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Last Updated: 06/06/2024

# RONALD REAGAN Disc 76-5

1 ApE & 11/16/76.

# 76-5A

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(Reprint of a Radio Program entitled "Centralized Planning" Commentary by Ronald Reagan)

I've talked before about centralized economic planning, but like a lot of other bad ideas proposed in Congress, it keeps coming back like a song.

Last year, it was in the form of something called the Humphrey-Javits Bill. This year it has been the Humphrey-Hawkins Bill, labeled as a "jobs" bill, but in reality the forerunner of central government planning of our economy.

Very few reputable economists support the idea of centralized planning, and for a good reason: it just plain doesn't work. Look at Britain with all her woes and falling Pounds and you'll see what I mean. Or, that consumer paradise, the Soviet Union.

There are several reasons why centralized planning fails, but for the moment, let's examine one.

Advocates of central planning create the image of the planner as an objective expert who analyzes problems, then plans solutions. He acts only out of concern for the public interest, never pursuing his own interests. Or so the myth goes.

James Buchanan and Gordon Tullock, both economists at Virginia Polytechnic Institute, have studied this problem and they've found — as you would expect — that in reality this is not what happens at all. Planners are human beings and, like most other people, when there's a conflict between self-interest and the public interest, they will almost always follow their own personal interest. In every planning decision, there are always special interest groups involved, usually including business and labor, and they want a say in the planner's decision. These special interests will concentrate their energy on influencing the planners one way or the other.

George Hilton, a UCLA economist, cites as a case in point, Amtrak, the government's passenger rail system. How do you think Amtrak's schedules have been set by government planners? The answer has little to do with service needs and a lot to do with the location of the politicians interested in transportation. It's a case of the squeaky wheel getting the grease.

Montana, for instance, has a relatively small population and therefore, few people who ride trains, but, because both Senators from Montana are interested in transportation, Amtrak planners have scheduled two trains to run east and west across the state every day.

The same is true of West Virginia. According to Professor Hilton, it has little need for rail passenger service, but a member of the Interstate Commerce commission hails from there and a West Virginia Congressman is the chairman of the House Commerce committee, so Amtrak planners have scheduled frequent service there.

Ohio's a different story. It has a large population and a big potential demand for rail service, but Cleveland wasn't even included in Amtrak's original service plan. Ohio's Congressmen must have had other things on their minds at the time. It all boils down to the fact that economic decisions made by a government tend to be made for political, not economic reasons. Planning in the private marketplace, on the other hand, is done by millions of people buying and selling goods and services as their needs require. One reason for the success of the market system is that individuals do their planning for economic, not political reasons. One thing is certain about centralized planning: it can't rearrange human nature.

(Reprint of a Radio Program entitled "Bureaucrats Revisited" Commentary by Ronald Reagan)

We should all be indebted to columnist James J. Kilpatrick for exposing how far and at what administrative cost the swollen forces of federal government will go to become involved with totally unimportant trivia.

Mr. Kilpatrick tells of a minor auto accident -- a rear-end collision -- in Toledo, Ohio one afternoon last May. One of the cars involved sprung a seam in the gas tank resulting in a spill of about two gallons of gasoline. The patrolman at the scene called the fire department and the two gallons of gasoline (obviously a fire hazard) were flushed into a storm sewer. The sewer runs into a ditch which, in turn, runs into the Ottawa River, which runs into Maumee Bay which opens into Lake Erie. All of these waters are under the purview of the Federal Water Pollution Control Act.

While the firemen were efficiently ridding the accident scene of the threat of fire, a Coast Guard inspector driving by on his way home witnessed this flushing of two gallons of gas into Peterson's ditch, and thereby, begins a story attesting to the ridiculousness of which government is capable.

Roughly one month later, a report was filed with the Marine Safety office in Toledo, citing the driver of the car with the leaking gas tank as the discharger of pollutants into the waters of the U.S. Another representative of the Coast Guard investigated and confirmed the report. A photographer was sent to photograph the scene of the crime. A captain reviewed the evidence and sent his report on to the Chief of the Marine Safety Division and, two weeks later, Gogolin & Sons, Inc. received a letter threatening them with a civil penalty of up to \$5000.

Oh yes, I should have mentioned that the driver originally cited was driving a van owned by Gogolin & Sons, Inc. So, the company was discharging oil in harmful quantities into Peterson ditch. To any of you who may carry a cigarette lighter, take care when you fill it. Don't spill any of the fluid near a gutter or Big Brother will have you up for endangering the world's water supply.

The final officer in this whole chain of events — the one bringing the charge against Gogolin & Sons, Inc. followed up his threat of \$5000 liability by asking how they'd feel about a \$50 penalty? He said, "I have preliminarily determined that amount to be an appropriate penalty after a careful review of the investigatory report, based upon my assessment of the gravity of the violation."

To their everlasting credit, Gogolin & Sons, Inc. dug in their heels and said, "No." Elton E. Gogolin, Jr. said, "Why a small businessman should be subject to this classic example of federal harassment is beyond rational comprehension." Amen!

Columnist Kilpatrick spoke to the officer and expressed the thought that the matter seemed too trivial for a \$50 fine. The Captain replied, "Nothing is trivial." And that must be true of the total administrative effort and cost to the taxpayers that went into this two gallon gas leak caper.

Jack Kilpatrick, thank you.

(Reprint of a Radio Program entitled "Inflation and the Property Tax-I" Commentary by Ronald Reagan)

The property tax is the most unpopular tax in America. In a recent national survey to determine which tax people considered the most unfair, property tax scored two-to-one over federal income tax and three-to-one over state sales tax. Forty-five percent of those surveyed considered property tax the most unfair, only 7% thought it the fairest.

Time was when the property tax was the only one American citizens had to pay, and right up to World War II it produced more revenue than any other tax. Now it ranks fourth, behind taxes on personal income, social security, and sales, and only slightly ahead of the corporate income tax. Why is the property tax so unpopular when other, newer taxes are taking more of our earnings?

One reason is that property tax buys important, highly visible, and local public services --schools, fire and police protection, and parks-- and we are more likely to criticize what we can see and hope to influence.

Another reason is that the property tax is locally administered: we are more likely to hold the strongest opinions about things closest to us, and no one likes taxes. But, a third reason, crucial to the current situation, is that the property tax has become, not just a double, but a triple tax. Every dollar of our earnings used to buy a home is taxed three times; once as personal income, once to pay the property tax rate, and once to meet the increased property tax assessments resulting from inflation. Let's take them one at a time.

The homeowner's favorite tax deduction is the interest he pays on his mortgage. Yet this deduction does not apply to the part of his income with which he actually buys the home. Every dollar he pays against the principal; that is, every dollar by which he increases his ownership, has already been fully taxed as normal income.

Then he is taxed to pay the property tax rate, which ranges from 2% to 4% of the value of the home, or about 5% to 10% of the homeowner's income after he has paid income taxes.

Finally, whenever the federal government adds to the national money supply, it produces inflation, which raises prices and hits the homeowner as a higher property assessment, and therefore a higher property tax.

The deadly scissoring effect of higher tax rates and inflationary assessments often drives homeowners on fixed incomes to a despairing choice: will they keep their homes or will they eat? What's more, even wage earners can't gain a clear advantage by earning more, since the higher income tax rates that go with higher earnings offset any gains on inflation.

Next time I'll tell you what we must do to relieve the homeowner of triple taxation.

(Reprint of a Radio Program entitled "Inflation and the Property Tax-II" Commentary by Ronald Reagan)

It may seem uncharacteristic for me to sympathize, even a little bit, with property tax assessors. I regard all tax collectors as a necessary evil, and I am convinced they would be less evil if they were less necessary.

However, I have some sympathy with local tax assessors, for these days they are almost as much victims as they are villains. When homeowners protest against outrageous increases in assessed values, and when property tax assessors try to justify such increases in relation to market values, I have to admit both sides have a point. For the increases are usually both technically justified and practically outrageous, and I am astonished that neither side of the argument tries to find the reason for this paradox.

It isn't hard to find. It's called inflation, and it works out of Washington, D.C.

Inflation occurs when the growth of the nation's money supply outstrips the growth in the nation's productivity. The federal government controls the nation's money supply, and is, therefore, the primary source of inflation.

Inflation raises prices because more money is available, but more goods and services -- and homes-- are not. Thus property market values rise, and property tax assessors are technically justified in raising assessments.

But the homeowner is equally justified in thinking the raises outrageous, because he is caught in an unmerciful governmental triple squeeze. Higher assessments mean higher taxes, at a time when all other prices are climbing because of inflation. Tax increases from higher assessments are often compounded by higher property tax rates, imposed so that local government also can pay the inflated costs of goods and services. Higher wages don't help, because the higher the income, the greater the percentage of it taken by income tax. And, of course, the homeowner trying to live on a fixed retirement income is squeezed most unmercifully, since he has no defense at all against inflation.

In truth, inflation is simply another tax, imposed by Washington in the name of "easy money"--a tax which makes the existing property tax structure unbearable.

But, before we throw out the property tax—the one tax over which we at least can exercise some local control, let's try an alternative. Let's put the pressure on the bureaucrats and legislators in Washington to end the needless hidden tax of inflation. Only they can do it.

(Reprint of a Radio Program entitled "Land Use Planning" Commentary by Ronald Reagan)

Land use planning--ultimate state and federal control over the use of private land-is one of those concepts which has been defeated in legislation before, but which keeps coming back like a song. And it'll probably be back in Congress--under a new name--again next year.

Demands for land use controls usually seem quite simple and public spirited. There is much talk about "public access", about "environmental protection", and about preventing developers from "ruining" natural assets. But, these demands tend to ignore the impact of land use restrictions on individual property owners and to ignore the fact that those owners have rights. In fact, those making the demands most often insist that only their interpretation of what is right for the land has any merit at all. But does it?

Who gains and who loses when land use controls are imposed on a broad scale? Basically, such controls restrict the uses to which an owner can put his land. They restrict the building of homes, apartments and stores and it limits the cutting of trees, drilling for oil, and so forth. Each restriction, whatever other merits it may seem to have at the time, makes something more scarce ——less available——than it otherwise would be. Under such government controls, less housing is built, fewer trees are harvested and less oil refined. And, that will tend to drive up the price of such things.

Now the homes in a region may not decline in <u>total</u> number, but with controls they will be kept out of some areas and may be built in less desirable locations. Controls, in fact, will increase the cost of all activities that are related to land use.

Some scholars are concluding that the heaviest burden of land use controls tends to fall on low income and minority citizens. Let me give you an example. In <a href="The California Coastal Plan: A Critique">The California Coastal Plan: A Critique</a>, done for the Institute for Contemporary Studies, Daniel Orr, an economist at the University of California in San Diego, concluded that this one state's plan would prevent construction along California's long coastline. As a result, many low income people would be prevented from improving their housing conditions. But, low income housing isn't usually built in scenic coastal areas you say? No, but Dr. Orr points out that even if the home that is prevented from being built is an upper income one, low income citizens will suffer. Here's how: housing moves have a domino effect. In order to move into a more expensive home, a family vacates its present one. That home, in turn, becomes available for a second family, and so on. The Survey Research Center of the University of Michigan estimates that every new construction causes an average of three-and-a-half moves by individuals and families seeking to improve their housing.

Many environmentalists are quite open about their desire to protect land from people. Protecting the environment is an important value, but not the only one. Protecting land from people really means preserving it for the privileged at the expense of others. The answer of course, is in a balanced approach. The potential land planner may not know it, but every proposal he puts forward may be the lid of Pandora's Box.

(Reprint of a Radio Program entitled "Education I" Commentary by Ronald Reagan)

I've spoken before about the decline in quality of public school education as evidenced by college entrance exams over the last 20 years. Just recently I read in Washington, D.C. newspapers about one of the highest ranking graduates of a D.C. high school — valedictorian of his class — who couldn't get a high enough mark on the standard entrance exams to get into George Washington University. The Dean of the University described the young man as having been conned into believing he'd had an education.

But it took the news of an interview on a St. Louis T.V. station to get me back on this subject again. They interviewed a product of the St. Louis public school system, a young man 20 years of age who had gone from kindergarten through grade 12 and had his high school diploma to prove it. He is a functional illiterate, unable to read or write, and is presently enrolled in an adult remedial reading program.

Now, lest you think he is exceptional -- possibly handicapped in some way -- let me state for the record he is not mentally retarded. Neither is he stupid. He's just plain untaught. The adult center where he's at last being taught to read, says he has plenty of company in that one metropolitan area alone.

Education is compulsory in our land of the free. You can't decide that you'll do without, and, if you try, the law will be knocking on your door asking why isn't Johnny in school where he belongs.

Alright then! But what is our response if little Johnny is in school where he belongs and all that is required of him is his physical presence? If he sits in his assigned seat five days a week for nine months, he'll be passed and promoted to the next higher grade.

When I was Governor, a black mother -- during the height of the controversy over desegregation in the schools -- told me that wasn't nearly as important to her as some of the educational fraternity would have us believe. She said, "Never mind moving them around to a different school, just teach them where they are." And then she made this request, "Stop promoting my son to the next grade just because he's come to the end of the year. Make him stay in the grade he's in until he's learned what he's supposed to know." I'm afraid I thought she was exaggerating when she added, "One day they'll hand him a diploma and he won't be able to read it."

