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OFFICE OF THE GOVERNOR Sacramento, California 445-4571 6.22.677 Contact: Lyn Nofzigel

DO NOT RELEASE BEFORE 6 p.m., FRIDAY, JUNE 23 (For delivery 9 p.m., Central Daylight Time)

EXCERPTS FROM SSPEECH BY GOVERNOR RONALD REAGAN TO YOUTING REPUBLICANS' CONVENTION OMAHA, NESKASKA

You are political activists or you wouldn't be here. You are concerned with the future and it is proper that you are because you will spend more time there than the rest of us.

I hope you will not think me presumptuous if I point out something so obvious it is known to many of you but sometimes relegated to a place so deep in our subconscious that it is not given consideration in our policy making.

An organization is more than the collective voice of the majority It is an entity unto itself. It has a voice of its own. It does not reflect the shading, the thinking, the inflection of its individual members. In that organization voice, the listener does not hear that tentative "Well yes, I'll go along", or that ringing "Yes" or "No" or even that sincere "I hope we are doing right."

No one has a right to belong to an organization unless he is willing to assume responsibility for the manner in which that organization's voice will be raised.

Within your group, you have learned the political process by practicing it in the management of your own affairs. Your cause for being, however, is to express viewpoints--to lend direction to a larger stage--to determine what philosophy will guide our national destiny.

You have grown up and spent your lives in a political atmosphertending toward evermon. involvement by government in the affairs of the people. Your presence here indicates an interest in charting another course. This we have in common.

I have been protecting the growth of government for a number of years, expressing expressing electron lest government grows so complex as to become unmanageable and beyond control of the people. Daniel Webster pointed out that government always justifies its usurpation of power on the plea of good intentions and that intention is to better serve the people's welfare. But, he warned that, in every generation, there are those who want to rule well--but they mean to rule. They promise to be good masters--but they mean to be masters.

Government tends to grow because there is always so much that can be done for the people. It is so easy for the dedicated public servant to see how much could be accomplished if only he had a little more authority and, of course, a little more money to back that author ity.

There are today a very large number of individual grant-in-aid programs. Each has its own set of special requirements, separate authorizations--and appropriations, cost-sharing ratios, allocation formulas, administrative arrangements, and financial procedures. This proliferation increases red tape and causes delay. It places extra burdens on state and local officials. It hinders their comprehensive planning. It diffuses the channels through which federal assistance state and local government can flow.

This was the statement to the United States Congress on March 17 by President Johnson as he announced the failure of the present grant-in-aid system.

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And then he concluded by proposing three new grant-in-aid programs.

State and local government are buried now under a mass of 400 federal aid appropriations--170 separate federal aid programs, administered by 21 federal departments and agencies, 150 Washington bureaus, and 400 regional offices.

No wonder the Department of Housing and Urban Development is spending \$30,000 on "a study of the means by which local governments obtain information on federal aid".

We have to spend money to find out how to give it away.

Since 1960 we have seen the New Frontier become the Great Society During the process the civilian <u>bureaucracy</u> of the <u>federal government</u> has grown two-and-one-half times as fast as population. Payroll

-2-

increased $7\frac{1}{2}$ times and total government spending has increased $8\frac{1}{2}$ times.

Somewhere a voice says "But that is due to the Vietnam war." And it is true that defense spending since 1960 is up 68 percent---but non-defense spending is up 97 percent.

The deficits for these several years total \$50 billion and the credibility gap is almost as big. Ten months ago the President assured us he would stay within the budget and even cut it back by some \$3 billion. Shortly after the election came the correction: spending would be \$14 billion over the budget. Six months ago came the first prediction regarding the coming year's budget deficit: \$8½ billion. Now they admit to \$11 billion and, just in case, they're asking for authority to accommodate a deficit of \$29 billion.

I am part of government now, but I am just as fearful as I ever was of government's capacity for growth and government's appetite for power.

I have observed first-hand its resistance to change and the savage anger of some when any effort is made to reduce the size of its structure.

But I have learned also it can be reduced. Fortunately, all of us in our administration in California were totally inexperienced; we had not learned all the things that cannot be done.

For one thing, we set out to keep our campaign promises---and once the people got over their shock, they sort of took to the idea.

We put a freeze on out-of-state travel and reduced it 78 percent over a comparable period last year. This 78 percent will, if continued, amount to \$1 million a year in savings.

For the first time in California the automobiles in our state motorpools exceed the demand, and this is reflected by a 10 percent reduction in the purchase of gasoline.

We put a freeze on hiring replacements for state employees who retired or resigned. Without a single firing or layoff, we have reduced the number of such employees by 7,659. And that amounts to \$50 million a year in payroll.

At no cost to the taxpayers, a private citizen organized private industry, to work in collaboration with our state employment service, to train and put to work the unemployed in our poverty pockets---Los Angeles, San Francisco, Oakland and other cities. More than 4,000 industries have signed up and are actively engaged.

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200 of the most successful business and professional men in our state are organized into task forces giving full time to the government for a 4 to 6 month period--taking time away from their own occupations and professions. They are going into every agency and department of government to show how <u>efficiency and economy</u> can be brought into the management of the peoples' affairs.

One task force is standardizing the floor space allotted to employees in government offices doing similar work. It's inconceivable that this has never been done in our state before.

On Tuesday last, I received the first recommendation from this particular task force and before the day was out, on that recommendation we cancelled construction of a new, 10-story building, scheduled to be built this summer. And the savings:\$4 million.

My predecessor had his picture printed on the state maps. This governor's picture will not be on those maps. As a matter of fact, there will not be any maps. And that will save \$192,000.

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Another citizens task force is doing an in-depth study of our tax structure.

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No government could possibly hire or afford the manpower now working on a voluntary basis in our state. And all we had to do was tell them they were needed.

I do not believe this is peculiar to California. All over America, there are citizens who believe government is their business. Every problem that besets us, from drop-outs to disease, from job training to student loans, is being solved someplace in this country by someone who did not wait for government.

We need an inter-communication system between us, and an early warning system, so we can learn the solutions already found and head off problems before they become federal projects.

There is a role for government, but not as a substitute for the people.

Government's role is to lead in mobilizing the full and voluntary

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In California, we call this a Creative Society. This is no retreat into the past. This is taking the dream we once had and bringing it forth in a 20th century model. And this is a good dream, worthy of your generation.

Early in this decade, half-way around the world, a disciple of Ghandi's passive resistance--Pandit Nehru--lived in a world of collaboration--playing off east against west and believing he had the situation well in hand. In 1962 came a rude awakening when the Red Chinese poured across his border. Nehru promptly went into seclusion. Reuters of London---who have known every contact in Asia for decades--were two days in finding him and asked for an evaluation of the situation. He gave them just eight words: "We have been out of touch with reality."

Have we been out of touch with reality? Is this the message of last Nov. 8th? Did a restless people--a vibrant people--express their discontent with the tired old cliches of the 30's? Did they tell us they were too self-reliant to sell their dreams of the future for the dull security of the ant heap?

Young Republicans--read the meaning of Nov. 8th very carefully. A wind of change is blowing across our land.

Ours was no narrow partisan victory. Democrats and Independents joined hands with us to vote against what has been going on.

They voted against going deeper and deeper into debt when we are supposed to be more prosperous than man has ever been.

They voted against a war on poverty which poverty is losing. They voted against the idea that we can, as a state or nation, afford anything and everything simply because we think of it.

And because most people believe in reward for productive labor, they voted against giving that reward to those who are able but unwilling to work.

They voted against the idea that government must grow ever larger, more costly, more powerful.

They voted against continuing an easy atmosphere of peace and prosperity while some young Americans are dying in defense of freedom.

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We have reach d a turning point in time.

It is our destiny--the destiny of our party--to offer a banner for the people of all parties to follow.

Choose the colors well, for they are not in a mood to follow the sickly pastels of expediency--the cynical shades of those who buy the people's votes with the people's money.

Thousands upon thousands of young people today are groping for . an answer to their doubts--for a meaning and a cause they can believe in. And some are finding the wrong cause.

Perhaps all of us are out of touch with reality.

Half a million men in Vietnam depend upon a parade of ships into Saigon Harbor for supplies. Those ships must dare the Russianmade mines and torpedoes regularly planted in that harbor.

But we are told that, if we take those same mines and put them in the harbor at Haiphong, the war will grow bigger, more terrible and might even become World War III. Yet into that harbor come the munitions that each day kill young Americans.

To the man getting killed, the war is already pretty big.

