for both a Senate and Presidential nomination this year, a Houston Post columnist recently touched a raw nerve by suggesting: "Why not let Bentsen run for sheriff, Congress, governor, school board members, and board chairman of Water District 238. This way, when all the ballots are counted, he can simply tick off the jobs he wishes and toss the others back to the assorted runners-up." Bentsen has relieved himself of the dual candidacy problem by taking himself out of the presidential race, but he still faces primary opposition from rightwing Democrat Phil Gramm. Bentsen's alleged national liberalism---e.g., his vote for application of the Voting Rights Act to Texas---will be fodder for the Gramm campaign. Texas liberals have despaired of opposing Bentsen and instead have sought accommodation. Writes Northcott: "Liberal honcha Billie Carr, the strategist behind the uncommitted slates, said that Bentsen is cutting deals with every black and every union member he can get his hands on. Carr thinks this making some conservatives mad enough to turn to Gramm. Carr said, 'If Bentsen keeps all his commitments to our people, he's not gonna have any conservative support left. He's ignoring the conservatives.'" Meanwhile, U.S. Rep. Alan Steelman(R), seeking the GOP Senate nomination, has launched what the Dallas Times Herald has called "the most extraordinary campaign for a Republican seeking statewide office in recent Texas history." Noted the Times Herald's Ron Calhoun, Steelman "is calling for a 'second revolution,' not only in honor of the Bicentennial but in hopes the voters are ready to shed time-honored voting patterns. He not only is lashing out at big labor and big government, the two traditional GOP targets of rhetorical scorn, but also big business and the inability of his own party to attract a broad base of support."

● "Conflicting Desires Tear At Gov. Brown's Ambitions," by Martin Smith. Sacramento Bee, February 19, 1976. Gov. Jerry Brown(D) has a problem: he wants to run for President but he needs to "preserve his great political asset---his image as a non-politician. He recognizes that Californians might easily resent it if they thought that, after serving little more than one year as governor, he appeared anxious to use his office as a steppingstone to something better. So if he makes a visible effort to place himself in a good position to win a spot on the Democratic national ticket this year, he does so at considerable risk to the strong public favor he seems to have gained in California.

His problem is to find a way, if any exists, to enhance his chance for national office without being too obvious in his political moves." That's why Brown is reserving decision on entering the California Democratic primary, either as a favorite son or as the leader of an uncommitted delegation.

● "Let 'Em Have It, Jim!" by Robert H. Snyder. Cleveland Plain Dealer, February 8, 1976. "Republican (James) Rhodes came into office in 1975 faced with a unique challenge in his third term as governor. Gone were the friendly Republican legislatures he had faced in 1963 and 1967. Instead Rhodes confronted a Democratic-controlled General Assembly which has snarled at him, insulted him and fought on many issues...Blocked on many fronts, Rhodes last week decided to declare war on his cantankerous neighbors upstairs in the Statehouse. He threw his Sunday punch: He announced he was calling a meeting of the Ohio Apportionment Board to redraw state legislative districts." The job was last done by the Democratic-dominated board in 1971 and led to a Democratic legislative takeover. Now there is a Republican majority on the board and Rhodes has decided it is time to undo the Democratic handiwork. Concludes Snyder: "Whatever the outcome of the legal battles ahead and whatever the future developments, Rhodes made one thing clear: He's playing for keeps and he's going for the Democratic jugular."

● "Garrahy Seems to Have It Made; Noel Has Trouble," by John P. Hackett. Providence Sunday Journal, February 15, 1976. "Lt. Gov. Joe Garrahy obviously is home free for the Democratic gubernatorial nomination. The same can't be said for Governor Philip Noel's bid for the party's U.S. Senate nod. Newsmen following Garrahy around the state last Monday---when he paused in seven party strong holds to announce for the job Noel is giving up were as struck by reports of trouble for Noel as by the demonstration of support for Garrahy among Democrats rallying for the lieutenant governor." Noel may find particular trouble in state and municipal employee unions, who angered by Noel's policies as governor, may back State Senate Majority Leader John Hawkins(D).