What happens to a young man or woman who dons cap and gown, is handed a diploma as proud parents and friends applaud; who believes he has qualified to go into the job market and learns he can't even fill out the application for a job?

There have been great innovations in education and we're told the old-fashioned methods (phonics as the way to learn to read for example) are no longer approved by educators. Well, let them answer one question. It is acknowledged that we have added more to man's knowledge in the last 25 years than in all the previous history of man. Those who did this were brought up in that earlier -- now outmoded -- school system. Surely it must have been doing something right.

(Reprint of a Radio Program entitled "Education II" Commentary by Ronald Reagan)

Not too long ago I received a letter from a lady in one of our midwestern cities — not a megalopolis like Chicago — just a typical middle size city. I won't embarrass her by using her name or even identifying the city which is pretty well known to me. But I will share her letter because in a way it is a cry from the heart of America.

She wrote, "Last week my husband and I attended meetings on the proposed integration of our schools." Now let me state this is not going to be a protest against integration. The writer of the letter is not a bigot, is not prejudiced and the school system in her city is integrated already. It was long before any court decision simply because the towns and cities of middle America drew no line at accepting all the children in town.

Now, however, she says a committee has been set up by the school board because the proportions are not the same in each school. She explains, "As it looks now, our children will be shifted around to suit the numbers game set down by the Federal Courts. When people seem satisfied with their lives, schools, etc., why do the courts and governments; Federal, State, County and City jump in and tell us we aren't happy and that how we feel is discrimination?"

Again, remember the schools in her city are all integrated and funding-per-student is absolutely equal throughout the system, so equality of education is as equal as money can make it.

Her letter reveals that no court order is hanging over them. The school board just thinks it should do something before orders might come. She says the parents are told, "there are no neighborhood schools, yet that school seven blocks from our house is still there."

Here is her plea, "None of our schools is closed to minority children. We have had open enrollment for several years and very few children ever change schools. That seems to indicate that everyone is pleased with their school so why must a city go through this turmoil because a few men say it must be done? Don't the masses of people have any say about their lives anymore?" Well more and more Americans are asking that question.

The school board tells her it's a voluntary program. It turns out it's only voluntary on the part of the school board. The parents have their orders and it's do it or else. She writes, "If we were rich, we could send our children to private schools. If we were poor, the government would take care of us. We are middle class so they tax us, strip us of our rights, hassle us and then tell us, 'Work because someone has to pay all those needed taxes to pay for all those unneeded programs.'" Then she asks, "How do we keep from being strangled and swallowed up by government? One day we may find we can do nothing without asking, 'May I?' I love my country, believe in God, family and freedom. Government can not be all things to all people. We must save our pride and our ability to do things for ourselves."

(Reprint of a Radio Program entitled "Campaign Reminiscence" Commentary by Ronald Reagan)

Back during the primary campaigns, I departed from tradition and named in advance of the National Convention mychoice as a Vice Presidential candidate. Just doing this caused a little stir, but the real controversy had to do with who I had proposed and why.

During the campaign, when questioned as to who my choice would be, my honest answer was that I didn't know. That answer was amplified, however, by a statement that he would be philosophically compatible with me. I still hold with that. It doesn't make sense to choose someone of an opposite political persuasion to balance the ticket philosophically.

When I named Senator Richard Schweiker of Pennsylvania the shock wave was pretty considerable and the reaction was that I had gone contrary to what I'd expressed during the campaign. Well here is the story.

The primaries and the state conventions were over and the business of trying to sway uncommitted delegates was going on. As a challenger, I didn't have some of the natural advantages in that game that go with incumbency.

Hunting delegates in the large northeastern industrial states, it became evident there was a kind of separation within our party. The Northeast seemed alienated from Republicans in the rest of the country. I wasn't interested in winning a nomination so much as winning an election. This led to the idea of using the Vice Presidency to bridge the gap between the rest of the country and the Northeast.

In asking Senator Schweiker to be part of the ticket, I did not have to compromise principle -- nor did he. My chairman and long-time friend, Senator Laxalt of Nevada, had for two years been Dick Schweiker's seat mate. He told me he thought Dick and I would both be surprised at how much we had in common. He was right.

When his name came up, my first reaction was that we were not compatible philosophically -- that he was indeed liberal in all those areas where I am conservative. But we agreed to talk and did so for five hours.

I found him frank to admit that many of the programs he'd voted for in the Senate had turned out to be failures. He is convinced we must discontinue our costly social tinkering and look to the private enterprise economy as we bring deficit spending to an end and balance the budget.

We agreed on the necessity for capital punishment, opposition to gun control and on favoring mandatory prison sentences. We both believed detente was a failure; that we must be more firm in dealing with the Soviet Union. We both opposed general amnesty or pardon for draft dodgers and deserters and believe we should achieve a superiority in military strength. He has introduced legislation to restore bible reading and prayer in the public schools. And, we both believe that the act of abortion destroys a human life.

Dick Schweiker has just successfully led the fight to halt the use of public funds to pay for abortions. I rest my case.

(Reprint of a Radio Program entitled "Citizen's Choice" Commentary by Ronald Reagan)

For some folks, righteous indignation seems to be a way of life. Sometimes it seems they aren't happy unless they are being outraged by some supposed evil or other. There was an element of that in the formation of the organization called Common Cause (though I'm not saying that all its supporters feel that way, by a long shot). Somehow there was the idea that if only we could finance election campaigns out of the federal treasury there wouldn't be any more influence by something called "special interest" groups. Federal financing, of course, did not bring utopia. While it set out to solve one set of problems, it brought on another set. When the Supreme Court ruled against some aspects of the law early this year, matching funds stopped for several weeks, sinking one Presidential candidate and -- I can say from personal experience -- giving at least one other a major headache.

Ralph Nader's various enterprises are also usually launched with indignant attacks against various straw men. The Naderites often hitch their indignant wagon to the college student's idealistic star. Very clever, harnessing the idealism of youth to serve their own aims.

But now there's a new citizen group starting up which is refreshing for its initial lack of self-righteous indignation. It's called Citizen's Choice and its aim is to mobilize a popular nationwide movement <u>against</u> Big Government. Big Government, of course, has its champions, including an army of bureaucrats and plenty of Congressmen who don't like to take credit for its excesses at election time. Now, Citizen's Choice comes along to represent, in its own words, "The interest of the harassed middle-income taxpayer who is expected to pay the bills."

The U.S. Chamber of Commerce is serving as godfather to the new organization, by lending it \$200,000 to get started. Thomas Donohue, executive vice president of Citizen's Choice, points out, though, that the loan was at "prevailing interest rates" and that they hope to be self-financed shortly. Most of the money will be used to send out 10 million membership invitations. The organization won't accept contributions from corporations, only individuals, and it won't endorse or oppose individual office holders.

What it wants to do for its members, in exchange for their \$15-a-year dues, is lobby for Congressional action on a platform that includes: Passage of a "sunset law" which automatically suspends government agencies every four years unless they can justify their functions; enactment of a requirement that all federal programs that cost more than \$10 million be tested first at the regional or state level, and passage of a requirement for economic cost-benefit studies before new federal regulations are imposed; restriction of food stamp distribution to people with household incomes below the poverty line; and passage of a ban on strikes, slow-downs or so-called "job actions" by public employees.

That's a big order, but if Citizen's Choice can mobilize several thousand over-burdened taxpayers, and if it can do it without a heavy dose of righteous indignation -- only determination -- there's hope it may succeed.

(Reprint of a Radio Program entitled "Liberals" Commentary by Ronald Reagan)

I realize I may be opening a pandora's box (to use a cliche'), but like many others I've wondered at times if the terms "liberal" and "conservative" haven't been hung on the wrong doors.

Why should a belief in individual freedom, less centralized authority in government and more local autonomy be called conservatism? By the same token, what is liberal about wanting more government, government interference in the raising of our children, compulsory government medicine and the confiscation and forced redistribution of a sizeable percentage of each citizen's earnings?

Can anyone say that I have not honestly described the fundamental difference between what we term liberal and conservative? Several days back I told you of a new special interest organization, a kind of international "Common Cause" named "New Directions". As a matter of fact, figures prominent in "Common Cause" -- John Gardner for instance -- turn up in this new group. One of its brochures says, "It will attempt to influence the non-governmental shapers of national policy -- corporations, banks, universities, and trade associations. It will organize people in local communities to respond to local manifestations of global injustice or irresponsibility. And, when necessary, it will take its case to court."

Now, I grant you none of this seems sinister, indeed it has a high sounding note, but one can't deny it is rather generalized and non-specific. Who will decide what is a "local manifestation of global injustice or irresponsibility", and whether to take the case to court?

The founders of "New Directions" actually provide the answer, but I doubt if they'll appreciate what I see as the only interpretation of that answer. I'll quote from the By Laws of "New Directions", and — let me interject — this, too, is typical of liberal movements. The By Laws are determined in advance by the founders, not by those who will subsequently make up the rank-and-file membership. They read, "The governing body of New Directions shall be its board of directors, hereinafter referred to as the Governing Board. The Governing Board shall have supervision, control and direction of the affairs of New Directions, its committees, and publications; shall determine its policies or changes therein; and shall supervise the the disbursement of its funds."

Those who make up the rank-and-file membership will accept by-laws already adopted and, in addition, a governing board already in existence. By a kind of intellectual inbreeding process, the Board is made up of names long associated with causes which, shall we say, see danger only if it approaches from the right, never from the left. One of them journeyed to Hanoi in 1969 to lend moral support to Ho Chi Minh. Another saw nothing in Russia's invasion of Czechoslovakia that could be called aggression. Statements and deeds like these are typical of other board members.

But my point is, all associated with "New Directions" have impeccable "liberal" credentials, but an elitism and lack of democracy characterize this newest expression of liberalism.

(Reprint of a Radio Program entitled "Red Hen" Commentary by Ronald Reagan)

About a year ago I imposed a little poetry on you. It was called, "The Incredible Bread Machine", and made a lot of sense with reference to matters economic. You didn't object too much so -- having gotten away with it once -- I'm going to try again. This is a little treatise on basic economics called, "The Modern Little Red Hen."

Once upon a time there was a little red hen who scratched about the barnyard until she uncovered some grains of wheat. She called her neighbors and said, "If we plant this wheat, we shall have bread to eat. Who will help me plant it?"

"Not I," said the cow. "Not I," said the duck. "Not I," said the pig. "Not I," said the goose.

"Then I will," said the little red hen. And she did. The wheat grew tall and ripened into golden grain. "Who will help me reap my wheat?" asked the little red hen.

"Not I," said the duck. "Out of my classification," said the pig. "I'd lose my seniority," said the cow. "I'd lose my unemployment compensation," said the goose.

"Then I will," said the little red hen, and she did.

At last it came time to bake the bread. "Who will help me bake bread?" asked the little red hen.

"That would be overtime for me," said the cow. "I'd lose my welfare benefits," said the duck. "I'm a dropout and never learned how," said the pig. "If I'm to be the only helper, that's discrimination," said the goose. "Then I will," said the little red hen.

She baked five loaves and held them up for her neighbors to see. They all wanted some and, in fact, demanded a share. But the little red hen said, "No, I can eat the five loaves myself."

"Excess profits," cried the cow. "Capitalist leech," screamed the duck. "I demand equal rights," yelled the goose. And the pig just grunted.

And they painted "unfair" picket signs and marched round and round the little red hen, shouting obscenities.

When the government agent came, he said to the little red hen, "You must not be greedy." "But I earned the bread," said the little red hen. "Exactly," said the agent. "That is the wonderful free enterprise system. Anyone in the barnyard can earn as much as he wants. But under our modern government regulations, the productive workers must divide their product with the idle."

And they lived happily ever after, including the little red hen, who smiled and clucked, "I am grateful, I am grateful."

But, her neighbors wondered why she never again baked anymore bread.

(Reprint of a Radio Program entitled "Government Cost I" Commentary by Ronald Reagan)

Ask the man on the street, the housewife, the fellows at the club, everyone who pays taxes, if we shouldn't have a reduction in the cost of government and therefore taxes, and the answer will, of course, be a resounding yes. But that makes for a puzzlement.

A few years ago in California we put an initiative on the ballot that would have limited the percentage of gross earnings the state could take from the people in taxes. Every provision for flexibility in the event of emergency had been included and we could show with sound projections that growth of the economy would result in the state getting increased revenues in spite of the limitation. In fact, under the limitation the state could still triple its budget in 15 years, but the taxpayers would save \$45 billion during those 15 years.

Now I'm sure if you asked the people to vote on whether they wanted a budget three times the size we have now in just 15 years, they'd vote no. But still, in California, they voted no on the initiative known as Proposition I.

The state was taking about 8 3/4 cents of each dollar earned. With the help and support of some of the greatest economists in the country including recent Nobel prize winner Milton Friedman, we had worked out a plan to gradually lower that percentage to 7 cents at the end of 15 years. The state, however, would continue to get more actual money each year because the lowered percentage was far less than the increase in revenues due to economic growth.

I have since blamed that lowering of the percentage for the defeat. Everyone who has a vested interest in the public trough rose up against Proposition I. The educational lobby led by the California Teachers Association shamelessly used public funds — educational funds, if you will, in their attack. Day after day children were sent home with leaflets and brochures to give to their parents.