E0% of those mines are Russian-made, but we are offering a trade deal to increase Russia's industrial capacity and the press reports we are considering buying hundreds of millions of dollars worth of generators from Russia for our own Grand Coulee Dam.

It would be the height of folly for us to challenge the sincerity of those who believe we can unilaterally end the cold war simply by convincing the enemy of our good intentions, while we make no requests that he abandon his self-announced intention of imposing his will upon the world.

We can challenge their lack of touch with reality. Within a one week period we have seen a war in the Mid-East begin and end, and it did not bring on World War III.

A small nation, faced with the denial of its sovereignty--indeed, of its very existence--reminded us that the price of <u>freedom</u> is high, but never so costly as the loss of it.

Now comes reality and how to resolve the issues brought on by the conflict. Again we have been confronted with the credibility gap. Our omnipote 'government, caught again y surprise, was faced with drastic and extreme alternatives. Once again indecision and vacillation have left us with harder decisions than the ones we have already failed to make.

We are involved in the <u>Mid-East</u>. We have been involved with the Mid-East. The presence of the 6th #leet in the Mediterranean is evidence of our involvement. The mischief-making of the Soviet Union in that area makes it very clear that our national interest is inextricably woven into the fabric of the problem that must be sclved.

Americans, Israelis and Arabs must find an enduring solution to the problems of thirst and hunger of a hundred million people who were born or migrated to that desert area.

And we should seek a long-range determination of the vital interests of all concerned without dependency on the United Nations.

In going counter to those Americans who believe the United States can safely rest its case with the U.N., confident of a fair hearing--who believe that the Russians share with us a desire to <u>co-exist--we must not repudiate their dream of world peace</u>, for this is a good dream. We share that dream. It is a dream as old as man himself.

What we do repudiate is their method of achieving that dream, which is played against the background music of the tapping of Neville Chamberlain's umbrella leading us to that sorry inevitable end of the appeasement trail: the slaughter of a generation of young men.

We backed down in Laos and thought we had brought peace.

We bought Vietnam.

How long has it been since an American has spoken as did Dwight David Eisenhower when the Red Chinese threatened the invasion of Formosa and he bluntly replied "They'll have to crawl over the 7th Fleet to do it".

And no young men died as a result of that statement.

We can-we must--we will co-exist with the communists, but only when we can deal through a position of strength, not relying on the hope that an enemy, increasingly able to match us in power, will just one day undergo a change of heart and give up his Marxist dream of imposing his will on the world.

We can--we will--we must co-exist, but not as a timid supplicant.

co-existence must be guaranteed by strength, by our willingness to pay the full price for freedom.

Let us present to the people clear and understandable position on other problems that have vexed us for so long.

Because <u>freedom</u> is indivisible, we will take an active role in opposing all who deny freedom to anyone because of race, religion or national origin.

We must take the lead in guaranteeing that every citizen can enjoy the benefits of an abundant society in proportion to his ability. But we will not tolerate those who use either civil rights or the right of dissent as an excuse to take to the streets for riot and mob violence--even when it is called civil disobedience.

We shall do cur upmost to eliminate poverty of the genuinely poor, but we shall deny the arrogant misuse of poverty funds for political nest-building.

Let us oppose the use of taxation and deficit spending as a means of controlling the economy.

In the world's richest nation we are told we could reduce the highest crime rate by eliminating poverty. Let us say instead, the criminal--not society--is responsible for his misdeeds and punishment of the guilty should be swift and certain;

And above all, let us reaffirm that the national purpose is the ultimate in freedom for the individual, consistent with law and order.

Now...may I presume on your hospitality...you have come to a moment of truth. You have within your power the ability to broaden the base of the party. More than half the voters next year will be of your age group. How much more time, how many more chances will we have?

The must decide now whether or not this cause is more important than the possible ill-feeling coming from your contests within your organization...whether or not grudges you may hold--bitterness from past conflicts within this organization--are more important than this great cause. You must pledge, before you leave here, y is unified and complete support of the party, and of the candidates of the party once the primaries are over.

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PLEASE NOTE: Since Governor Reagan speaks from notes, there may be changes in, and/or additions to the above text. However, he will stand by the above quotes.

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OFFICE OF THE GOVENNOR Sacramento, California^{RSITY} OF CALIFURNIA DO NOT RELEASE BEFORE 6 p.m., 445-4571 6.22.67 LOS ANGELES FRIDAY, JUNE 23 FRIDAY, JUNE 23 445-4571 Contact: Lyn Nofziger JUN 29 1587

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OFFICE OF THE GOVERN Sacramento, California Contact: Paul Beck 445-4571 7/10/67

FOR IMMEDIZIE RELEASE

REMARKS OF GOVERNOR REAGAN TO FACT-FINDING CONFERENCE ON WELFARE FRAUD

Sacramento--It is a pleasure to welcome you here today to the first public conference on welfare fraud in California. You represent those elements that can best decide whether there is substantial fraud and abuse in the public assistance programs of California

One of the promises we made in our campaign last year was that, as part of our effort to streamline welfare administration, we would look into this problem. Our aim is to make certain that the truly deserving on the welfare roles are not shortchanged by those whose only claim to a welfare check is a dislike of work.

This conference is the first step toward developing a plan under which law enforcement and welfare agencies can work together to find and evaluate fraud in our assistance programs.

I would suggest to you that one of the most productive results of this conference would be a definition of what actually constitutes fraud. Lack of such a definition has been a major obstacle in combatting welfare abuses.

With us today are the chairman and members of the new State Social Welfare Board. These people have a particular role to play at this meeting which I will discuss in a moment. First, however, let me introduce them. The chairman is Mr Nelson Howard of Pasadena. Other members are Mrs. Estella Dooley of San Francisco, Mrs. Mary Roberts Ripley and Mr. Walter Lee of Los Angeles, Mr. Arthur Tirado of Fresno, Mr. J. Steve Williams of San Bernadino and Mr. Walter Dolfini of Eureka.

These ladies and gentlemen from all parts of California can be an effective team in identifying and helping to solve the problems of public welfare.

As part of their responsibilities I am asking them today as part of their advisory responsibilities to John Montgomery and myself, to carry on a continuing survey of the extent of welfare fraud and abuse in California, I am also asking them to formulate long-range plans on improving the use of the taxpayer's welfare dollar.

M. C. T. T.

Though, as I have made it clear, we intend to weed out welfare cheats now on California's welfare rolls, we have no intention of making this investigation a witchhunt, or letting it be labeled as such by those who see welfare as way of life and honest employment as something for the other fellow.

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This investigation should also clear the air as to how much welfare cheating is actually going on in California. Until this is known the question will continue to haunt and hurt the public assistance program.

Today's conference is being held primarily to discuss the role of the legal profession--and law enforcement--in public welfare and welfare fraud.

For instance, there are valid questions about legal services for the poor, the confidentiality of the welfare rolls and the rights as well as responsibilities of welfare applicants and recipients.

However, to carry on the emphasis on fraud, I have asked the social welfare board to schedule public hearings throughout the state to sift fraud charges and allegations. And I have also asked the board to vork closely with a standing committee of responsible citizens to be designated by Spencer Williams, in order that a full and complete report can be developed and present.

Now, because I know you mave much to do, I declare this conferenc officially open. I know your discussions and deliberations will be of major service to our state and to this administration.

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OFFICE OF THE GOVERN Sacramento, California Contact: Paul Beck 445-4571 7.13.67

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EXCERPTS FROM SPEECH BY GOVERNOR RONALD REAGAN ' NATIONAL CONFERENCE OF LIVETENANT GOVERNORS SAN FRANCISCO

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But seriously, the job of lieutenant governor, as you well know, is more than keeping tabs on the governor's pulse.

In California, it is not at all like that of Vice President. The California Lieutenant Governor works. He has specific constitutional duties.

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In a way, a lieutenant governor should be compared to a vice president--an executive vice president of a business corporation; and that is our case in California.

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All of which, of course, is in addition to his duties as a member of the Governor's Council, the California State Disaster Council, the Commission on Interstate Cooperation and the Governor's Cabinet.

And then, because in this case we have a hardworking, able and conscientious public servant, he has taken on one or two other jobs at my request.

Now, all of this makes Bob Finch a pretty busy man, which really may not be bad. If my golf game shows a sudden improvement, you will know I thought of a few additional chores for him.

As a candidate, and now as a constitutional officer, Bob has the support of the people of California because his stands are clear, and he is willing to work for his beliefs and for his state.

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But I did want you other lieutenant governors to know that we appreciate him, value his aid and counsel and are glad he is on our team.