● "Shapp-Rizzo 'Wedding,'" by Patrick Boyle. Pittsburgh Press, February 15, 1976. "The political marriage between Gov. Milton J. Shapp and Philadelphia Mayor Frank L. Rizzo is something akin to a shotgun wedding. Neither politician likes the other politician's demands but the bargain, they decided, had to be made in order to advance their separate political drives. Mr. Rizzo agreed to support Gov. Shapp's presidential delegates in Philly, the governor's choices for auditor general (Al Benedict of Erie) and state treasurer (Mrs.

Catherine Knoll of McKees Rocks). Presumably, the mayor also bit his tongue and agreed not to make a fuss over the Democratic candidacy of U.S.Rep. William Green of Philadelphia for U.S.Senate. In turn, Gov. Shapp agreed to let Mayor Rizzo take the final steps in ousting Peter J. Camiel as Democratic city chairman, even though he's one of the governor's men on the Turnpike Commission," writes Boyle.

● "And Who, If Anyone, Is Running New Jersey?" by David A. Mariniss. Trenton Sunday Times Advertiser, February 8, 1976. "The State House politicians in New Jersey have perfected the art of the stalemate. Income tax---stalemate. Property tax relief---stalemate. Redistribution of education aid---stalemate. It has been going on for more more than two years and is enough, said an observer from the Eagleton Institute of Politics, to make Russian chessmaster Boris Spassky look on in envy. One state senator attributes this to the 'three blind mice phenomenon'---a weak and stubborn governor confronted with an equally weak and stubborn legislature and a cautious State Supreme Court. 'When none of them can see where they want to go,' says this lawmaker, 'it's only natural that they wouldn't get anywhere.'" While the New Jersey Democrats are fiddling, the New Jersey public is beginning to burn.

● "Mandel Charges Weaken Session," by Thomas B. Edsall. Baltimore Sun, February 15, 1976. "Pervading this listless session of the General Assembly is the indictment of Governor (Marvin) Mandel, a dominant and largely negative force, both in the proceedings of the legislature and in the governor's actions...The charges have created at least a temporary vacuum in the gubernatorial leverage normally exercised over the legislature, a vacuum which neither the House nor the state Senate has moved to fill. Instead, legislators and lobbyists are privately voicing complaints of a lack of direction here, a sense that the criminal accusations against the chief executive have gone beyond forcing a new-found public propriety and taken some of the traditional guts out of political bargaining."

● "Conlan Rejects Poll To Select GOP Senate Candidate," by Ben Cole. Phoenix Arizona Republic, January 30, 1976. In an effort to avoid a bruising primary between U.S.Reps. John Conlan (R) and Sam Steiger(R), Sen. Paul Fannin(R) suggested that an opinion poll be used to select his Republican successor. Neither Con-

lan nor Steiger were enthralled by this effort to avoid massive Republican bloodshed. Said Conlan:"I don't see how I can ethically be a part of any plan to bypass the voters and take the choice of their next United States senator away from the people." Fannin had made his proposal in conjunction with Sen. Barry Goldwater, but a speedy leak to the news media quickly torpedoed any hope for agreement. That failure may propel Arizona GOP National Committeeman John Haugh into the race as a compromise choice.

RIPON SUIT

On February 23, the Supreme Court denied a writ of certiorari requested by the Ripon Society in its suit against the Republican National Committee, challenging the delegate allocation formula for the Republican National Convention. The suit has been in the federal courts since 1971 and most recently, the U.S. Court of Appeals for the District of Columbia had ruled against the Ripon Society.

Responding to the decision, a spokesperson for the Society said: "We are deeply disappointed by the Supreme Court's decision not to disturb a Court of Appeals ruling which upheld the delegate formula for the 1976 Republican National Convention. Along with many other Republicans, Ripon continues to believe that the convention apportionment formula is discriminatory and unfair. A convention that underrepresents Republicans in populous states by 11-1 cannot yield a nominee representative of a majority of the nation's Republicans.

"By approving an appellate court decision holding that political parties' nominating processes are immune from the one person-one vote principle, the court's decision is undermining the very legitimacy of our system of democratic, representative government. The Ripon Society will continue, along with other, concerned party leaders, both at the convention in Kansas City and elsewhere, in its efforts to ensure that all Republicans are fully and fairly represented."

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