Most of this literature and the entire campaign against Proposition I was based on an outright falsehood. The measure specifically forbade the state from dumping burdens on local government in order to hold to the limit. But ignoring this, our opponents claimed this would be done and local property taxes would go up. And because we would be gradually lowering the limit to an eventual 7% they coined a campaign slogan that if we were reducing the states share we'd have to get the money someplace else.

I have believed that if we had settled for holding the percentage at the existing 8 3/4 cents they couldn't have used the lie. Now I discover I'm wrong. In the election just past, Michigan put a measure on the ballot to freeze the percentage of earnings (roughly  $8\frac{1}{2}\%$ ) the state takes in tax. Except for that, they had followed our plan.

The same forces rose up to do battle; the leadership of organized labor, public employee associations and the teachers. The press reported children bringing literature home from school and they all used the same falsehood -- it would increase local taxes. The measure lost.

How many more chances will we have? There are some 81 million people now dependent on tax dollars for their year round, year in, year out living. There are only 70 million working in American business and industry to support themselves and their 62 million dependents. Those 70 million pay all the taxes that support the 81 million.

(Reprint of a Radio Program entitled "Government Cost II" Commentary by Ronald Reagan)

In talking about taxes in my last broadcast, I tossed a couple of quick figures at the end about the relative number of taxpayers to tax users. I thought you might be interested in a few more details. Actually, the figures reveal a situation that should be disturbing to all of us.

As I've said before, throwing a lot of figures at you by radio can be confusing, so I'll try to go slow and hold them down as much as possible.

William Rickenbacker, editor of the Rickenbacker report and author of a recently published "Savings and Investment Guide", has pointed out that 28.6 million Americans depend on government retirement and disability programs. Then, add recipients of survivor programs, almost 9 million, unemployment benefits to 6 million, military  $3\frac{1}{2}$  million, civilian employees and dependents — and you come up with a total of 81.3 million people dependent on tax dollars for their year round living.

All of those tax dollars must come from 70.2 million Americans working and earning in business and industry. Ah! But you say government workers pay taxes too. And so they do. But all their income and therefore the portion they pay in taxes comes originally from tax dollars so they are just returning to government tax money already paid by the worker in the private business or industry.

The 70.2 million private enterprise workers have 62.1 million personal dependents so we're talking about 132.3 million people sharing their income with an additional 81.3 million.

To sum it up, roughly 70 million Americans provide a living for themselves and 143.4 additional people.

Now, don't take this as meaning there should be no recipients of tax dollars or that all who work in government are parasites. Obviously, we want to provide for the needy and disabled. Just as obviously we must have and are happy to have in the military those who provide for our security. This goes also for police and firemen and all the others providing services we want and need.

The point I'm making is that somewhere there must be a figure beyond which we can't go in the growth of government without wiping out those workers in American business and industry who pick up the entire tab.

This is what was behind the California initiative a few years ago to place a figure on the percentage of total gross earnings the state could take in taxes. It was also the motivation behind the measure just defeated in Michigan.

The plain truth is, every effort to slow government growth or reduce government costs has failed. In the last 20 years, corporation profits have risen 105%. Wages have gone up 213%. Government costs have risen 340%. There is one sensible, long overdue answer: fix in the constitution a limit on the share of earnings government can take without becoming a drag on the economy.

(Reprint of a Radio Program entitled "Solar Energy" Commentary by Ronald Reagan)

About the time the Arab oil embargo hit us nearly four years ago, everyone began talking about solar energy as the ultimate solution to our problems. The sun's free, after all, and its heat is nearly inexhaustible, at least for several thousand years.

Of course, it didn't turn out to be as easy as all that. To "collect" solar energy, you need sheets of metal that conduct heat easily. And, if you are going to generate the equivalent of our projected nuclear energy capacity of the mid-1980's you're going to need an area about the size of New York state filled with solar collectors. So, until there's some breakthrough in collector technology, mass use of solar energy doesn't seem to be in the cards.

But that doesn't mean that smaller applications added together, can't make an important dent in our demand for fossil fuels.

In fact, unlike the weather, a number of people are not only talking about solar energy, but are also doing something about it. Recently, I've learned about three cases in California.

Mr. and Mrs. Herb Wright of Petaluma, for example, have one of the nation's few residences to be converted from gas heat to solar heat. It all started with the swimming pool. Many pool owners are installing solar units these days and Mr. Wright set out to look into the matter. After he consulted a local solar technician he became convinced that he could heat his entire house with solar energy. He got a bank loan for \$8,000. And, based on the savings so far, he figures his new system will pay for itself in five to seven years. He had his existing water-heater and furnace converted to solar use. His house looks just the same with the exception of the 18 copper and aluminum solar collectors on the roof. He has a 1200 gallon storage tank which holds enough hot water for three days. If there is a prolonged storm or cloudy period, the Wrights have an auxiliary gas heating system.

About 70 miles south, in Palo Alto, a development firm has just announced plans for a 15 acre industrial park which may be the first in the nation to use a solar energy system to supply its space heating and hot water. The president of the development firm notes that the higher initial construction cost will be offset by fuel savings later. The complex is being designed so that one day air conditioning could also be provided by means of the solar unit.

Another California-based firm, Consolidated Capital of Oakland, recently made a solar conversion at an apartment house which could end up saving fuel in nearly 16,000 apartment units in eight states. After extensive feasibility studies, the firm had its property management affiliate, Johnstown Properties, install swimming pool solar heaters in a Los Angeles apartment complex of 509 units. They estimate that they will save enough natural gas at the complex over a year to serve the total energy needs of the equivalent of 55 California families.

This firm is also cutting down energy consumption in other ways. It has reduced light bulb wattage in carports and laundry areas from 60 to 40 watt bulbs, and it has installed water restrictors on showerheads and sinks. They expect to reduce water consumption by 40 percent or more without loss of pressure. And, considering their size nationally, if they apply their solar heat and energy saving techniques to all their apartment units in those eight states (as they are considering) they would save enough energy each year to supply a town of nearly 2,000 people. It all adds up.

(Reprint of a Radio Program entitled "Britain" Commentary by Ronald Reagan)

Many commentators and pundits have called attention to the fact that the United States seems to follow a course set by the British. Many put us about 15 years behind our English cousins in adopting social reforms pioneered by them.

Of late that has been a cause for alarm. Under the leadership of the socialist Labor party, Britain has slid into seemingly unsolvable economic problems. Inflation and unemployment are staggering and the value of the Pound is sinking like a modern day Titanic. Per-man-hour productivity in her industrial structure has gone down until the once vaunted English craftsman is way behind his counterparts in all of the Common Market countries. Still egged on by irresponsible labor leaders he asks for shorter hours, higher pay and more "perks" -- fringe benefits. Strikes for little or no cause are commonplace.

At last a voice has been raised and we, as well as the British, should take heed. Surprisingly the voice comes not from the opposition party, the Conservatives, but from a leader, indeed the leader of the Labor party, Prime Minister Callaghan. He says, "The cozy world which we were told would go on forever, where full employment would be guaranteed by a stroke of the Chancellor's pen, cutting taxes and deficit spending, is gone." The Prime Minister it is said, now sees socialism as an oversold superstition among the British working class.

If it is true that somehow we take a parallel course to Britain, then we'd better listen to what the Labor Prime Minister told the British Labor party at its recent convention. He obviously was not out to win a popularity contest and didn't, but even those who jeered the loudest must have wondered if they could equal his courage.

"We must ask ourselves unflinchingly," he said, "what is the cause of high unemployment?" And he answered his own question, "Quite simply and unequivocally, it is caused by paying ourselves <u>more</u> than the value of what we produce. This is an absolute fact of life which no government be it left or right can alter. We have lived too long on borrowed money and even borrowed ideas and live in too troubled a world to be able in a matter of months or even a couple of years to enter the promised land."

He went on to say to his surly audience, "We used to think you could just spend your way out of a recession and increase employment by cutting taxes and boosting government spending. I tell you, that option no longer exists and in so far as it did exist, it worked by injecting inflation into the economy." He added, "We can only become competitive by having the right kind of investment at the right kind of level and by significantly improving the productivity of both labor and capital. Nor will we succeed if we use confetti money to pay ourselves more than we produce."

I wonder if George Meany would like to ask him to address the AFL-CIO convention? And while he's here, maybe he could speak to Congress.

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# Side A

# Promos A, B, & C

1.	Unemployment	Ę	Inflation	Ĭ	2:40
2.	Unemployment				2:25
3.	Unemployment				2:48
4.	Unemployment				2:35
5.	Unemployment	E	Inflation	V	2:35
6.	Cuba				3:10
7.	Terrorism				3:02

# Side B

1.	United Nations	3:04
2.	Vietnam I	3:10
3.	Vietnam II	3:03
4.	Pardons	3:00
5.	Child Services Act	3:01
6.	Socialism	3:03
7.	Soviet Visas	3:02
8.	Human Rights Double Standard	3:10

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(Reprint of a Radio Program entitled "Unemployment & Inflation I" Commentary by Ronald Reagan.)

The government tells us that seven and a half million people are unemployed. Who are they, and why are they unable to find jobs?

To put the problem of unemployment in perspective, let's go back 10 years, to 1966. We were in the middle of the Vietnam war, the economy was booming, the unemployment rate was only 3.8%, and 39% of all Americans were gainfully employed. Compare that with the current situation. We have been at peace for four years, the economy is shaky, the unemployment rate has risen to 7.9%, but now 42% of all Americans have jobs. A higher percentage of Americans are employed today than in 1966, even though the current unemployment rate is more than twice what it was then. If this makes little sense to you, remember that the unemployment rate is not a fact, it is a statistic — a government statistic. And while it may be valid as a statistic, it tells only part of the story of unemployment.

What the unemployment rate tells us is that 7.9% of the people who want jobs can't find them. What it doesn't tell us is who wants jobs, and why. To answer these questions we must look at what the government calls the "labor force" — the composite of all those people aged 16 and over who have or want jobs.

In the past 10 years the numbers of persons in the labor force has grown by almost 20 million, at a rate twice that of the total population. One reason the labor force is growing so fast is that our population is getting older — the number of persons under 16 is steadily declining as the birth rate falls. But a more significant reason is that more and more people who have never worked before are joining the labor force. If the percentage of the population counted in the labor force were the same today as 10 years ago, only 2.5 million people would be unemployed, instead of 7.5 million. These 5 million people, representing a part of our population never before counted in the labor force, constitute the bulk of the unemployment problem.

Who are they? Mostly women, who are increasing as a part of the labor force at 2.5 times the rate of men. In many cases these women who have never worked before are trying to become second workers in families where the wages of one worker can't keep up with the rising cost of living. Here is evidence of a direct cause and effect relationship between unemployment and inflation, and that's what I'll talk about next time.

(Reprint of a Radio Program entitled "Unemployment & Inflation II" Commentary by Ronald Reagan.)

In the recent presidential campaign one candidate emphasized the fight against inflation, the other the fight against unemployment. One claimed that cutting inflation would put people back to work. The other claimed that putting people back to work would cut inflation. Both were wrong. Our economy is now so full of inflation that, whether it goes up or down, it will only contribute to greater unemployment.

Here's why. Inflation is an increase in available money without a commensurate increase in goods and services on which to spend the money. But people spend it anyway, thereby bidding up the prices on existing goods and services. Producers of these goods and services meet the rising demand by hiring more people to produce more goods and services. Thus inflation artifically expands the labor force and when inflation levels off or drops, workers are laid off and the unemployment rate rises.

However, when there is as much inflation in an economy as there now is in ours, families find that one breadwinner and one job can't keep up with the rising cost of living. The labor force swells as wives and children seek jobs to help their families make ends meet. Again, inflation artifically expands the labor force, but this time as inflation continues to rise, so does the unemployment rate. The dilemna of the current situation is that inflation, whether it goes up or down, will continue to cause increased unemployment. It is a dilemna we need not have gotten into. We could have stayed out of it if the government which time after time has taken the more popular course of deficit spending and rapid expansion of the money supply, when it could have chosen the more prudent course of matching revenues to the federal budget, and availabile money supply to the national production of goods and services.

It is a dilemna brought on by the centralization of economic power in government, and the centralization of government power in Washington, D.C., because the federal government has sole control over the money supply and, thus, over the fact and degree of inflation. What's government doing with the dilemna? Making it worse. Next time I'll tell you how.

(Reprint of a Radio Program entitled "Unemployment & Inflation III" Commentary by Ronald Reagan.)

Most people relate inflation to higher prices, and rightly so. Inflation occurs when there is an increase in the money supply without a commensurate increase in goods and services on which to spend the money. But people spend it anyway, bidding up the prices on existing goods and services. The greater the money surplus, the greater the inflation and the higher the prices.

Many economists believe that there is also a direct correlation between inflation and the number of available jobs. The more inflation, the more jobs; a reduction in inflation causes a reduction in the number of jobs and therefore, higher unemployment, or so the thinking goes. And, as far as it goes, it's probably correct.

But it doesn't go far enough. Higher unemployment can be the product, not only of fewer jobs, but of more people wanting to work, and that is at the heart of our current unemployment problem. The size of the labor force is growing faster then the size of the labor age population as more and more wives and children try to become second and third workers in their families just to make ends meet. Inflation itself has become a cause of unemployment, and the probability is that the unemployment rate will continue to rise no matter what happens to inflation.