But even though we are happy with Bob, or perhaps because of it, we think there is much that can be done and should be done to upgrade the job of the lieutenant governor.

One of the things I think should be done is to make certain that the lieutenant governor is recognized as a member of the executive branch, not the legislative branch.

It is fine to have a way to break ties. But I think it is wrong to elect a man to an executive position and then have him become involved in the legislative process.

A man cannot be both fish and fowl. And neither should the

separation of powers be illegitimized by making one man both an executive and a legislator.

And incidentally, while I am not one to go around telling other states how to run their affairs, let me say that I think a lieutenant governor is something no state should be without.

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That, by the way, is a feeling we Californians have in general. We believe California should always have a lieutenant governor. For that reason, we have a unique clause in our Constitution that lets the governor appoint a new lieutenant governor if anything

happens to the old one.

This means California always has a line of succession in case something happens to the governor. Unfortunately, however, we now have a weak link in that line of succession--something both Bob and I think should be changed. And that is, under cur system, the candidates: for governor and lieutenant governor run for office separately and are elected separately.

We think they should be a team before they are elected to make / sure they are a team after they are elected.

We have had cases in California where there has been a governor of one party and a lieutenant governor of the other and the governor did not dare leave the state for fear the lieutenant governor would change the locks while he was gone.

But beyond that, it just does not make sense to us to have a situation where theoretically a lieutenant governor of the opposite party could always work against the governor, and even, as acting governor, completely undo the work of the governor.

Now, I grant you that no honorable man, thrust into the position where he could take advantage of the situation, would do so. But, while you and I are honorable, I am not so sure about the other guy.

Regardless, we see this as a flaw in any system, just as did our forefathers. And as they changed the national situation, so we hope, in the next four years, to be able to change the situation in California. We would like to see here a constitutional amendment that would let the people, in the general election, vote for governor and lieutenant governor as a team.

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But then unite them after the primary, just as we do in the national general election.

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First, I would like to see the governship of California limited by constitutional amendment to two consecutive terms. Then the lieutenant governor could say "How are you?" without being suspected of taking a political sounding.

But, more important, I believe that a man can grow tired in office, as can an administration. I believe that new blood means new vigor, new ideas, new approaches to the problems of the people and of government.

I do not believe that any man is indispensable.

The other change I would like to see is one that would leave the governor still governor, but able to delegate powers to the lieutenant governor while he, the governor, is out of state.

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That is all right. But just suppose Bob had not won. Suppose it was just me and a lieutenant governor with a prior obligation to the opposing party.

I do not believe that when a governor crosses a state line, he immediately is no longer fit to govern. Just as I do not believe that when the President leaves the country, he should turn the country over to Hubert Humphrey. (In some circles, I could win my point with that line alone.) I do believe, though, that if the governor leaves the state, he should delegate certain chores to the lieutenant governor so that government can continue to function.

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But I do not believe that our laws should be allowed to endanger the policies and programs of a state administration if the governor has been summoned to Washington or has accepted a speaking engagement outside the state.

Now, once again, let me make it clear we are not talking here about Bob Finch. What we are talking about is principles of government. And I would be perfectly willing to let any changes in our constitution take place after my term of office expires.

As I said earlier, I realize the rules of government vary from state to state. And I am not suggesting that any state except California change its laws. But I am suggesting that, as elected officials, one of our duties--both yours and mine--is to work to make government more responsive to the will of the people, and government officials more effective in performing their functions.

But now, that is enough of our theories of government. Let me get down to the practical aspects of what a lieutenant governor's job should or could be.

A lieutenant governor's responsibilities in the governor's office should only be limited by his constitutional duties, his willingness to work and the confidence the governor has in him.

In our case, as I mentioned earlier, the lieutenant governor does have statutory duties that limit his time and availability somewhat.

But there have been no limitations on either his willingness to work or in my confidence that he will do us a job.

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You know, here in California, in what we have chosen to call "The Creative Society," we have turned to the independent sector to help solve the problems both of government and of the people.

We do not think government has all, or even most, of the answers. We do not believe that government can gather together an elite group that can supply the answers to all the problems of our complex age and our many-faceted society.

But we do believe that for every problem that faces government or the people, there is an answer and that someone, or some business or some group has found or can find that answer.

Government, as a servant of the people--and we believe that government should be the servant and not the master of the people-has a responsibility to turn to the independent sector for those answers.

And then to apply them to all the people and to make them work. That is where the lieutenant governor can come in and where, in California, he has come in.

You all know the story of Watts. And you have heard how one man, Chad McClellan, marshalled industry after the riots to provide jobs for the people of that area and how, in a year, he was able to put more than 17,000 people to work.

Well, as you know, after the election and even before the Inauguration, Bob and I got together with Chad McClellan and he, at our request, expanded that program statewide. I think I would rather that Bob told you about how that program is working in detail and he can do it better than I can.

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But these studies are only the beginning of our efforts to streamline government in California and make it more efficient.

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Now of course, I recognize that each state has different problems and different laws and that states differ in the way they are run and the efficiencies and economies that have been carried out.

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With a recognition of both the needs of the people and our responsibilities to the people, we--both the lieutenant governors and the governors--can work together for the good of the people.

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OFFICE OF THE GOVERNOR Sacramento, California Contact: Paul Beck 445-4571 7.25.67

RELEASE: 8 A.M., Wednesday, July 26

SPEECH BY GOVERNOR RONALD REAGAN ' LOS ANGELES BREAKFAST CLUB LOS ANGELES - JULY 26, 1967

It is a special pleasure for me to be here today and to become a member of the Breakfast Club. After all, I came out of an industry in which ham is a basic ingredient. You know, of course, that a ham is an actor you don't have to egg on.

But now, of course, I'm in a different industry--one in which the porkbarrel is more important--- one in which you bring home the bacon and we spend it before you can eat it.

But seriously, there is more to government than just spending your money, or even fighting the fight to see how little we must spend in order to provide you the services you demand.

There is also the matter of providing excellence in the services government must supply.

It is not enough to be frugal. While government must spend only that money it needs, it also has an obligation to spend that money wisely and to insure that each dollar buys the best dollar's worth possible, whether it be in the area of road building, law enforcement or education.

No government service is more important to a free society, such as ours, or to a highly complex society, such as ours, as the provision of education.

No society can be a free society unless it is a literate society. No nation can long exist these days as a free nation and as a leader among nations unless it maintains a place as a leader in the technological and scientific revolution that has been proceeding at an explosive rate for the last 25 years.

We have recognized this in America and in California.

Today I would like to talk a few minutes about <u>education</u> in California, particularly higher education.

Higher education's role in California is different in one major way from that of education in the first through the 12th grades and any examination of higher education must be made in the light of this difference.

That difference is that grade school and high school education in California are compulsory. It is strange in a land where we talk freedom and believe in freedom that education should be required.

But our forefath(3 knew, as we know, that d y an educated populace can remain free.

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Today, we have now come a step farther. Today, we recognize that it is no longer enough to assure our children a basic education.

Today's world demands more of those who have the capacity and the desire to give more.

Horatio Alger heroes are getting fewer and fewer. Luck and pluck alone will not conquer cancer, solve the problems of air, water and lan pollution, cure our traffic problems, put an end to urban blight or give our nation the weapons it needs to protect itself in an unfriendly world.

As a matter of fact, they're really not enough anymore to assure a man much more than a living wage.

Today, then, a <u>higher education</u> benefits both the individual and society. And as both share in its benefits, so it is right that both should share in its costs.

But education must never be priced beyond the reach of those who who want it or those who need it, regardless of their economic status.

That philosophy has always prevailed in California. It has been responsible for the development of a university system recognized as having no peer in the nation, a college system that has provided higher education to hundreds of thousands of young men and women, and for a junior college system that is a model other states seek to follow.

But our concentration on excellence in our higher education system has resulted in the development of side problems in the system---problems that are not insoluable but that have largely been ignored as they developed, until now we have reached the point where action must be taken.

Foremost among those problems is the make-up of our student populations at the various compuses of the university.

Bluntly, they have become almost closed campuses, available mainly to those who come from upper middle class, white families.

Exact figures are not available but we know for instance that were last year there / less than 100 Mexican-American students attending UCLA. And we know that Negroes were represented not nearly in proportion to their percentage of population.

We know too that more than 75 percent of the University's students come from families that earn more than \$8,000 annually. Another 11 percent have family incomes of between \$6 and \$8 thousand and only a little over 12 percent come from families with less than \$6,000 income in excess of \$25,000.

Strangely our state college system is not much better. Only 14 percent of the students there come from families that have incomes of under \$6,000 a year.