Now the evidence is mounting that inflation is about to take off on another double-digit ride. In September and October wholesale prices rose at an annual rate of 9%. Industrial prices in October rose at a 12% annual clip. Wholesale food prices were slightly lower, but, due to prolonged draught conditions in many of our farming areas, large increases in food prices seem likely to occur in the next six to nine months. Perhaps the most disturbing news is that prices of crude materials, those used in the earliest stages of manufacture, rose in October at the fantastic annual rate of 48%.

These double-digit wholesale price increases foreshadow, by a few months, double-digit retail price increases, and that means the ruturn of double-digit inflation. If you remember the inflation of 1974, followed by the recession of 1975, you'll have some idea of what could be in store for us the next two years.

Only this time, it will be worse, because rising inflation won't lower, even temporarily, the unemployment rate. More and more families, squeezed by inflation will seek second and third jobs, and the unemployment rate will go up right along with the inflation rate. And the recession which will surely follow, with its layoffs and plummeting sales, could be twice as bad as the last one. How will the government try to stem the inflation it has created? Next time I'll talk about that.

(Reprint of a Radio Broadcast entitled "Unemployment & Inflation IV" Commentary by Ronald Reagan.)

When Jimmy Carter moves into the White House next month, he must turn his attention quickly to unemployment and inflation. Let's look at a few of the ways he might try to solve these problems, starting with two he has already mentioned: Federal job programs and tax cuts.

Federal job programs are supposed to solve unemployment by putting more people to work for the federal government. We know the new jobs will be non-essential, or else they long ago would have been justified to a liberal Congress as normal budget expenditures. Moreover, we are already paying \$82 billion for five million federal employees to push paper and people around.

That's a terrible price -- \$1600 a year for the average family -- to pay for Washington bureaucrats. What's worse is that it's an inflationary price because federal workers, in contrast to privately employed or even local government workers produce few goods and services. More often than not, federal regulations and the bureaucrats who administer them restrict productivity, and monies spent for non-productive or anti-productive labor is, by any economist's definition, inflationary.

The added costs of new federal job programs will simply fuel the fires of inflation, eventually producing even more unemployment as more people join the labor force to try to meet the rising cost of living. The President-elect has also talked about tax cuts as a way to stimulate investment in the economy, increase productivity, and reduce inflation. Lord knows I'm for tax cuts; always have been and always will be. One of the high points of American history was when Thomas Jefferson announced, in his second inaugural speech, that he had been able to end all federal taxes on the citizens. I doubt if Governor Carter is thinking about that much of a tax cut.

In fact, if it's a selective one time cut he's after, without a corresponding cut in spending, those on the receiving end will either sock the money away in savings, reduce their debt or increase consumer demand without there being a corresponding production increase. All that spells more inflation. Tax cuts can work to curb inflation if they involve across-the-board indexing of the tax brackets, so that they offer incentive for greater production and capital investment.

When the new President sees that federal job programs and short-range cosmetic tax cuts won't work, what next? Well, there's always the liberals' favorite economic tool: wage and price controls. I'll talk about them next time.

(Reprint of a Radio Broadcast entitled "Unemployment & Inflation V" Commentary by Ronald Reagan.)

Given the propensity of the federal government to spend our money in ways that restrict our productivity, it is almost inevitable that inflation and unemployment will continue to rise. Federal job programs and tax cuts may temporarily mask the worsening problem, much as an aspirin may alleviate the first pain of a rotting tooth. But when aspirin no longer works, the prudent person goes to the dentist for a permanent cure. Not so government. Its judgment is impaired by the politics of doing what is popular, so it simply seeks a stronger patent medicine to relieve the symptoms. The liberals' idea of strong economic medicine is government wage and price controls.

Nobody, except a socialist, likes wage and price controls. Business, labor, and the man in the street all view them with extreme distaste, which perhaps is why liberals think they will work. Strong medicine should taste bad.

But this is one situation in which public perception and economic logic match perfectly. As long as the money supply continues to increase faster than the nation's productivity, wage and price controls can only make the economic situation worse while robbing all of us of some more of our freedom.

Most people pay no attention to the nation's money supply, but it is a key to inflation. The federal government controls the money supply, and when it increases the supply faster than the rest of us can increase productivity, we have inflation. In October, the money supply grew at an annual rate of 16.6%, while the gross national product, the most widely accepted measure of productivity, was growing at an annual rate of only 4%. This is a scenario for higher inflation, and we now have so much inflation in our economy that people who have never worked before are searching for jobs to help their families meet the rising cost of living, thereby raising the unemployment rate.

What will happen if government tries to apply wage and price controls in this situation? The same thing that happens when a sealed bottle full of water freezes: an explosion. The economy could blow up in one or several directions: nationwide strikes, massive layoffs, empty store shelves, bankruptcies, a black market in essential goods. In other words, wage and price controls in an inflationary economy can only make things worse.

The only way wage and price controls will work is if there is no inflation, and since inflation is what is supposed to be cured by wage and price controls, there is no rational reason for ever applying them. Unless you prefer socialism.

(Reprint of a Radio Program entitled "Cuba" Commentary by Ronald Reagan.)

I think most of us hold to a belief that Russia under the Czars was a land left behind by the industrial revolution; an almost medieval society made up of masses of illiterate peasantry held in bondage by a thin crust of rich, luxury-loving aristocrats.

Coincident with this then is the assumption that bad as conditions are under Soviet rule the people are infinitely better off than they were. That may be true but are they better off than they might have been if the Czars had continued to rule for these last 59 years? A little known fact is that the greatest trend of growth in Russia, expansion of industry, production of steel, etc., took place between 1900 and 1915. Communism came in 1917 and it took decades for Russia to get back up to some of the production levels of 1915.

William Buckley in his magazine <u>National Review</u> has recently replied to some present day propagandists who would have us believe Castro's Cuba is a modern version of that Russian fairy tail. We've had some of our more liberal Senators visit Cuba in the interest of normalizing relations between our two countrys. A former campaign aide to McGovern is now a kind of agent through whom American business firms can make contact with Castro. And, Frank Mankiewicz has written a book extolling the great advance of Cuba under Castro.

Now Bill Buckley recounts a story that exposes all this make believe. He tells of a young Panamanian banker who had business of some kind to transact in Cuba. He had arranged through contacts to meet with Fidel Castro, which was essential to the success of his trip.

The young business man spent two weeks studying the "pre-Castro" Cuba. In addition to this homework he visited with Cuban refugees, getting all the details he could; figures, places, descriptions of various locales, etc.

He had learned also that Castro played games with regard to appointments keeping his visitor guessing as to when the meeting would take place. So he spent his time touring Havana and the countryside visiting medical clinics, schools, and stores. As Bill Buckley tells it, he tucked all manner of information, facts, and figures away in his memory bank.

Castro, it seems, has a taste for calling a meeting, at say, 2 o'clock in the morning with no more warning than a knock on the door. Our young banker was ready for that. He retired at 8 o'clock and sure enough at 2 AM was rousted out of bed to meet Castro and his entire cabinet. But having retired early he was ready. Castro began the same routine that so impressed some of our Senators. It didn't impress the young Panamanian. Politely but firmly, he refuted every claim the dictator made. He had the pre-revolution statistics, he had his own observations from his tour around the city, and he challenged everything from the teacher-pupil ratio to the availability of food stuffs.

Castro was squirming, his cabinet was helpless. Fianlly he drew out a copy of Frank Mankiewicz book and presented it to his visitor — who promptly gave it right back. He'd already read it and he could refute that too. I don't know what business the banker was on, but I wonder if he'd like to be Secretary of State? This is Ronald Reagan. Thanks for listening.

(Reprint of a Radio Program entitled "Terrorism" Commentary by Ronald Reagan.)

In late September, on the floor of Congress, a liberal Member denounced the "Terrorist bombing" in Washington that took the life of a Chilean foe of that country's present government. Obviously, the victim was to the left in his politics and the natural assumption is that his murderer or murderers were of the opposite persuasion.

Other liberal congressmen joined in demanding that the FBI bring the murderers to justice. On that same September day, however, FBI Director Clarence Kelly was testifying before a committee of Congress that his agency had reduced the number of domestic security investigations from a routine 21,000 or more a couple of years ago to a grand total at present of 626.

This was the direct result of pressure by liberal policy makers who have been doing their best to dismantle and render ineffective all the agencies whose function and responsibility is our safety. The Attorney General of the United States laid down the anti-security guidelines that now restrict the FBI in its work.

Now, let me interject right here I don't hold with unwarranted prying by the government into the lives of any of us. But, note that qualifying word "unwarranted". I object when the Census bureau which is supposed to count us, busies itself with asking how many bathtubs we own. Government's principal responsibility is to protect us from each other. But, at what point do we insist so much on privacy that our law enforcment agencies are unable to guard us against today's terrorism?

In recent years, we have been subjected to an alarming increase in bombings, arson, hi-jackings, and assassinations. Last year there were more than 2000 bombings causing 69 deaths. In the last five years, 43 policemen have been killed in terrorist violence. A number of anti-Castro Cubans in Miami have been blown to eternity in bombings. A bomb in New York was directed agianst the Government of Puerto Rico. The New World Liberation Front claims credit for bombing the South African consulate in San Francisco.

In the face of all this, we have forced police in our cities to destroy millions of intelligence files on revolutionary groups. The House Internal Security Committee has been abolished and I've told you about the restraints on the FBI. The principal attack has been against FBI agents joining terrorist groups to learn their plans. But a few years ago there was no objection when an FBI agent joined the Ku Klux Klan and identified the murderes of young civil rights activist. Had the agent been exposed his life would probably have been forfeited.

Well, the FBI estimates there are some 15,000 terrorists in roughly two dozen groups or organizations in this country that threaten us from the left. The only effective way of dealing with this kind of guerilla viciousness is to infiltrate, as that heroic agent once infiltrated the Klan. Do you know, if the FBI, the CIA and our local police do this, I won't feel for one minute that my constitutional right of privacy has been endagered.

(Reprint of a Radio Broadcast entitled "United Nations" Commentary by Ronald Reagan.)

Last June in Vancouver, British Columbia (which is very nice in June -- which is why they met there, no doubt), the United Nations held a conference -- title, "Habitat: United Nations Conference on Human Settlements". They'll sell you a copy of the report through their sales section in New York for \$10. Before you send off a check, give a listen. Maybe you'll save \$10.

The gist of their findings is a call for complete planning of <u>all land</u>, nation by nation. By a coincidence, no doubt, the program they recommend is virtually a restatement of Point Nine in the Communist Manifesto as written by Karl Marx in 1848.

Before they get down to the specific program, their report expresses concern with unequal incomes, pollution and a number of other social ills as they perceive them. But then they get down to the business of the aforementioned Point Nine: "the gradual abolition of the distribution of population over the country". I thought that was what some of our environmentalists were objecting to and calling urban sprawl.

Well, the conference took note of that last and warned against "uncontrolled urbanization". It also was concerned with "rural backwardness" and "rural dispersion". They want to use land planning to encourage "massive shifts in population into specially designed habitats".

Here is the principle as they announced it. "Every state (that means nation) has the right to take the necessary steps to maintain under public control the use, possession, disposal and reservation of land. Every state has the right to plan and regulate use of land, which is one of its most important resources, in such a way that the growth of population centers both urban and rural are based on a comprehensive land use plan." — unquote.

They use terms that may not frighten them but they sure scare me. For example, they describe federal land use planning as a basic step in setting up "the New International Economic Order".

Now this was a U. N. conference, it's true, but somehow bureaucracy has a kinship and a communications grapevine that crosses all borders. We already have a "new town" program, sponsored by our own Department of Housing and Urban Development. There are some 15 cities involved, lured, no doubt, by federal funds. HUD, as the department is called, also has it's own "habitat" division.

I know we don't pay much attention to votes in the U. N. General Assembly, but remember that grapevine communications system. When the drums are pounded by one set of bureaucrats, another set is listening. Congress will return in January and there will be land planning legislation introduced -- re-introduced is the proper word because it was unfinished business when they went home. This time, the various permanent employees of HUD and other agencies will apppear before the Congressional committes with that U. N. report fresh in mind. Who was it said, "No man's life, liberty or property are safe when the legislature is in session"?

(Reprint of a Radio Broadcast entitled "Vietnam I" Commentary by Ronald Reagan.)

A few weeks ago, the Los Angeles TIMES reported that North Vietnam (although now we are supposed to call it just Vietnam) and the U. S. were faced with an impasse in the Paris negotiations. We were trying to get an answer to the question of our men missing in action. A full accounting of these men and the return of all who might still be alive was one of the terms agreed to by North Vietnam in the Paris Peace talks which ended our participation in the war.

The negotiations for Vietnam in Paris were demanding full reparations before they would even discuss the MIAs. Reparations is their word for another term in the cease fire agreement. With characteristic generosity, the U.S. had offered (in the peace talks) to rebuild and repair the war damage for both North and South Vietnam if and when they halted the war. Of course, the cease fire agreement made it plain that each country was to retain its soverignty.

We all know that North Vietnam violated every one of the cease fire terms and once our forces were withdrawn, proceeded to conquer and enslave South Vietnam. They even murdered in cold blood some of our men and officers who were seeking and identifying American graves in accord with another of the cease fire terms.

Now, having broken every term of the agreement to which they had given their pledged word, they have the nerve to demand that we observe that part of the agreement having to do with our putting up billions of dollars to rebuild their country.

The Los Angeles TIMES followed its news story with two editorials castigating the U. S. for vetoing membership in the United Nations for Vietnam. They wrote, "We agree with Vietnam and its supporters that the issue (our MIAs) should not determine either Vietnam's membership in the U. N. or the establishment of bilateral relations." Then the editorialist invoked the memory of our Marshal Plan and the rebuilding of Germany and Japan after World War II.

Well, I disagree vehemently with the editorials. In the first place, the U. N. charter specifies that membership in the U. N. is for nations who pledge not to use armed force in the settlement of disputes. North Vietnam is guilty of naked agression for the purpose of taking an entire nation against its will. Whatever else anyone wants to say about the war in Vietnam, it could have ended in a minute anytime in those long years if North Vietnam had simply said, "Okay, we'll go home and stop trying to conquer South Vietnam".

There is no parallel whatsoever to our World War. II Marshal Plan. The agressors had been totally defeated — their agression ended in failure and we then offered to help them return to the family of nations. North Vietnam succeeded in its aggression — did so by force of arms — and holds a nation of 19 million people enslaved. For the TIMES editorials to suggest that we not only overlook this but that we not be "obstinate" (their word) about getting a report on our men, missing in action has the sound of Neville Chamberlain's umbrella tapping on the cobblestones of Munich. I, too, am critical of what our State Department is doing in Paris. We shouldn't be negotiating at all until there has been an accounting of our missing men. They should be told we don't even go to Paris until they keep their word. As for letting them in the United Nations, maybe they should take our place.

(Reprint of a Radio Broadcast entitled "Vietnam II" Commentary by Ronald Reagan.)

In my last broadcast, I spoke about our negotiations with the North Vietnamese. They are arrogantly demanding that we kick in with about \$3 billion after which they say they may possibly give us an accounting of our men still missing in action.

In the meantime, the U. S. has twice vetoed the North Vietnam application for membership in the United Nations. For doing so, our government is being soundly criticized, not only by the small-in-size, large-of-mouth Third World nations in the U. N., but by a great many of our own newspapers.

One powerful Eastern paper contends our veto violated a "basic rule of the U. N. -- the principle of universal membership by all legitimate governments". There is no such U. N. principle or concept as universal membership. The Charter welcomes nations which have renounced force of arms as a means of settling disputes. Article Four states: "Membership in the U. N. is open to all peace loving states which accept the obligations contained in the present charter and are able and willing to carry out those obligations".

And what about that line, "legitimate governments"? If someone invades your home, carrying a big club, subdues you, locks you in a closet and squats in your living room, does he become the legitimate owner of your home? The North Vietnamese conquered South Vietnam by force of arms. This was no civil war. They have been separate nations for 2000 years. Now they hold a nation captive just as the Soviet Union holds countries of Central and Eastern Europe captive.

During all the long years of war, North Vietnam fuzzed up the issue by claiming U. S. presence in Vietnam was the cause of their military activity. Their claims were echoed by many newspapers who now find fault with our U. N. vetos. Alright, we are no longer in Vietnam. Therefore, what reason can the North Vietnamese have for the military occupation of South Vietnam?

How loud would the editorial objections be if the governments of South Korea and the Republic of China on Taiwan were sending out patrol boats to machine gun makeshift rafts and boats carrying refugees who were trying to escape from those countries? We have learned the North Vietnamese are doing just that to the conquered people of South Vietnam.

We express concern that human rights are being denied to some in Rhodesia, South Africa, and Chile. But where are the indignant voices protesting the hundreds of thousands of South Vietnamese, Laotians and Cambodians who are dying of torture and starvation in North Vietnam's concentration camps?

If there is any principle or honor left at all in the U. N. and, for that watter, in a number of newsrooms, shouldn't North Vietnam be told it will be welcome in the U. N. when it has withdrawn to its own borders; when it has once again allowed the South Vietnamese to govern themselves; when true peace among friendly neighbors has been restored to Southeast Asia and when they've given us an accounting of our men missing in action? We, in turn, will then keep our pledge to repair the ravages of war in all their countries. But that is the only basis upon which there can be any talk of normalizing relations.

(Reprint of a Rdio Broadcast entitled "Pardons" Commentary by Ronald Reagan.)

We the people traditionally hold as one of the most admirable traits of those who take public office their keeping of campaign promises. But, what if a candidate, in campaigning, expresses an intention to do something, if elected, which the majority of the people don't think should be done? Nevertheless, they elect him because the particular issue is outweighed by other considerations.

I believe we have such a situation with President-elect Carter. He stated that while he would not favor amnesty for those who avoided service in the Vietnam war either by draft evasion or desertion, he would grant them a pardon and expressed the belief there was a difference. The dictionary goes to some length to explain, no such difference exists. Amnesty means to pardon and vice versa.

Whatever our feelings about the Vietnam war, those who fled our land broke the law. To grant a blanket forgiveness regardless of whether there is repentance or not; to ignore that while some may have been motivated by principle, and others were simply running for cover, is to set a precedent that will haunt us for years to come. There has never been a blanket amnesty after an American war. Lincoln pardoned deserters if they returned and served our their enlistments without pay. Coolidge granted amnesty to 100 deserters who had deserted after the armistice in World War I. In 1933 Roosevelt pardoned 1500 draft evaders—after they had served their sentences. After World War II, Truman granted amnesty to 1523 out of 15,803 violaters after a review of each individual case. In 1952 he granted amnesty to peace time deserters who left their units between World War II and the Korean War. There was no amnesty following the Korean War and indeed — going back to George Washington — there has never been an unconditional amnesty for deserters or draft evaders.

Some 55,000 young men gave their lives in Vietnam. Others will bear grievous wounds for the rest of their lives. I'm sure none of them wanted to go to war, but they accepted the responsibility. We all have to meet certain demands of the society in which we live. Another group endured the longest, most brutal captivity ever imposed on American fighting men; accepting unbelievable torture because they knew there are some things men must be willing to die for if civilization is to be preserved.

Now a few thousand wives, children, and parents go through torture waiting for the final words on husbands, fathers and sons who are still unaccounted for — listed as missing in action. Some of these who wait and some of those returned prisoners are asking their fellow Americans to help in a program to circulate petitions asking the President-elect to reconsider his position with regard to a blanket pardon. They have written to all the former P. O. W.s asking for contributions to help with getting out the petitions. They wouldn't mind if some of the rest of us pitched in. The address is Americans Against Amnesty, Post Office Box 1397, Albuquerque, New Mexico.

(Reprint of a Radio Broadcast entitled "Child Services Act" Commentary by Ronald Reagan.)

When Congress returns, among the items they'll busy themselves with is a measure entitled, "The Child and Family Services Act". If you don't know about it, you should. It was introduced in the Senate by the Vice President-elect Walter Mondale. The House version was introduced by John Brademas.

One Congressman, Gene Taylor of Missouri, says of these two identical bills, "I can scarcely imagine a worse, or more dangerous bill. Dangerous because its vast scope of day care programs for pre-school children would place parents in the background and substitute a whole new bureaucracy to tell us how to raise our children".

That "day care" portion of the bill is the real joker. For some time now there has been agitation for government-supported day care centers as an aid to getting more mothers now on welfare, off welfare and into self-supporting jobs. Certainly it sounds logical to suggest they can hardly abandon their pre-school age children during the working day.

Most of us envisioning a nursery center with playground equipment and a few trustworthy ladies to keep the children happy and healthy till Mama picks them up are inclined to say "good idea". But those who've been promoting this idea as an adjunct to job training and welfare have planned something a little more elaborate. And, it's hard not to believe they have something more in mind than getting Mama off welfare. The bill called "The Child & Family Services Act" proposes part and full time day center care; social, recreational and educational programs; all social services (and that can cover a lot of things); programs dealing with physical, mental, psychological and emotional problems. Added to this is a catch—all phrase — "Other services and activities as the Secretary of Health, Education and Welfare deems appropriate". Who will decide what these services might be, and when they are "appropriate"? In committee hearings on this bill there are some clues as to what the answer to that question might be. For example, one witness talked of the need to get to the babies earlier in order to reach their minds — quote — "When most available for corrective intervention" — unquote.

The original bill defined a parent as "any person who has primary day-to-day responsibility for any child". That definition brought such a deluge of protests the Senator amended the bill to include the line, "nothing in this act shall alter or interfere in any way with the rights and responsibilities of parents". Frankly, that line is pure cosmetics and does nothing to lessen the fact that government will be intervening in family life. Let me describe in a sentence or two what a day care center will be like when the agency in charge writes the regulations to implement this bill. First of all, the baby sitters will be professionals meeting definite prescribed standards of training. A staff will very likely include trained teachers, nurses, undoubtedly an in-house psychiatrist or at least psychologist and social workers complete with graduate degrees in that field. Meantime, working mothers who aren't on welfare will park the baby with grandma or the married sister who has kids of her own. And she'll notice the tax bite is a little bigger.

(Reprint of a Radio Broadcast entitled "Socialism" Commentary by Ronald Reagan.)

My award for someone who thought of the right answer while the discussion was still going on is a young man named Brad Linaweaver, a member of Young Americans for Freedom at Pennsylvania State University. He has written of an encounter on the campus with a pretty young lady who believes socialism is the answer to our problems. His own philosophy was self-evident because he was wearing a button that proclaimed, "Cut Down Big Government". With the cool breeze stirring her hair, she asked what Brad described as her "ace-up-the-sleeve" question, "Even you right wingers don't want to starve. Wouldn't you like a guarantee that you won't ever go hungry?" Brad knew that if he admitted to this she'd follow with, so why not such a guarantee for shelter, medicine and all the rest.

He paused and then gave her the victory she was seeking — or so she thought. He said, "Sure, I'd like to lay my hands on everything I can get." "Oh," she said, "But the state is the closest you can come to such a guarantee." Brad described her as braced for a counter-attack involving the magic of the "market mechanism". But he threw another curve. "Sure", he said, "I grant that. There's something more. I'd like a guarantee of shelter and medical treatment and even some recreation." She must have thought she had a convert. A little shocked, she spoke: "But, that's what we support. Why are you wearing that button?" She meant, of oucrse, that "Cut Down Big Government" button.

Brad wasn't finished. He said to her, "I would also like a yacht," Somewhat defeated, she answered, "If you're not going to be serious about it..." "But, I am", Brad said as earnestly as he could. "I would really and truly like a yacht. Also a seaside villa." "Look," she said sternly, "you know what I'm talking about—sharing! I'm not interested in your greedy day dreams. I'm aksing what everyone should have." "Alright," Brad answered, "I understand. Let everyone have a yacht."

"But how?", she asked lucidly, with the first sign of a rational thought. "Don't bother me with that," he said. "There will be a way, I'm sure. Just so everyone has a yacht. However, there is one more thing I would like." "What?", she asked. "Two yachts." Brad wrote she looked rather unpleasant at that point and he feared for his safety. Then she declared, "It's people like you who keep socialism from working."

Brad agreed, "Yes, quite right. Perhaps if people like me were put away somewhere socialism would have a chance." By now, she was really glaring as she tried to think of an answer. Brad continued, "But there's still one problem. How many are there like me?" "Not as many as you think", she said and walked away. And then Brad came up with a really appropriate last line. He wrote, "There she is wrong. And that's why she is a socialist."

How right he is. Socialists ignore the side of man that is of the spirit. They can provide shelter, fill your belly with bacon and beans, treat you when you are ill -- all the things that are guaranteed to a prisoner or a slave. They don't understand that we also dream -- yes, even of sometime owning a yacht.

(Reprint of a Radio Program entitled "Soviet Visas" Commentary by Ronald Reagan)

Russian law and the Universal Declaration of Human Rights fully entitle a citizen of the Soviet Union to an exit visa — meaning permission to leave there and live in another country. As a matter of fact, that Helsinki pact they talked us into signing contains their pledge to let people live where they want to. Like yesterday's newspaper, the Helsinki pact should be used for wrapping garbage.

Literally thousands of Soviet citizens are in concentration camps for trying to obtain an exit visa. For other thousands, the price for seeking a visa is automatic dismissal from their jobs.

One of the latter is Ida Nubel, born in Russia in 1931. She is Jewish. In a letter to a Soviet official she wrote, "I was born and raised here. I am part of this land. But I am also part of another land as well -- a land that is the dream of my people." Ida Nubel wants to go to Israel, wants to be a part of making the ancient prophecies of her religion come true.

When she first applied for a visa in 1971, she was fired from her job in Moscow's Institute of Planning and Production. The excuse for not granting her a visa was that she is privy to state secrets. Ida Nubel's job was studying the standards of hygiene in food shops and the control of infection in various foods. She says, "The greatest secrets I had access to were where rats and mice build their nests."

For five years she has been without a job. In January, 1975, she married Yul Brind who had obtained an exit visa before he met Ida. He was forced to leave Russia without her and now lives in Israel.

She is constantly watched, followed and arrested for no reason whatsoever. In one 15-day period, she was arrested five times. In Moscow arrests of this kind aren't what you see in "Kojak" on TV. Over the years, she has been forcibly seized, thrown into dark basement rooms, often disrobed and beaten on the pretense of a weapons search; left for days without food, lying on a vermin infested floor.