Only in our junior colleges do appreciable numbers come from the lower economic strata. There, nearly one-fourth of the students come from families with incomes under \$6,000 a year.

It is obvious from this that we are doing a poor job of providing <u>higher education</u> for our lower income groups. In effect, we are perpetuating poverty by making it virtually impossible for those students from lower income families to get college educations that in turn will increase in a major way their earning potentials and raise the standards of themselves and their children. I am talking, of course, about the children of our minority groups who have special problems because of color or language barriers.

We talk much about equality of opportunity for our <u>minorities</u>. We have done little about providing equality of <u>education</u> which is basic to equality of opportunity.

I am here today to talk primarily about a plan--this administration's plan-- to provide equality of opportunity through education, not only for our ecomomically deprived minorities, but for all our lower income students who have the capacity and the will to learn.

I have chosen to call this the "Equal Education Plan."

We are not married to it in detail, but we hope that our colleges and universities will accept its principles as at least a first step toward providing /an opportunity for equal higher not just those who can afford it. Then we can work out details agreeable to all concerned.

Before I discuss the plan itself, let me say it will take the active cooperation, not only of the colleges and universities but also the school districts and the high schools to make any plan work, if it is to work, in those areas where we have large groups of minorities.

It will take the cooperation, the interest and enthusiasm of all those in public education to make this plan work because it is not enough just to make an education available. It also must be made known, explained and in many cases even encouraged and sold-- especially to students who come from homes where there is a language barrier,

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where there is illiteracy or where, because of entronmental factors, there is lack of ambition and even hopelessness.

Therefore, this plan--any plan--will need an aggressive guidance and information program at the high school level, expanded counseling and even a recruiting system.

This should not be the responsibility of the high schools alone. The college and university systems should work hand in hand with the school districts to assure that every student capable of acquiring and absorbing a college education has access to one. We hear much in meetings of the university Regents about the benefits to the University of having substantial numbers of out=of-state students. And rightfully so. These do broaden the range of students and make for a more meaningful student dialogue.

However, here in California we have a broad strata of students who, if they just could get into the University, would also add to the quality and variety of the student body.

Although qualified intellectually, they have been barred for three reasons. One, which is not the subject of our talk here today, is the fact that language and environmental barriers have not let them live up to their true potentials in high school. In other words, scholastically they are not among the $10-12\frac{1}{2}$ percent of their graduating class. We hope this problem is being and will be taken care of through legislation.

Second and third are the financial barriers which we are here to discuss, and the fact that little has been done either to explain to many students the opportunities already available, to expand those opportunities or to encourage their use. This we hope to do.

How do we hope to do this?

In two ways, one depending on the other.

First, by a combination of loans and scholarships.

Second, by the expanded counseling I mentioned earlier to make certain all qualified students know what is available.

Our combination <u>loan-scholarship plan</u> is aimed not only at helping the student through all four years of college, but also at encouraging him to finish college.

Here's how it will work.

First of all, it is based on total annual necessary expenditures of about \$2,000 a year including tuition, fees, room and board, books and incidental expenses.

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Secondly, all 1 is are to be repayable onl, after the student has left college and has begun earning.

During his first year of college, the student will borrow 75 percent of his basic \$2,000 and receive 25 percent in scholarships.

In his second year the student will borrow 50 percent and receive 50 percent in scholarships.

During his third year the loan will be 25 percent and the scholarship 75 percent.

During his senior year the student will receive a full scholarship. An alternative proposal which also has merit is to reverse the procedure and make the first year free in order not to discourage potential students from low income groups. This is a detail we can work out.

That is the basic plan.

Of course there are a number of questions yet to be answered, such as who will benefit.

We are aiming with this plan at those who otherwise could not afford a college or university education. Therefore, qualification for it is based on need rather than on academic excellence. Academic qualifications will be the same as those for all students.

We do not yet know what the need level will be, although we have studies underway in this area. It is obvious that a family making \$7,500 a year and having one child is in a better position to educate him than a family making \$15,000 a year and having four children. Some sort of sliding scale appears to be the proper way of handling this.

Other questions arise about repaying the loans. What about women who receive loans and then marry before they are in a position to repay? What about men in the service? What about those who enter professional areas where great need exists?

In these and other cases we think there should be foregiveness features. Exactly how these would work are for the Regents and the Legislature to decide, since it is the Regents who will eventually approve the plan for the University and the Legislature for the colleges.

The next question is: How is the plan to be financed?

And now is the time to wave the red flag in front of some of our academicians.

The answer is tuition.

Tuition is not a dirty word. All private schools exist on tuition in part as do most state college and university systems. California is a rare exception. -5 - I think we all (erstand here that there i(10 such thing as free public education. The only question is, "Who pays?"

Up until now, the taxpayer has borne most of the cost of education in California from kindergarten through the university.

Spiraling costs and spiraling numbers of students have made it clear that we cannot continue to do this at current levels without imposing an intolerable burden on our taxpayers.

As I pointed out earlier, our present tuition-free system has not really done what it is intended to do anyway. It has taxed the poor to support higher education but has not permitted them to take advantage of it because of peripheral costs--room and board, books, fees and so forth.

<u>Tuition</u> at a nominal rate can solve this problem by providing the funds to allow the poor to attend.

Last January, three UCLA professors wrote a letter to the L. A. Times on this subject. I have never seen anyone refute what they said. Let me read it.

"The long overdue proposal to charge tuition at state-supported colleges deserves wide support = particularly by low income taxpayers and those interested in a more efficient educational system.

"At present, every student, regardless of whether he or his parents are rich or poor, is given a subsidized scholarship of about \$2,000 a year. That is roughly the cost of a year's schooling at the university.

"The wealthy benefit from this bonanza at the expense of the poor. 72 percent of the 18-year-olds from families with income over \$14,000 • are in colleges but only 12 percent from families with less than \$2,000 annual income. Yet, the taxes for financing the bonanza bear more heavily on the poor than on the rich.

"It is eminently desirable that every young man and woman in California have full opportunity to make the most of his ability = including the opportunity to attend an institution of higher learning.

"Full opportunity for all, rich and poor, can be established by a generous loan fund for those who cannot at the time finance the tuition costs. This will enable all who have both the ability and the desire for an advanced education to bear the costs out of the higher income that their training will yield.

"This would be far more equitable, efficient and beneficial than present arrangements because it would simultaneously promote a higher

- 6 -

quality of education (, forcing state schools to e more responsive to student interests and to compete on more nearly equal terms with prøvate schools.

"We trust the measure currently under discussion will be the first step toward a policy of cost-based tuition accompanied by generous loan funds."

I propose, therefore -- as I have done for six months -- that tuition be charged at the state supported colleges and University.

The case for tuition is a strong one.

As I said earlier, it is right that those who share in the benefits of a college education should share in the costs. That includes both the students and the public.

Tuition today could finance the combined loan-scholarship program I have talked about.

It could also provide enriched programs in both the colleges and universities and money for special programs = and help finance capital improvements on all the campuses.

As an example, let us look at what could be done with a relatively modest tuition: \$250 at the university level, \$180 for the state colleges.

At the University level, for instance, in addition to providing the necessary financial aid, tuition will guarantee 250 teaching chairs in the university and 300 in the state colleges -- all at salary levels high enough and flexible enough to attract and retain the finest teaching talent in the nation.

It is estimated that in the 1968-69 school year the <u>tuition plan</u> University of California and approximately \$29 million for the state will generate some \$26 million for the / colleges. The plan proposes that 50 percent of these revenues will be used each year for scholarships and loans, 25 percent to establish and maintain the teaching chairs, and 25 percent for capital improvements.

We think--and the figures I mentioned earlier verify--that most students can afford tuition. We think our full and fair education plan will take care of those who cannot.

There are now more than 720,000 students attending our universities, colleges and junior colleges. The state appropriates in excess of 1/2 billion of your tax dollars to pay for this. This is in addition to the property tax levy for junior colleges.

Education is vital to the progress of our state and nation.

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But we must also Jucate our students to accept their responsibilities, and those of us in government to accept our responsibilities, not only to education, but also to all the people.

This administration is trying to do that by refusing to spend beyond the people's means, by working to provide a higher education for all who can benefit from it and by asking those who can afford it to pick up their share of the burden.

We can have an educated populace---we can make higher education available to all our people who are qualified and truly desirous of an education---and we can do it without increasing the tax burden on those who can afford it least.

But it will take your help and the support of millions of others in our state. I am asking for that help and that support here today.