Ida Nubel is 45 years of age and has a history of heart trouble, but her medical card has been stamped "Alcoholic", which she is not. In the Soviet Union, that is standard practice for anyone they might want to bury in a mental institution.

You'd think her own troubles would be all she had time for, but then we don't know this frail, little 45-year-old lady. She is fondly referred to as, "the little angel" by those imprisoned in labor camps. She sends them soup cubes, vitamins, medicines, and letters to boost them physically and spiritually. One prisoner, after his release, said, "There is no woman on earth whom we value more".

She has written countless letters to Breshnev and other leaders of the "workers paradise" -- not in her own behalf, but begging for the freedom of others and their right to leave Russia. Why don't we write some letters in behalf of Ida Nubel to the Soviet Embassy, Washington, D.C.? It might worry him a little about "detente" to know how we feel.

(Reprint of a Radio Broadcast entitled "Double Standards" Commentary by Ronald Reagan.)

Do you sometimes wonder if there's a double standard on the part of some editorial commentators in the news media? In print and over the airwaves, we get regular doses of morality from them but there is an odd inconsistency about it. For example, there's much talk about human rights. That's something everyone should be concerned about, but the editorial fingers are usually pointed in one direction at such nations as Argentina, Brazil and Chile. (I'll have more to say about the latter in a moment.) When was the last time you read or heard an editorial taking Fidel Castro to task for not allowing elections in Cuba, or for prohibiting Cubans from exercising basic religious freedoms?

In some of the news media there is a good deal of editorial handwringing over the United States arms sales to the Middle East. Sometime it takes the form of roundly criticizing military aid to any but the most rigorously democratic nations. South Korea, in particular, is held up as a bad example because that nation's regime has, indeed, engaged in some internal practices we would not condone in our own country.

But have you seen or heard any editorial comment deploring the sales of U. S. military hardware to Omar Torrijos, the leftist military dictator of Panama who censors the press, won't permit elections, has suspended civil rights and passes out thinly disguised threats to sabotage the Panama Canal if we don't hand it over to him on his terms?

And, when it comes to Vietnam, editorialists often express routine sympathy for the families of American servicemen missing in action — men for whom a promised accounting has never been made by Hanoi — but the writers then go on to castigate the United States for being so rude as to vote against allowing the conquerors of South Vietnam a seat in the United Nations. Never mind the fact Hanoi has put thousands of South Vietnamese in concentration camps. Indeed, something called "world opinion" is invoked by these writers to justify the idea that we should embrace Hanoi with open arms. Sometimes I wonder if "world opinion" doesn't consist of the editorials in a handful of European newspapers.

As for Chile, the government there may have devised a way-to-end-all-ways to spike communist propaganda against it, as well as giving those double-standard editorialists here something to think about. Recently, the government of Chile announced that it was freeing some 320 political prisoners which it considered a security threat no longer. In addition, it said it would free another 20 on special conditions. Eighteen of these, unnamed, but believed to be leading Marxists associated with the deposed Allende regime, will be freed "subject to the sole condition that other countries can be found to receive them."

The other two, top Communists associated with Allende, will be released under more specific conditions. One, Luis Corvalan would be freed on condition the Soviet Union frees a dissident scientist, Vladimir Bukovsky who is in jail there as a political prisoner. The other, Jorge Montes would be freed if Castro releases Hubert Matos, a former leader of the Castro regime who turned against it and was jailed. When it comes to human rights, it seems that what's good for the goose is going to have to be good for the gander, too.

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(Reprint of a Radio Program entitled "Postal Profits" Commentary by Ronald Reagan.)

Not long after the November election, Postmaster General Benjamin Bailer announced that the United States Postal Service, after what seemed like generations of unbroken deficits, had finally found the light at the end of the tunnel and produced a surplus. About \$15 million in all. At least for the Third Quarter of 1976. With a First Class stamp threatening to climb into the price class of imported caviar, any news such as this is good news. Of course, one cynic in the news media suggested that the Postmaster General timed the announcement to respond in a winning way to Jimmy Carter's statement that he would seek to have the job brought back into the Cabinet, subject to Presidential appointment (under the present system, it is not).

But, while the surprise Postal surplus was just sinking in at home, news came from abroad that the Chinese had gone us one better.

The Republic of China, on Taiwan, actually turned a <u>profit</u> on its postal system this year and, according to the report from Taipei, postal profits there are routine. They announced that, for the fiscal year ended this June, their system posted a profit the equivalent of \$31.8 million! And this was a 73 percent increase over the previous year.

They reported that their business operations exceeded all projections. Now, they do handle such things as life insurance and savings program, so a direct comparison with the U. S. Postal Service isn't completely correct, but some comparisons are instructive:

U. S. postal officials often complain that the volume of mail is increasing at such a great rate that their automation program just can't keep up with it. The Taiwan postal system only handled a fraction of the volume of letters we did: 738 million versus more than 73 billion! But, the Chinese figure was 93 percent above what had been expected and, remember, they handled it at a profit.

The Chinese handled more than  $7\frac{1}{2}$  million parcels, about one percent of our volume of 80l million last year. But the most interesting comparison is in customer service — the number of post offices. They have 9,443 of them all on the island of Taiwan. That's one post office for every 1,700 people. Our vast country, by comparison has only three times the number of post offices, or one for every 7,100 citizens.

The "bottom-line", as they say, is in the price of service to the customer. For the Chinese, a First Class letter is delivered for seven cents, compared with our 13 cents. Even their express letter and air mail rates are lower. About the only worrisome note struck by the Chinese postal report was their comment on automation. It seems that they are now going to go all out to automate. For their sake, let's hope the bugs that have plagued the American system aren't contagious.

(Reprint of a Radio Program entitled "Special Parents: Special Kids" Commentary by Ronald Reagan.)

Remember a few television seasons ago when the educational network carried a series called "An American Family"? Like a fly on the wall, the camera week after week showed us what had seemed to be a happy and typical suburban family simply disintegrating.

There was a lot of commentary in the news media about that series. Was the family, as a unit, going to be obsolete, extinct? I'm not sure the final answer is in, but there are a lot of reasons to believe that Americans are beginning to reaffirm the importance that the family unit plays in shaping our values and our potential for happiness.

I'd like to tell you about two people and their family who are living proof that family values can work wonders. They are Bob and Dorothy De Bolt of Piedmont, California, and their family consists of 19 -- that's right, I said 19 young people, ranging from elementary school age to adulthood.

Now, you may be thinking, the size of the De Bolt family may be remarkable enough, but size isn't the only thing remarkable about it. You see, between them Dorothy and Bob have six biological children but 13 of the De Bolt offspring were adopted. And, everyone of them had some kind of handicap or other. Some had several. But, they are overcoming them to lead happy lives. Young Karen, a black girl with enough energy for 10, was born without arms or legs. Today, she gets around in devil-may-care fashion with artificial ones. Wendy had lost her eyesight. Today she has it back. Young J. R., blind and crippled, was said by experts to be doomed to a wheelchair. Today, he's zipping around the house and back-and-forth to school on crutches. Tich and Anh two Vietnamese boys made paraplegics by stray shells in the war, are now very self-sufficient young men. As proof, they took on the paper route most of the other newspaper carriers turned down: the one that consisted almost entirely of going up and down apartment house stairs! Crutches and all, they turned the paper route into a model of split-second timing and efficiency.

The stories go on and on about the De Bolt kids. They are among that group of tens of thousands of youngsters who were once thought "unadoptable" because they had handicaps: physical, emotional, mental, birth defects. The De Bolts, together with a growing group of other parents who have also adopted Special Kids (as they're called) now have a foundation which helps bring prospective adoptive parents together with such youngsters. It is called AASK -- Aid to Adoption of Special Kids.

Recently, Nancy and I had an opportunity to meet the De Bolts. They are a warm, unaffected and very happy couple. And, after you hear their own family's story, and learn about the other families who are adopting such wonderful youngsters, you have a renewed faith in mankind in general, and Americans and their families in particular. Now, the De Bolt's story is in print in a new book by Joseph P. Blank titled 19 Steps Up The Mountain. It's named after the staircase in the De Bolt's home. The physically handicapped De Bolt children have made climbing that staircase the test of success for mastering their arms and legs. And, one by one, they are all making it up that "mountain" to the top. You'll like reading 19 Steps Up The Mountain. I recommend it.if you're prepared to be happy.

(Reprint of a Radio Program entitled "Update On Social Security" Commentary by Ronald Reagan.)

Fifteen months ago I devoted three of these broadcasts to describing Social Security's financial trouble. I presented the evidence: an actuarial deficit of more than \$2 trillion, a dwindling trust fund containing less than a year's worth of benefits; and an ever-increasing tax bite on American workers. I predicted that no worker under the age of 40 would get back in retirement benefits as much as he was being taxed during his working career. And, I concluded that the politicians in Washington knew all about the problems but didn't want to admit them before the national election.

The reaction was immediate and intense. The Potomac politicians, Republicans and Democrats alike, accused me of distorting facts, exaggerating the problems, and trying to frighten the American people. They declared solemnly that Social Security was solvent and stable, and that workers could be secure in the government guarantee of their future retirement benefits. My facts, based solely on official government projections, were overwhelmed by their rhetoric.

Their hypocrisy was exposed the day after election, when Treasury Secretary Simon published an article in the  $\underline{\text{Wall Street Journal}}$  titled "How to Rescue Social Security". Here is what he said.

First, about the system in general -- quote -- "As chief financial officer of the U. S. government, I am required to assess the soundness of the Social Security system. I have been shocked at what I have learned. The future prospects of the system as we know it are grim."

And about the trust fund: "The trust fund is so meager that it is barely enough to keep the program going for six months. Current taxes and the fund combined are only sufficient to keep the program above water for another six years. There is really nothing we can do about the insufficiency of the trust fund. It is far too late to rebuild it to the required size."

And about benefits: "If the beneficiaries are to be paid the amounts to which they are legally entitled, Social Security tax rates are projected to have to increase by between 50% and 100%. I can see no way in which the government's current promises can be kept. If we do not reduce the growth rate of Social Security benefits, an eventual financial crisis is inescapable."

What are Secretary Simon's solutions to these problems? First, decrease benefits so that they do not keep pace with the cost of living. Second, raise the minimum age for collecting benefits to 67. Third, tax all benefits as normal income. So much for the government's guarantee of future retirement benefits!

We must now face the damage of preserving the myth that everything was alright: a permanently damaged Social Security system, and depleted retirement incomes for 100 million workers and their families.

(Reprints of a Radio Broadcast entitled "Crime I" Commentary by Ronald Reagan.)

More years ago than I like to remember -- let's just say a couple of decades before T. V. -- when radio was still exerting its magic spell, I was witness to an incident which had something of a lesson for all of us.

In those days, an important part of any radio drama was the sound effects man —an inventive fellow equipped with a truck full of gadgets. There were half coconut shells for the sound of horses hooves; a wooden train whistle; cellophane, which when crumpled in his hands could be either a cozy campfire or a raging inferno; a limitless array of just things and stuff with which he could improvise.

The incident I mentioned had to do with a radio drama being rehearsed for airing on WHO (Des Moines) where I was a sports announcer. During the several days of rehearsal the sound effects man was trying everything to get the sound of water falling on a board. He tried rice on a drum, dried peas on cardboard and all sorts of other combinations without success. Then in desperation he tried water on a board and believe it or not it sounded just like water on a board.

Sometimes I think government should try "water on a board" instead of the social experiments which are tried in good faith but which fall short of results. During the war on poverty, back in the 60's, there was a Federal program designed to reduce the number of high school dropouts. Money was provided for schools to hire students who were perceived as potential dropouts. They were paid to stay after school and clean up classrooms, wash blackboards and that sort of thing. Then an order went out that the jobs must be given solely to kids who had gotten into trouble. It only took about seven minutes for a good kid to realize he had to toss a brick through a window, snatch a purse or something of the kind to be eligible for some easy after school money.

Watching the T. V. news the other night I was reminded of "water on a board". A Los Angeles lady was asking the County Board of Supervisors, "What have we done to our country?" She had been beaten and her purse snatched by three young people —two boys and a girl. A witness, a kindly black lady who had come to her aid, told the police the three assailants had gone into a nearby house. They were found hiding in a closet.

The victim said, "My arm was broken. I spent the night in jail. Now I have no nerves in that arm. I am 78 years old. I raised three children by myself -- put them through college. I never asked for a penny from anyone." Now she lives in perpetual terror. She said, "I never open my door after 5:00 o'clock at night. I'll have to move. We used to have a great country". And then she asked, "What have we done with it?" The county hearing answered her question with a chorus of, "not enough money", "a need for more facilities", "training programs" -- all the usual reform ideas for a type of crime that grows more prevalent day by day. This is rice on a drum or dried peas on cardboard.

The young man who knocked her down and stole her purse got one week in jail and a year's probation. It is past time to try water on a board. Let's just start treating 17 year old muggers, robbers, rapists and murderers like muggers, robbers, rapists and murderers!

(Reprints of a Radio Broadcast entitled "Crime II" Commentary by Ronald Reagan.)

Our criminal justice system was carefully designed to eliminate excesses and abuses by those in authority so as to guarantee fair treatment of the accused. The presumption of innocence is taken for granted. The law must prove guilt "beyond reasonable doubt".