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THE "EQUAL EDUCATION PLAN" FOR HIGHER EDUCATION IN CALIFORNIA

Governor Ronald Reagan's "Equal Education Plan" for higher education in California has four major objectives:

- To achieve full educational opportunity for all qualified students in California, including those from the poorest families and from racial minorities -- guaranteeing full opportunity in fact instead of opportunity in theory.
- To keep the University of California and the State Colleges fully competitive with the great private universities and colleges in attracting and retaining outstanding teachers.
- 3. To provide a supplemental capital improvement fund for each campus of the University and each State College.
 Use of this fund shall be tailored to the individual requirements of the particular campus or college and shall be administered by each local campus administration.
- 4. To eliminate existing inequities, so that low-income families shall not pay a disproportionate share of the cost of educating students in comparison with upperincome families.

To accomplish all four objectives promptly, efficiently, and effectively, Governor Reagan recommends the adoption of a modest annual tuition of \$250 per year for full-time California students at the University of California and \$180 per year for full-time California students in the State Colleges.

The total amounts received from tuition will be enough to provide generous grant-in-aid and loan funds for needy students. This means students can not only pay their tuition, but also board, room, and other expenses. These latter expenses are keeping disadvantaged students, including those from minorities, from

- 1 -

achieving a fair representation on our University and State College campuses.

In addition to providing the necessary financial aid, tuition will guarantee 250 teaching chairs at the University and 300 in the State Colleges -- all at salary levels high enough and flexible enough to attract and retain the finest teaching talent in the nation.

Tuition also will generate enough revenue to establish critically needed special funds for capital improvements at each campus and college.

Moreover, these funds -- making available additional revenues for capital improvements -- will reduce demands upon the General Fund by at least \$10 to \$15 million per year.

It is estimated that in the 1968-69 school year the tuition plan will generate some \$26 million for the University of California and approximately \$29 million for the State Colleges. The Governor's plan proposes that 50 percent of these revenues will be used each year for grants-in-aid and loans, 25 percent to establish and maintain the teaching chairs, and 25 percent for capital improvements.

In summary, the highlights of the four key elements of the "Equal Education Plan" are as follows:

1. Grants-in-aid and loan program --

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The major economic barrier to a college education is not tuition but, rather, the cost of more expensive items such as board, room, and transportation. Relatively few students from low-income families or minorities actually are found on our University and State College campuses today. To correct this unfortunate imbalance, the Governor recommends that half the proceeds from tuition be used each year to support a full program of

- 2 -

grants-in-aid. In addition, these grants will be supplemented by a complete loan program at minimum interest rates which utilizes private, state, and federal funds.

Governor Reagan also suggests active recruiting and counseling programs geared to students in the low-income neighborhoods who should be encouraged to enroll in the University of California and the State Colleges. In the awarding of grants and loans, the Governor recommends that the sole criterion for eligibility be that of need, once admitted to the University or State College of choice. He proposes that uniform criteria be established to determine need and the amount of assistance appropriate in each case. In establishing these criteria, he suggests that, in addition to family income, consideration be given to other factors on a formula basis. These factors will include the number of children in the family, other family obligations, and the ability of the student to assist himself through part-time employment. Another factor is whether different requirements should be established for women students as compared to men students and their ability to assist in financing their own education.

Finally, criteria should be established for forgiveness of loans to encourage graduates to enter important fields of employment which fill a national or community need. Examples might include teaching, research, or military service.

2. Teaching chairs --

On the basis of projections, it will be possible to establish and support at least 550 teaching chairs --250 in the University and 300 in the State Colleges. These chairs will attract outstanding teachers and reward and retain recognized members of the teaching

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faculty. The majority of these chairs would be filled over the years by promotion from within, but the program would also attract outstanding faculty from throughout the country.

It is hoped that the establishment of the chairs would serve to keep the University of California fully competitive with other great private universities and colleges in this country.

3. Capital improvement program --

The 25 percent of tuition revenues to be assigned for capital improvements in the University of California would amount to approximately \$6.5 million for the year 1968-69. It is recommended that this money be divided among the individual campuses of the University in amounts proportionate to their respective contribution of tuition revenues or enrollment on the basis of relative size; therefore, a significant supplemental fund would be available for the individual capital needs of each campus, which presumably would have had to come from the state's General Fund and taxpayers. The amount available to the State Colleges during 1968-69 would be \$7 million and would be applied in the same manner.

4. Tuition ---

More than three-fifths of the students in the University of California and more than half of the students in the State Colleges come from families in income brackets of \$10,000 or higher. A very substantial number come from families with income in excess of \$15,000 or even in excess of \$25,000, particularly at the University. Conversely, only 12 percent of the University students and 14 percent of the State College students come from families with incomes below \$6,000. Inasmuch as the principal financial support of both the University and the Colleges comes from the General Fund, it is obvious

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that the lower-income families are paying to support educational institutions which are used primarily by the upper-income families. A modest tuition plan -- augmented by grants and loans -- corrects this inequity.

The costs of a higher education should be based on need according to the formula described earlier. In this connection, the "Equal Education Plan" provides, through a unique combination of grants and loans, the supplementary funds necessary to permit any qualified California student the funds he needs to obtain a higher education. Such a plan -- for the first time -- establishes a means for reaching the goals outlined in the Master Plan for Higher Education in California.

The particulars of this plan are as follows: Once financial need is established, the grant-loan program will be administered in the following manner:

- During the first year the student will borrow 75 percent and be awarded 25 percent in grants.
- During the second year the student will borrow 50 percent and be awarded 50 percent in grants.
- 3. During the third year the student will borrow 25 percent and be awarded 75 percent in grants.
- During the fourth year the student will receive the full amount in grant monies.
- 5. Governor Reagan recognizes the importance, not only to the State of California but also to the University and State Colleges, of attracting outstanding graduates from throughout the country. While tuition will be charged graduate students, it is not anticipated that this program will alter the Regents' posture regarding certain waivers. Full-time graduate students who meet the identical requirements in the area of financial need as do those undergraduates mentioned above will become a part of the grant-loan program and receive 50 percent

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of the annual \$2,000 stipend in the form of a grantin-aid and 50 percent in the form of a loan. The Governor also suggests that the Regents examine the possibility of forgiveness in the area of these graduate loans, as is being suggested with regard to undergraduate loans, for selected areas of state need.

It should be pointed out here that the dollar amount being considered a necessary expenditure in this area includes all expenses at the University. Present estimates place this figure at \$2,000 per year, which would include the student's tuition, fees, room and board, books, and incidental expenses.

Certain objections have been raised regarding the high amount of loan required during the first year. An alternative which will avoid discouraging potential students from lower socio-economic and minority groups reverses the above formula and places the emphasis upon grants rather than loans. This plan would establish an absolute-need category, intended to cover those particular cases which might be discouraged by the high loan during the first year of either graduate or undergraduate students. Under the plan, the student could enter the University on full grant-in-aid during the first year, borrow 50 percent and receive 50 percent in grants the second year, borrow 25 percent and receive 75 percent the third year, and receive full grant-in-aid the final year.

In conclusion, the Governor points out, in the case of needy students, tuition will be offset by grants and loans. On the other hand, for the well-to-do family, \$250 or \$180 for tuition is far below the tuition for a private university or college, and it represents only a fraction of the actual cost to the taxpayers. For example, the actual cost to the state of educating a student at the University of California for one year has been estimated at \$2,980 -- as compared to the proposed tuition of \$250.

With regard to students from out of state, it is recommended that the higher tuition rate for them be maintained and that the residence requirements be revised and strengthened.

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Excerpts....

Philip M. Battaglia Executive Assistant to Governor Ronald Reagan

> Remarks to Downtown Rotary Club of Fresno Noon, Monday, August 14, 1967

"Approval of Governor Reagan's crime prevention and control proposals was the Administration's most important victory-- next to passage of the revenue and budget measures-- of the 1967 legislative session.

"Faced with the frightening fact that California leads the nation in crime, the Governor promised-- and delivered-- a comprehensive crime and law enforcement program to strengthen the 'soft spots' in the state's laws and crime prevention programs.

"The most significant victory was the passage of the Administration's fiscal proposals which included a responsible, fair and broadly-based revenue plan to finance the 1967-68 budget. Next was the crime package-- followed by a wide range of traffic safety measures....steps to control air and water pollution....and forward-looking legislation in the area of agriculture, government reorganization and education."

Highlights of the Governor's successful crime package:

- --Creation of the California Council on Criminal Justice to develop a master plan for the prevention, detection and control of crime.
- --Establishment of a public corporation known as the California Crime Technological Research Foundation to apply modern methods of science and technology to the prevention and detection of crime, the apprehension and treatment of criminals and the improvement of law enforcement administration.
- --Increased penalties for those convicted of carrying deadly weapons, rape and burglary.

MORE

In the traffic safety area, highlights include a California Traffic Safety Program to map a full attack on the state's high rate of traffic casualties. (In 1966, California had 4,830 highway deaths-- the highest in the nation.)

- --Creation of emergency medical care committees in every county to review first aid practices, ambulance and emergency medical services.
- --A full study on ways to reduce traffic deaths or injuries caused by drunk driving.

Air and Water Pollution Control...

- --Created the Water Resources Control Board to consolidate efforts in water reclamation and water quality control.
- --Created the Air Resources Board to coordinate statewide air and motor vehicle pollution control efforts.

Agriculturo...

- --A program to eradicate the pink bollworm.
- --A farm labor service commission to develop procedures for full agriculture employment.

Government Reorganization...

--Legislation to reorganize the executive branch of government into an effective and efficient unit.

Education...

- --Clarification of procedures for school district unification-- i.e., elections to be held once each four years instead of every two years.
- --Direct and indirect property tax relief of \$145 million this year and \$300 million next year for combined school aid and property tax relief.

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8/13/67

OFFICE OF THE GOVERN Sacramento, California Contact: Faul Beck 445-4571 8.14.67

TUESDAY AM'S RELEASE

Excerpts of

Philip M. Battaglia Executive Assistant to Gov. Ronald Reagan

> To Greater Bakersfield Chamber of Commerce King Arthur's Restaurant - Bakersfield 7:30 PM - Monday, August 14, 1967

"The biggest problem of the Reagan Administration was the fiscal crisis inherited from the Brown Administration.

"Perhaps the most significant accomplishment to date has been the success in meeting this crisis -- reversing dangerous and unwise fiscal policies.

"When the Administration took office in January, it inherited a \$5 billion state budget (highest in the history of any state in the nation)...a deficit gap of \$500 million between expenditures and income...more than \$4 billion in bonds...the highest taxes in the nation...a \$386 General Fund deficiency...and a \$194 million debt left over from the last year of the previous administration.

"In fact, the state budget increased over 200% during the past ten years, while the state's population increased only 40%.

"Governor Reagan faced the fiscal crisis...and acted. He ordered an independent audit of the entire financial picture, which confirmed that the state was spending \$1 million more a day than it was receiving. The Administration also reduced the initial 1967-68 budget by \$127 million (the largest cut ever made in a state budget in our nation's history) blue-penciled the final budget \$43.5 million and paid off the state's \$194 million debt.

"The 1967-68 budget, on a comparable basis, represents about an 8% increase over the 1966-67 budget....while the 1966-67 budget was over 16% higher than the 1965-66 budget.

"Without hurting the level of state services, the Reagan Administration brought economy to state government. Some examples:

Cut departmental spending by over \$100 million.

Reduced 2,550 full-time state employees from the payroll--down 2.5% during the first six months. In the last several years, the state payroll has grown: up 4.3% in 1963-64; up 3.4% in 1964-65; up 4.9% in 1965-66.

Reduced out-of-state travel during the first six months alone by 74%-- a savings of \$354,000. (more) Sold the state-owned airplane, returning more than \$217,000 to the state.

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Saved \$262,000 by eliminating an unnecessary highway magazine and multicolor map.

Saved \$59,000 in typewriter purchases alone...and \$50,000 in ribbons.

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OFFICE OF THE GOVERNOR Secramento, California Contact: Paul Beck 445-4571 8.14.67

RELEASE: NOON TUESDAY August 15, 1967 Please hold against premature release.

Excerpts of... Philip M. Battaglia, Ececutive Assistant toGov. Ronald Reagan at

> San Diego Kiwanis Club El Cortez Hotel Noon, Tuesday, Aug. 15, 1967

"Governor Reagan's proposals for higher education -- his Equal Education Plan -- have received widespread public support and are examples of the creative approach to a difficult state problem.

"One of the most complex dilemmas confronting the Administration is how the state can get the dollars to maintain California's traditional quality and excellence in education. Even in an era of economy, the demand for dollars for higher education still increases.

"If the University of California, for example, is to maintain its educational excellence and also expand educational opportunities to all economic levels, it must by necessity look to tuition as a source of revenue.

"To the critics of tuition, we say that the concept of free education is a paradox. Those who share in the benefits of a college education should share in its costs -- and the poor should not be taxed to provide a so-called 'free education' for the wealthy.

"Almost 2/3 of the student body at the University of California-and more than 50% of the state college student body-- come from families in the \$10,000 or higher income bracket.

"Lower income families are paying to support educational institutions which are used primarily by upper-income families. The modest tuition plan proposed in Governor Reagan's Equal Education Plan-with generous grants and loans-- corrects this inequity."

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RELEASE: Thursday P.M.

OFFICE OF THE GOVERNOR Sacramento, California Contact: Paul Beck 445-4571 8.16.67

> EXCERPTS OF SPEECH BY PHILIP M. BATTAGLIA, Executive Assistant to Governor Ronald Reagan, before Los Angeles Press Club - Noon, Thursday, 8/17/67

Judge Milton Marks' election victory--in a heavily Democratic district--represents a loud and clear vote of confidence in the programs, policies and philosophy of the Reagan administration. It is a declaration that the people of California approve and endorse the major accomplishments of the administration's first eight months.

The major accomplishments include ...

--Governor Reagan brought economy to state government. The administration met head-on the state's fiscal problems inherited from the Brown administration. The governor brought about economies and efficiencies in face of a \$5 billion state budget, a deficit gap of \$500 million, a \$386 million General Fund deficiency and a \$194 million debt left over from the last year of the Brown administration. He blue pencilled the final budget...reduced positions from the state payroll....cut out-of-state travel 74 percent....and paid cff the cash debt.

--Governor Reagan won major legislative victories. Even with a Legislature controlled by the opposite party, the governor won approval for a sweeping crime prevention and control program, fair and broadlybased revenue and budget measures, major property tax relief, and a wide range of proposals to solve problems of traffic safety, agriculture, government reorganization, recreation, education and pollution.

--Governor Reagan restored the executive branch to its traditional position of leadership: The Reagan administration returned the proper balance to government. No longer is state government dominated solely by the legislative branch--as under the Brown administration. The governor conducted an orderly transfer of power; named 300 qualified and respected men and women to government positions; and initiated surveys, task forces, and studies to improve government.

--Governor Reagan launched the Creative Society:proposed a broad "Equal Education" plan....established the Governor's Survey on Efficiency and Cost Control.

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--Expanded Chad McClellan's highly successful Management Council on a statewide basis, finding industrial job opportunities for the state's disadvantaged. The Reagan administration, through its newly created Job Training and Placement Council, has already expanded this program to San Francisco and the Bay Area (over 1500 firms participating to date), Monterey, San Bernardino, San Diego and Riverside.

--Governor Reagan has made people aware of state government: Today more Californians are interested in the problems confronting state government than ever before. The governor's mail alone is four times greater, per day, than under the previous administration. Polls show that more people have opinions on problems and issues than under any previous administration.

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OFFICE OF THE GOVERN...t Sacramento, California Contact: Paul Beck 445-4571 8.18.67

> Excerpts of Philip M. Battaglia Executive Assistant to Gov. Ronald Reagan To the Commonwealth Club of California - Sheraton-Palace Hotel, San Francisco, Noon, Friday, August 18, 1967

"Governor Reagan has opened a full-time, fully staffed office to implement his Creative Society Ideas.

"The office is known as the Center for Creative Society Action. Its purpose is to enlist individual and voluntary action in meeting and solving the complex problems confronting our state. It will not cost the taxpayers one cent-- and is located in Sacramento where staff members can work with Administration officials in finding solutions to such problems as pollution, low-cost housing, juvenile delinquency and urban blight.

"The Center also will work on programs to attract new industry to California, stimulate private and independent research into oceanography and solicit corporate action in social problem-solving.

"Most people are well aware of the two basic sectors in American society: the public sector, government....and the private sector, industry.

"The Creative Society identifies still a third sector, the independent sector -- made up of millions of individual citizens acting through organizations which are neither governmental nor commercial.... such as labor unions, churches, service clubs, foundations, and private welfare associations.

"Our past has been built on the resourcefulness and effectiveness of this sector....working together with the private and public sectors.

"The Creative Society has already put this force to work, for example:

In the Survey on Efficiency and Cost Control where nearly 200 experts are examining government for efficiencies and economies. In the many task forces and study groups tackling complex problems of taxation, transportation and communications.