With crime a threat to us in our homes and on the streets it begins to seem as if someone has crossed out that word "reasonable". In our desire to guarantee the rights of the accused, our courts seem to be less concerned with determining guilt or innocence than with conducting a contest between lawyers in which victory will be determined on the basis of skill in procedural matters and legal technicalities.

There is the Exclusionary Rule. This is not a law. No legislature, after due deliberation, adopted it for our betterment. It is what is called, "case law". Somewhere along the line a judge ruled that evidence obtained by illegal methods could not be introduced against a defendant. That seems fair enough and definitely an extension of our protection against unwarranted use of police power.

But, now somehow the word "reasonable" has been lost in the invoking of this precedent. A policeman stops a car for a traffic violation and finds a bundle of illegal heroin on the front seat of the car. He has apprehended a dope peddler, but because he stopped him for a traffic violation he has to pretend the heroin doesn't exist.

Just recently the journal called <u>Human Events</u>, which consistently brings news often overlooked by the daily press, told of a case where justice may be thwarted. A young man was arrested for molesting a girl in a department store. By coincidence the police were trying to solve the case of a seven-year-old girl who had been stolen from her home in the night, raped and murdered.

Questioning the young man about the department store incident, after he had been duly apprised of his rights, a state policeman who was present heard him use the nickname of the seven-year-old murdered girl and asked, "How did you get her out of the house?" To their astonishment he simply replied he had carried her out. He then proceeded to tell them he had raped and strangled her. He was tried and sentenced to life imprisonment.

Now, however, there is a possibility he -- a confessed rapist and murder -- may go free. His lawyer invoking a legal precedent known in the trade as "Miranda", the name of another confessed murderer who went free because he had not been told of his right to have a lawyer present during questioning, claims his client should have had his rights repeated to him before he was questioned about the second case.

What makes even less sense is his lawyer's contention that the police took advantage of his client's low intellingence. As <u>Human Events</u> puts it, we are evidently supposed to infer that our criminal justice system is unfair if the police happen to be more intelligent than our friendly, neighborhood child molester. It is time to restore to practical use the word "reasonable" and garnish it with common sense.

(Reprint of a Radio Program entitled "America's Strength" Commentary by Ronald Reagan.)

I know that I've used these broadcasts to criticize those who have lost faith in our system; those who would make fundamental changes on the premise that what we've done in the past is all wrong and those (increasing in number) who think we are over the hill and headed for the dustbin of history.

Therefore, it is important every once in awhile to remind ourselves of our accomplishments, lest we let someone talk us into throwing out the baby with the bath water. I intend to go on talking about our problems because, in the main, they are problems that truly need solving. I'm also going to go on resisting those who would have us believe the problems are proof that our system isn't working. Put another way, it's time we recognize the system has never let us down -- we've let the system down now and then because we're only human.

Compared to the world at large we are politically stable. A little over two years ago when we had the unprecedented resignation of a President there were no knots of people gathered on street corners, no boarding up of store fronts, no people marching in the streets or screaming sirens heralding the roundup of cabinet officers and officials. Americans just went about their business, took in a ball game and watched their favorite T.V. shows. And that's why foreign money invested in America has increased about 50% in the last five years.

Last year, in spite of government confiscating our earnings at an unprecendented rate for a lot of unproductive social reforms, we managed to raise \$217 billion to finance new and existing private enterprise projects.

Our productivity is phenomenal. We raise 37% more wheat per acre than the international average. We are 6% of the world's population on only 7% of the world's land, but we produce almost half the world's corn, two-thirds of the soybeans, one-third or more of the world's paper, electrical power, college graduates and almost one-third of the farm machinery. Just to round it off, we make more than two-thirds of the computers and 80% of all the passenger aircraft.

We lead the world in advanced technology; in telecommunications, drilling and mining equipment, medical science and agri-science. All of this is because our system freed the individual genius of man. Released him to fly as high and as far as his own talent and energy would take him. We allocate resources not by government decision, but by the millions of decisions customers make when they go into the market place. If something seems too high priced we buy something else. Thus resources are steered toward those things the people want most at the price they are willing to pay. It may not be a perfect system, but it's better than any other that's ever been tried.

Sure we have an unemployment problem  $-7\frac{1}{2}$  million people looking for jobs. If we are going to deal with the problem, we should look at it. To start with, only half are people who lost their jobs. The others quit or are looking for their first jobs. Only 2.8 million are the heads of families and only 2.4 million have been unemployed 15 weeks or longer, meaning the unemployed are an ever changing group, not a group of permanently jobless. And, since 82 million are employed --most in productive private industry, why don't we see what roadblocks have been thrown in the way of our system and resolve them.

(Reprint of a Radio Program entitled "Crime" Commentary by Ronald Reagan.)

A short time ago I talked about crime on this program and suggested there might be a simpler answer than some of the sociological theorizing we've been hearing for so long. Well, now I have company.

A number of top scholars from the halls of academia have been working on this problem with some astonishing results. They are Professor Paul Erlich of the University of Chicago, Professor James Q. Wilson of Harvard and Professor Gordon Tullock of Virginia Polytechnic Institute.

In my opinion, they lay to rest once and for all the theory that poverty causes crime. I myself have remarked many times that we had possibly the lowest crime rate in our history at a time when poverty was most widespread during the years of the great depression. But now these scholarly gentlemen have put it in a test tube and come forth with fact and figure.

In the 15 years from 1960 to 1975 we reduced the number of people living below the poverty line by more than half. It was the greatest decline in poverty in our history. In that same period, violent crime increased by two-and-a-half times and property crimes by two and a quarter. Put in percentages, poverty dropped by 55% and crime increased by 160% and 124%.

In their research, the professors went beyond base figures and found substantiation by seeking our high crime areas and poverty pockets. For example, the 15 lowest crime rate states in the nation are all below median income level. The most impoverished ethnic communities are among the lowest in crime rate. By contrast, several of the highest crime rate cities are "rich" communities with very small poverty areas.

Thank Heaven they didn't stop with finding out what doesn't cause crime. They carried their research into what does cause it. And the answer is indeed rather simple -- the main increase in crime is proportionate to the decrease in punishment.

Those states which have the best law enforcement, the highest percentage of convictions and the longest prison sentences, have the lowest crime rate. And, generally in recent years a permissive philosophy has led to a reduced penalty for crime. The conviction rate for burglary in our land is less than half what it was in 1960. For murder it is 30% less.

Nationwide in the ten years, between 1960 and 1970, we had 139% increase in crime but our prison population went down 8%. In other words, an offender's chance of going to prison was about twice as great in 1960 as it was in 1970. To wrap up their research, inquiries were made in Canada and England where it was confirmed that punishment does reduce crime.

There is reason to hope. In some of our cities, including New York, special teams of police and prosecutors are zeroing in on repeaters, bringing them to quick trial, and going after stiff sentences -- no plea bargaining. The word is -- it's paying off.

(Reprint of a Radio Program entitled "Public Broadcasting" - Commentary by Ronald Reagan.)

I suppose I should start with a qualifier. I'm in favor of free speech, oppose censorship, and will battle those who would restrict anyone's right to speak his or her piece.

Now with that settled, let me say, nothing about television is free. That, of course, isn't news to any of you. The "tube" only lights up by way of a considerable outlay of money, as we all well know. On regular commercial channels the money comes from advertising sponsors and we are reminded of that every time the entertainment is interrupted for a commercial. Incidentally, some of the commercials are pretty entertaining and certainly a lot more imaginative than they once were. But, we who view pay in the purchase of products advertised on the air.

Then there is public television, no crass commercialism and a level of culture some believe cannot be achieved by those who mix enterprise and entertainment. And, the general belief is that public TV is free. Well, obviously it costs someone something, but it is commonly accepted that those who prefer its cultural level contribute just as private contributors support the symphony, the opera and the ballet.

I don't suggest that public TV has fostered this belief or even contributed to it in any way. But, the truth is public TV has a more steady income than might result from private charity even though its audience tends to be higher in educational level and income than those who sit through the commercials on regular TV. This select audience would perhaps object to being classed as a special group, but nevertheless 70% of public TV funding is by tax dollars extracted from the citizenry at large. Therefore it really is "public". A public broadcasting service supplies the programs to the local public stations. The commercial stations are subject to a kind of quality control by the viewers. If we don't watch certain programs, the sponsor takes them off the air. As taxpayers, we have no such control over the programming paid for by our tax dollars on public TV, nor were we ever asked if this is what we want our tax dollars used for.

If public TV programs can't make it in competition with commercial TV, is it right to force the tax payer to subsidize those programs for an audience that is admittedly more affluent than the average? Shouldn't there at least be some way whereby the paying, but non-viewing tax payers could register approval or disapproval of the programs they are sponsoring?

I won't go into the frequency with which public TV indulges in programs which are propaganda for one cause or another, but those who pay should have some recourse when there is disagreement with the message. The president of the Farm Bureau Federation protested about a program on migrant farm workers. The Public Broadcasting Service responded in November with an even more blatant program which even the drama critics described as propaganda for Cesar Chavez and his United Farm Workers. Whatever happened to pay TV?

(Reprint of a Radio Program entitled "Welfare" - Commentary by Ronald Reagan.)

Back in 1971, when California completed the first and (up till then) the only major reform of welfare ever attempted, we discovered the rewards were astounding. First off, we halted an annual increase in the welfare rolls that was a staggering 40,000 cases a month and replaced it with an 8000 a month decrease. The truly needy benefitted because we were able to increase their grants by 43% while, at the same time, we saved the taxpayers two billion dollars over a three year period.

The one question I've heard all over this land in these past many months is "What can we do about welfare?" Well, as usual, when things reach a certain point in this country, the people begin to stir and action follows.

Four years ago in Elizabethtown, Pennsylvania, a woman named Dorothy Forney led in the formation of the "National Welfare Fraud Association". I feel a little smug because she says that California was the inspiration. Now, in St. Clair County, Illinois, another woman, 29-year-old Roza Gossage, Assistant State's Attorney, has become probably the most productive welfare fraud prosecutor in the United States.

Roza worked her way through the University of Illinois and DePaul University Law School. She has no fondness whatsoever for freeloaders. In just two years, she has filed charges against 350 suspected welfare cheaters and has a near perfect record of convictions. She says, "The cheating was so blatant I could hardly believe it." And she described the cheaters as "leeches who drink up the resources of those who need welfare assistance".

She found, as we had in California, that there were those with unreported income and others with multiple addresses collecting several welfare checks. One of her finds was a county supervisor collecting welfare under her maiden name. Another owned a tavern which she hadn't reported and was selling it to another welfare recipient. One woman not only had a full-time job, but she won \$10,000 in the state lottery which she didn't report. Finally, just pulling a file at random, she showed a Wall Street Journal reporter the case of a woman who had reported her husband as having deserted her ten years ago, but they still have a joint checking account, co-signed for a small business administration loan, and paid \$13,000 for a fish market.

When a legislative committee asked Mrs. Gossage how so many people could get on the rolls illegally, she said, "It's easy. In Michigan, the state expects to save \$50 million this year just by turning up absent husbands and fathers whose families have been getting welfare.

Politicians in Washington keep saying something must be done and many of them say we should turn welfare back to them in Washington. Don't you believe it. Welfare varies from state to state but, pretty generally, it is run by the counties, under a state welfare office which, in turn, is subject to rules and regulations of H.E.W. in Washington. Much of what is wrong can be corrected if we will, at the county level, tell county government we want them doing what Mrs. Gossage has started doing in St. Clair County, Illinois. As the executive director of National District Attorney's Association says, "Too many prosecutors ignore welfare fraud because you have to put on your hat and coat and go out and find it."

(Reprint of a Radio Program entitled "Tricentennial" - Commentary by Ronald Reagan.)

All during the Bicentennial year, the Atlantic Richfield Company ran a series of full-page ads in the newspapers inviting people to write in their ideas of what they think America ought to be for its Tricentennial, one hundred years hence.

You may have seen some of the ads. It all started with ideas on transportation of the future -- how to make it better than it is. Not too surprisingly, Mr. and Mrs. Average American Citizen don't have to take a back seat to the so-called experts when it comes to new ideas. Later ads asked for broader comments.

The latest I've seen in this series has a sampling of the 53,000 responses the "ARCO" people have received so far to their request for thoughts on American life, circa 2076. Their ad makes it clear that the ideas become public property, so I'm going to quote from some that I think should reassure us about the basic values that keep our society moving.

Atlantic Richfield reports that an overwhelming number of respondents -- 91 per cent -- told them that they want the <u>family</u> to remain our basic social unit. Those doomsayers who not long ago were talking about the end of the "nuclear" family, wouldn't get much encouragement from these comments:

From Michigan, one man wrote, "Small integrated units with no more than two children will be the pattern of (family life), and use of a computer may be the answer to lasting compatability."

A Nevada man said, "We may see more trial marriages before a legal one, but the family is here to stay. It is the one stabilizing influence that everyone must have to live more abundantly."

A strong majority -- 62 per cent -- wrote in to say that they think the nation will be better off when there is no racial, sexual or religious discrimination. One writer, from Massachusetts, summed it up this way, "I think that 'power' in any position should go to the most competent, experienced and knowledgeable persons, no matter what color, shape or religion."

By the year 2076 there will have been a strong reaffirmation of religion and faith, according to 73 percent of the ARCO respondents. And, nearly two-thirds called for more rapid methods of communication to encourage greater individual participation in government. "Maybe in the future," wrote one New Yorker, "every home will have an 'on line' computer hooked up with Washington so that the government can receive 'instant' opinion."