"Philosophically, the Creative Society is an attitude -- a way of conducting government -- a spirit which guides the decisions and thinking of those chosen to lead.

"The Reagan Administration is guided by the theory that the solutions to the people's problems lie with the people and that the government is best when kept closest-- and most responsive-- to the people." # # #



RELEASE - FRIDAY, SEPTEMBER 8 7:30 a.m.

OFFICE OF THE GOVERNOR Sacramento, California Contact: Paul Beck 445-4571 9.7.67

EXCERPTS FROM SPEECH BY GOVERNOR RONALD REAGAN SACRAMENTO HOST COMMITTEE BREAKFAST SACRAMENTO - SEPTEMBER 8, 1967

It is a pleasure to be here this morning in the most beautiful, the healthiest, the friendliest, the most smog-free state in the union.

The preceeding was a paid, political announcement.

This is quite a different occasion than the last time I spoke at a breakfast meeting. At that time I sat on a saw-horse and put my hand on a cold fried egg. But then, that was an initiation, and somehow I have the feeling that this morning kind of marks the end of several months of initiation.

We are doing much better here in the Capitol. I think we are beginning to get things in order. There was a time back around January when I felt like an Egyptian tank driver with a set of Russian instructions.

There has been a lot of talk about me and the Legislature -whether we are getting along or not. Well I think such talk is based on a false premise -- we have gotten along very well. Of course, I have wondered at times what the ten commandments would have looked like if Moses had had to run into a state legislature. But all in all, I have been very fortunate. California is the only state I know that gives its governor on-the-job training.

Today should mark the end of our special five day veto session, an historic first in our state. As you know, under our revised Constitution, the legislature must come back into session for five days, 30 days after it adjourns. The purpose is to give it a chance to override any vetos the Governor may have been forced to make, and this Governor felt forced to make some.

Some of the bills that were vetoed, however, did not represent any great disagreement between the legislature and myself, but were simply a recognition that you can not spend what you do not have, and government has demonstrated from time immemorial an ability to find more ways to spend money than to produce it.

As you can imagine I have had a great many suggestions with regard to meeting our financial problem, up to and including seceding from the Union, and then applying for foreign aid. But when I found out how much more California sends to Washington, than Washington sends back to

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California, I figured we might get stuck for giving foreign aid to them.

Seriously, it is my hope that some very worthwhile measures now under veto can be reintroduced next year with the expectation that funds will be available to finance them. For example -- the legislation that would have established more diagnostic centers for retarded children.

You know, in the old days, the Governor could avoid the heat that comes from vetoing a bill just by not signing it. Without his signature, the bill died; and this was called a "pocket veto". The electorate changed that, and now, if a bill isn't signed in 30 days after the Legislature adjourns, it becomes law. They have a kind of "pocket passage" instead of a "pocket veto". And of course, this means that with each veto there has to be a message explaining why. You should have to write 83 letters saying "no".

As of this moment, 1,725 measures have been signed into law and 83 bills have been vetoed, which, if passed, would have added more than \$40 million to the taxpayers bill.

There are those who have said that this is a negative approach. As a matter of fact, they have critized this administration as being almost totally negative in these first eight months. I wonder if there is not some clue here to the basic philosophy dividing so many of us.

Is it negative to seek to reduce the cost of government?

Is it negative to want to do something about the spread of pornography?

To reduce crime?

Or to suggest that welfare is injurious unless it helps the recipient become independent of it?

Eight months ago, we began talking about a theory of government which we chose to call the "Creative Society". We have explained, at every opportunity, that our theory is simply that government does not rule, does not intimidate, does not lecture -- but leads, cooperates, listens, and, instead of taking power unto itself, turns to the people for the answers to as many of their problems as they can possibly provide.

In these several months we have done a number of things consistent with our belief that, in a creative society, there are many functions now solely performed by government that can be performed -- and perhaps, be better performed -- by using the full genius, and power, and ability

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of the people.

It was amazing for us to find out just how many people are willing to help -- want to help -- if someone will tell them what needs to be done.

An example illustrating this occured in those first weeks in January by accident. We were snowed under a flood of mail that swamped the regular staff of government employees. We fell hundreds of thousands of letters behind -- so far behind, they were not even opened. One news story carried word of this fact, and within 24 hours, without our having thought of such a thing, the large Council Room in the Capitol was filled with card tables and ladies who had come in -- volunteered-to help until the backlog was whittled down. This just happened to be their own idea. Unorganized, each one of them came in independently of the others; each one had the idea herself.

At the opposite extreme was something with which you, as business leaders throughout the state, are familiar: the work of the more than 200 citizens in our state who formed task forces, and who, over these past several months, have devoted full time bringing their expertise and their knowledge to bear on the problems of government. Their several hundred reports with their findings are now being put into order and we will soon be taking measures to implement them for the increased efficiency of government and for greater economy in government .

But, so that this idea of the Creative Society and the interested citizenry already participating will not stop here, an office has opened here in Sacramento, privately financed: The <u>Center for</u> <u>Independent Action</u>. This was started by Richard Cornfelle, author of "Reclaiming the American Dream".

We intend to work closely with the Center to take advantage of the contribution it can make in developing and demonstrating the most effective way government leaders can work to upgrade independent action.

The staff of the Center will work as volunteer agents for the specific purpose of stimulating non-governmental action. They will identify and define public problems which can respond to non-governmental action. They will suggest how and to whom the challenges can be made. And they will identify non-governmental programs which produce results.

This kind of independent action can result in the easing of tax burdens, the solving of problems when you need them solved -- and not when the government decides you need them -- will result in making California a better place for ourselves and our families, and our neighbors.

Now this, of course, sounds pretty theoretical, but we think some of the theory has been checked out and found pretty practical.

There have been many debates as to how much alike business and government can be, with some stressing the difference between them and claiming that government just cannot be run like business. There is no question but that government -- in its position as referee of the peoples' affairs -- cannot match business exactly.

But I have long nursed a theory that many of the sound practices of business can be utilized by government to the peoples' advantage. During these several months, as I am sure we have told you on a number of occasions, we have put these ideas to work.

You have all heard about the 10-story building that will not be built here in Sacramento. It was to have housed two state government agencies. One of our citizen task forces simply applied the normal business standards to those departments regarding the square feet of floor space which should be sufficient for each employee. On this basis, it was discovered that two buildings presently occupied can handle the staff of these departments, now and in the foreseeable future. Fortunately, we had not signed the contracts for construction which was scheduled for this summer. So a \$4.3 million building will not be built.

Now I suppose there are some who can have a moment of regret that a new, modern and attractive building will not grace the skyline of Sacramento. But I have a feeling that if government can eliminate enough of the unnecessary, new attractive and modern buildings will grace the skyline of our Capitol, built by private businesses, by investors, as evidence of an improved business climate in our state.

That \$4.3 million though will not be reflected in a reduction in the budget. It happens that the departments who would have used that building are financed by the gasoline tax. So while the money will still be spent, it will be spent in more miles of California highways and freeways.

In that same department, Gordon Luce, our Secretary of Transportation, has been able to carry out additional <u>economies</u> that saves \$15 million in operating expenses in the Highway Patrol and the Department of Motor Vehicles, and another \$15 million in the Division of Highways.

Much of these savings were realized because these departments are operating successfully with 2,000 fewer employees than had been budgeted previous to this administration. The result is that we will not hear the familiar story of delays in planned highway construction because of the higher-than-anticipated bids, growing labor costs and inflation, design change or extra right-of-way expense, or all the other reasons we used to hear.

Construction will start one year <u>ahead</u> of schedule on \$52 million worth of freeway and highway safety projects -- all because the money has been saved by the instituting of these modern business practices.

I am sure some of you might be interested in another example of this kind of new thinking.

In the Department of Motor Vehicles, there are four divisional chiefs under Director Verne Orr: Chief of Administration, Drivers Licenses, Registrar of Vehicles and Field Office Operations. Verne Orr conceived the idea of stimulating a climate for creative thinking.

He has rotated and will continue, on a regular basis, to rotate these four divisional chiefs so that, instead of getting into a rut with one department, a man will be faced with new problems, new challenges, by way of this rotation and thus can bring a fresh viewpoint to old problems.

To many of you familiar with large corporate operations, this does not seem like a revolutionary idea. But there was some shock and disagreement with what seemed to be a revolutionary idea in government. Now there is enthusiasm after only a brief tryout. For example -- the chief who moved for the first time into Drivers Licenses noted the processing of applications for licenses has been typically 39 days behind for a number of years. He asked a pretty logical question: "Why?" That 39 day lag will possibly be cut to only 7 to 10 days. Better service for you, but also, some unneeded work will be eliminated and there will be fewer instances where applicants write follow-up letters that have to be answered.