There's a strong longing for a quieter life and a rural setting reflected in the replies to the Tricentennial ads. According to Atlantic Richfield, some three-quarters favor a slower pace. One Florida man wrote, "When you commune with nature many of your hates drain away."

The Tricentennial campaign isn't a scientific poll, of course, but it's encouraging to know that so many people are thinking so earnestly about America's future and that it doesn't look nearly so bleak as some of the doomcriers would have us believe.

The advertiser signs off with the line, "Thank you for helping us celebrate America's Tricentennial 100 years early." Thanks to them for providing the forum. I have a hunch that active citizens such as the ones who wrote in their ideas will keep right on working to make that Tricentennial a success.

(Reprint of a Radio Program entitled "The Family--and Other Living Things" - Commentary by Ronald Reagan.)

If a church were to sponsor a one-hour television special you'd expect them to fill it with stories about its history and customs, a short sermon and maybe some praise for its particular approach to religion. But that's not what happened one December evening when the Church of Jesus Christ of Latter Day Saints — the Mormons — sponsored a TV special in prime time on more than 50 stations around the country.

They devoted that hour to a subject that -- at first -- may not seem the stuff of which television specials are made. That subject was the family, pure and simple. (Well, on second thought, not so pure and not so simple, because understanding and strengthening the personal relationships of family life was what the program was really all about).

"The Family...and Other Living Things" -- as the Mormons' program was called -- took a serious subject that involves us all and dealt with it in ways that were warm; nostalgic; knowing and wise; sad at times; hopeful at others.

All the while it was entertaining. Using an unusual abstract set and interesting lighting techniques, "The Family...and Other Living Things" wove upbeat songs in with the skits about many different family situations -- all of them believable.

Several well known entertainers turned in very good performances, among them Bill Bixby, Ruth Buzzi, the Osmond family, Gary Berghoff, Elinor Donahue, the Lennon Sisters and young Brad Savage as the son of divorced parents who find they still have a lot in common.

Why did the Mormons put on this one-hour tribute to the family without a "commercial"? Well they did have "commercials" of sorts, but even these made touching points about relationships between parents and kids. The only thing "sold" in the commercials was free: a booklet called "It's Next Week". I sent for a copy. It's as well conceived and executed as the television show itself. It tells how to have a Weekly Home Evening for the family; projects for the family that center around helping others who need help, then sharing these "adventures in compassion" (as the booklet calls them) with the rest of the family.

There are tips for parents, such as "attack the problem, not the child", "labels which help or hinder" (about the words we use with each other) and "Getting Love Across". The booklet, like the television program, covers basics without so much as a word of "selling" for the Mormons' religion.

About the program, Mr. Heber G. Wolsey, a spokesman for the Church, said simply, "We feel there are many forces in the world that are working to pull families apart and we feel there need to be forces to pull them together." And, in the booklet there's a quotation that may say it all: "Home: the place to save society".

If you missed "The Family...and Other Living Things", the booklet is still available according to Mr. Wolsey's office. If you'd like a copy, drop me a line and I'll forward your request to him.

(Reprint of a Radio Program entitled "Milton Friedman and Chile" - Commentary by Ronald Reagan.)

A great many people in America and the world have been sold a bill of goods with regard to one of our Latin American neighbors. Chile. This was evident recently when protesters demonstrated against the awarding of the Nobel Prize for economics to Dr. Milton Friedman.

Dr. Friedman's qualifications for being named a Nobel laureate are beyond question and certainly more outstanding than many who have received that honor in the past. But the demonstrators weren't challenging his award on the grounds that he lacked stature in his field. No, the good and eminent leader of the Chicago University school of economics, was a target because he accepted an invitation to go to Chile about two years ago.

Chile is on the liberal's list of places not to go because a military junta over-threw the government of President Allende. Allende, it is true, was elected to office and the present government of Chile seized power by force. Apparently that is only acceptable in some circles if the overthrowing is done by communists --Castro in Cuba, North Viet Nam's conquering of South Viet Nam, Russian tanks rolling into Czechoslovakia. The military rulers of Chile don't meet that qualification.

Just for the record the late, supposedly democratic (with a small "d") Allende was a Marxist and proved it by seizing businesses, industries, bank and agriculture, making them state owned. Then he ordered great wage increases while refusing to allow price increases. There was, of course, a brief period of seeming prosperity followed, of course, by the inevitable inflation. Money was virtually worthless, but then there wasn't anything to buy with it because production had fallen off. At the time the Allende regime was overthrown, the inflation rate had reached 1000 percent. That means a dollar by the end of the year was worth a dime and in the second year the dime was worth a penny. Sales and production were at an all time low. More than 400 industries were government owned, as were all the banks.

After the junta assumed power, Professor Friedman and some associates -- sneeringly called by some, "the Chicago boys" -- were invited by some Chilean universities to talk to them about economics. In true Friedman tradition, twenty months ago the Generals of the junta took the drastic action politicians find so impractical. They set out to balance the budget, slashing spending ruthlessly. Austerity was the order of the day. They began selling to private citizens the banks and industries Allende had seized. The 400 government owned industries were reduced to 50 and all the banks are back in private ownership.

The deep recession bottomed out a year ago and slowly, but surely, the economy is improving. The rate of inflation is no longer 1000%. Last year it was down to 340% and this year it's only half that much. Unemployment is down by one fourth and real wages — (purchasing power of workers) — have gone up 10% over last year. The new Chilean government is inviting foreign capital to invest and, in a kind of man bites dog twist, is pressuring business to be more free and less dependent on government.

It seems when Milton Friedman talked, someone in Chile listened. Wouldn't it be nice if just once someone in Washington would ask, "What did he say"?

(Reprint of a Radio Program entitled "South Vietnamese Boat People" - Commentary by Ronald Reagan.)

They call them The Boat People. No one is sure just how many of them there are, but estimates run into the thousands. Who are they? They're the refugees who are escaping from South Vietnam in a steady and increasing stream.

A few weeks ago, I commented on one of my broadcasts about reports which had begun to filter out of Vietnam about the tens of thousands of South Vietnamese consigned to concentration camps by the victorious North Vietnamese, and how some were risking great odds to escape into the South China Sea in frail little boats.

Now, a recent news report out of Bangkok confirms the refugee flow and tells about a religious organization which is going about the humanitarian task of rescuing The Boat People.

The rescue mission is being undertaken by the World Conference on Religion and Peace and paid for initially by a grant from its chapter in Japan. The grant of \$60,000 has made it possible for the group to charter a boat and keep it loaded with fuel, food and life rafts as it cruises back and forth across the three main refugee routes, one each to Malaysia, Singapore and Thailand.

Packed as many as 100 to a boat, the Vietnamese have braved rough seas. An uncounted number have been lost, but many are getting through. An official of the WCRP has said that last September about 350 reached Thailand alone. The number increased to 447 in October and zoomed to more than 6,000 in November. "They are still arriving faster than we can keep track of them," the official said.

The World Council on Religion and Peace, which is an international nonsectarian group, is ready to add a larger rescue boat to its "fleet" of one.

Thailand and Malaysia and Singapore have been taking most of the refugees so far. The WCRP says it plans to appeal to these nations, as well as to Indonesia, the Philippines, Australia, Japan and the United States to take in more. Our government has announced that it would take in about 2,000 Boat People during this year. France is taking quite a few too, but the two Western nations together will barely absorb the number of refugees who are already in temporary camps in Asia.

The WCRP's rescue mission has some diplomats and the United Nations High Commission for Refugees squirming, for its volunteer effort is putting the spotlight on how very little is being done "officially" to help these victims of the Communist over-run of South Vietnam.

Meanwhile, talk continues of bringing Communist Vietnam into membership in the United Nations, forgetting, as if by magic, Hanoi's disregard for the human rights of the vanquished. Since enough hot air is generated in the UN General Assembly on most days to float a fleet of dirigibles, you would think all these statesmen might find a little time to show some compassion for several thousand homeless refugees who seek one precious thing: their freedom. But don't hold your breath.

(Reprint of a Radio Program entitled "New Hampshire & Vermont" - Commentary by Ronald Reagan.)

The late poet Robert Frost once wrote, "Anything I can say about New Hampshire, will serve almost as well about Vermont." That still holds true about the natural beauty of both states, but things have changed when it comes to comparing their taxes and state spending.

For starters, consider this: Vermont has a state income tax and a statewide sales tax. New Hampshire has neither. It's the only state in the country where that's true. In Vermont's case, this seems to have resulted in expenditures rising to match income. In 1974, state and local expenditures in Vermont were 50 percent above those in New Hampshire. On the national scale, Vermont was the Number Three state in terms of the percentage of personal income of its residents taxed. New Hampshire was at the other end of the scale: 47th.

Now, Big Government fans might conclude that Vermont's people get about 50 percent more and better service than New Hampshire's. Not so, conclude two scholars, Professor Colin Campbell of Dartmouth and his wife, Rosemary, in a recent fiscal comparison of the two states for the first five years of this decade.

Take property taxes, for instance. You might think that Vermont's broadbased taxes would reduce the load on the local property taxpayer. But no. For 1974, the latest year surveyed, Vermonters paid 6.6 percent of personal income in property taxes; New Hampshire citizens paid only 6.2 percent. When it comes to education, Vermont invests 9.6 percent of personal income to New Hampshire's 6.6, but New Hampshire teachers get higher salaries and student test scores in the two states run virtually neck-and-neck.

But doesn't low-tax New Hampshire need more federal money to pay its bill? No again. It gets the equivalent of 3.6 percent of personal income in federal aid; Vermont gets double that, 7.2 percent. Why is New Hampshire better off? There are probably several reasons, but one company president there recently said, "People here have the old fashioned notion of a day's work for a day's pay." Today, New Hampshire has the nation's second lowest unemployment rate.

Factories and businesses are moving into New Hampshire because of the good reputation of its work force and because of the favorable business climate. "New Hampshire is a small mirror of what America used to be," is the way the head of one company put it after his firm moved to New Hampshire in 1975.

New Hampshire people (among them Governor Meldrim Thomson who just won a third term) believe one reason for success is strong local control. In fact, local governments as a group throughout the Granite State raise and spend more money than does the state government. I have a friend who has a framed motto above his desk that reads, "No man's life, property or liberty are safe when the legislature is in session". Maybe the fact that New Hampshire's state house of representatives pays its members only \$200 each per term and meets every other year has something to do with the state government's low level of spending.

Governor Thomson, who campaigned against imposing broadbased taxes, sometimes refers to neighboring Massachusetts as "Taxachusetts". This may rankle some of the Bay State's legislators, but it must have some basis of truth, for new residents flow steadily into New Hampshire from Massachusetts. Will success spoil New Hampshire? Some worry that the newcomers will expect more from government, thus forcing taxes up, but I have a hunch that that famous New Hampshire sense of self-reliance will win out.

(Reprint of a Radio Program entitled "Memo to a Liberal" - Commentary by Ronald Reagan.)

Norman Lear, the creator of television's <u>All in The Family</u> and <u>Mary Hartman</u>, recently hired Ben Stein, a conservative former White House speechwriter, as a consultant for his new Washington, D.C. oriented program All's Fair.

Lear, a liberal in good standing, received a memo from Stein about <u>his</u> view of liberals. The producer's reaction isn't known, but he must have gotten quite an eyeful, judging from excerpts published in Conservative Digest.

Stein doesn't mince words. "What I don't like", he says, "is the way rich liberals, who have made their money through the operations of the capitalist system and who would be miserable bureaucratic cogs in a socialist system, are nevertheless socialists."

He adds, "I don't like the way liberals of any income group assume that they have a monopoly on morality and that the only conscionable position on issues is their position."

There's more. Stein says, "I especially resent the claims of white liberals that they know best about how to solve the problems of the poor and the black. There is hardly any evidence that liberal programs to help the poor and the black have done much good.

The ordinary operations of the capitalist system, however, have made enormous gains economically for the poor and the black. Liberals don't seem to understand that if they take a dollar from one person and give it to another, there is rarely any benefit. If the economic system produces new dollars for everyone, everyone benefits."

Ben Stein isn't likely to be invited to many liberal cocktail parties in Washington with comments such as these. But don't go away. He didn't stop there. He tore into another favorite liberal argument when he said, "I resent the notion that everything that corporations do is wrong and everything that -- "people" -- do is right."

"Liberals don't understand that corporations <u>are</u> people. They are the people who work for the corporation, buy its products and own its stock. There is no mechanical person who is benefitted if corporations make a good profit. Real people benefit, just as real people lose when corporations lose money."

Mr. Stein's plain talk doesn't leave out national defense, either. He says, "I resent the liberals who look the other way whenever there is a threat to decency or peace from the Communist nations and refuse to take seriously threats to our security from countries and movements which openly plan to destroy us. It is the most pious and dangerous nonsense to think that the Soviets are deterred from dominating the entire world by anything but force. Moral suasion has never accomplished a thing against the Communists, yet that is all the liberals want us to have in our arsenal. They would have a disarmed and vulnerable America, trusting to the goodwill of people who have no goodwill." -- UNQUOTE.

That's not all, but you get the point of Ben Stein's long memo to Norman Lear. I have a feeling we haven't heard the last from him. Neither have the people who believe that there's such a thing as a free lunch.