Getting tack to the subject of floor space, the skyline of Sacramento is presently graced by a 14 story building under construction these past two years. This building will be occupied by the Department of Health & Welfare. By applying the same floor space standards to this structure already under construction, we have discovered we can put 1,051 more employees in this building than had been planned for.

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During the period of January through July, the Department of General Services was able to achieve over \$2 million in cost reductions on purchases of equipment, material and supplies. The reductions were achieved principally by obtaining increased competition for state purchases and the consolidation of requirements into larger, more attractive bids. For instances high speed tires for the Highway Patrol were purchased at \$141,000 less than the previous years prices. We even saved \$1,000 on 63,000 dozen eggs by consolidating 10 separate bids.

For the past several years, increases in state employees have averaged about 4 to 5 percent each year. We put a freeze on hiring replacements for retiring or resigning employees and reversed this growth pattern, finishing the year with a decline of 2 1/2 percent in the number of state employees.

Costs of the Office of Acrhitecture and Construction have been running from 18 to 22 percent of construction. Among private architects, the rate is 6 - 10 percent. We believe we are going to reduce the government cost to something comparable to this lower figure.

We asked the help of the telephone company with regard to our \$16 million phone bill. We have discovered there was no control over telephones -- who had them, how many they had, or some of the fancy equipment such as conference call equipment, call-directors and the like. Well there is control now, and the phone company has estimated a minimum savings of \$2 million a year.

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NOTE: Since Governor Reagan speaks from notes there may be additions to, or changes in the above. However, Governor Reagan will stand by the above quotes.

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OFFICE OF THE GOVERNOR Sacramento, California Contact: Paul Beck 445-4571 9.8.67

FOR RELEASE SEPT. 9, 1967 2:30 P.M.

SPEECH BY GOVERNOR RONALD REAGAN DELTA PUMPING PLANT DEDICATION CEREMONIES TRACY - September 9, 1967

I am pleased to be able to be here to partake in dedication ceremonies of the <u>Delta Pumping Plant</u>--ceremonies that bring one step nearer to completion the dream Californians have had for many years of supplying northern California's excess water to the arid southern part of our state.

Much water has gone over the dam since this project was first envisioned, but now at last we see daylight ahead.

Now we can look forward confidently to the day when northern California's water serves not only Los Angeles, but most of the southland and the San Joaquin valley as well.

Last year there were fears expressed in both northern and southern California to me about this project.

Northern Californians, who have three-fourths of our state's water, rightly wanted to be assured that water needed in the north would not be taken.

Southern Californians, who have three-fourths of our state's population, wanted to be assured that the project would go forward as scheduled.

I promised then--and I repeat that promise--that this administration will guard carefully the rights of northern California.

I promised then and I also repeat that promise, that this administration will do all in its power to see that the great <u>Cali-</u> <u>fornia water project</u> will be completed on schedule.

A project such as this is one that can and should unite our people, not divide them. This aqueduct--444 miles long, stretching from the Delta to Perris in Riverside County--should and can be the connecting link joining the two great areas of our state--northern and southern California--in a common cause and for the common good.

With this aqueduct all of California can flower and receive benefits. Not only the direct benefits of water for drinking, for industry and for agriculture, but also benefits from increased recreation areas behind new dams, recreation areas that in turn boost the economies of the regions in which they exist; benefits in the form of thousands of extra jobs both in construction and in maintenance;

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and benefits in the form of flood control and in the form of additional sources for electricity.

Others here will tell you about the technical and engineering achievements involved, and will relate the varied and troubled history of this project.

But unless I do it I'm afraid no one will take the time to give proper credit to the man now in charge of this project, State Water Resources Director William Gianelli.

You know, Bill Gianelli is a Democrat, which proves water at least in California is a bi-partisan subject.

But Bill Gianelli is also the best man we could find anywhere to take charge of this tremendous and complex job.

We are more than proud of the job he has done and is doing.

You know, California's first State Engineer, William Hamilton Hall, was also our first water planner. Back in the 1880's, his suggested solution for the water problems in this state was an integrated state water plan. He pressed for this vigorously, but his efforts only got him fired because people could not then appreciate the necessity for a state water operation.

However, Hall's efforts were not all in vain. He planted the idea in the minds of many people and that idea did not leave. In the 1920's, a plan was devised for providing irrigation water to much of the Central Valley from dams at Shasta in the Sacramento Valley and at Friant in the San Joaquin Valley, to be known as the Central Valley Project. The plan was authorized by the California State Legislature.

A bond election was held and bonds were authorized, but could not be sold because of the great depression. This stopped construction until 1935 when federal funds were made available to the Bureau of Reclamation to take over the Central Valley Project for construction of the facilities.

That project has now developed into one of the most extensive artificial water transport systems in the world; however, it takes no water south of the Tehachapis.

In the last 25 years, California has grown from 7 million to 19 million people. In the next 25 years, this figure may reach 35 million. Accompanying this growth will be the demand for more water for domestic consumption. In addition, 95 percent of California's total crop value is grown on land that must be irrigated. This places a tremendous load on the state's water supplies. Fortunately, Californians have faced up to their problem of maldistribution of water. They are financing and building the largest single integrated water development and conveyance system ever undertaken anywhere by any people.

In 1959 the State Legislature enacted the <u>California Water</u> <u>Resources Bond Act</u>, commonly known as the <u>Burns-Porter Act</u>. This act, approved by the voters of California in November 1960, authorized the marketing of one billion, seven hundred and fifty million dollars worth of general obligation bonds to help finance construction of California's State Water Project.

The Project will yield 4,230,000 acre-feet of water annually, an amount estimated to satisfy the needs of the state until 1990. While the Project's prime purpose is to conserve runoff water and to transport it from areas of abundance to areas of shortage for municipal and industrial use and for irrigation, it will also provide flood control, hydroelectric power generation, recreation, and the enhancement of fish and wildlife.

Work on this project began in the days of Earl Warren, and was continued during the terms of Goodwin Knight and Pat Brown.

I am proud of the part <u>this</u> administration is playing in construction of the project. Under this administration, construction has reached a record pace. We have isolated potential financial problems the project faces, and we are working to solve them. We did this far enough in advance so that I believe we will be able to meet the delivery dates planned for Southern California -- Los Angeles County in 1971 and Riverside County in 1972.

One fact about the <u>State Water Project</u> particularly impresses me: the repayment of its costs by the 31 local agencies who have contracted to purchase the 4,230,000 acre-feet of water the project will conserve annually. These contractors will pay back almost the entire bill for the project. Only those benefits singled out for flood control, recreation and fish and wildlife enhancement will have state or federal funding.

In other words, the people who use the water we start down this California Aqueduct today will be paying for these facilities and for all others necessary for final delivery. The California taxpayer, although he has guaranteed the integrity of the water bonds, will not be picking up the tab.

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Basically, the State Water Project is a comunation of many local projects. With the possible exception of the Metropolitan Water District of Southern California, none of the 31 agencies alone could have embarked on such a vast project to solve their individual water needs as foreseen to the year 1990. State government has been the vehicle through which all of their individual problems can be met through the construction of a single project. And properly so.

State government's proper function is to do what the people and local government must have done but cannot do for themselves.

Of course, as you and I know, efficiency and economy are not normal attributes to government--even state government. But the State Water Project engineers have been too busy to be anything but efficient, and this administration is making sure that this project will be completed economically. We have found some frills and are eliminating them.

You know California's ingenious attack on the water problems of the state could well serve as a natural laboratory for cooperative solutions of water resource conservation problems throughout the nation and the entire world.

In California we understand the value of water and the part it must play in the building of a productive civilization and a viable economy.

In dedicating these Delta facilities today we are taking a giant step toward a more productive future. Before this ceremony is concluded, I will turn the key to that future, and start water flowing southward in this great canal. I am honored to be here and, as Governor of California, to take part in this historic ceremony.

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NOTE:

Since Governor Reagan speaks from notes, there may be additions to, or changes in the above. However, Governor Reagan will stand by the above quotes.

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OFFICE OF THE GOVERNOR Sacramento, Califory Contact: Paul Beck 445-4571 9.13.67

RELEASE - THURSDAY AMS

EXCERPTS FROM SPEECH BY GOVERNOR ROMALD REAGAN PORT OF OAKLAND DIMMER OAKLAND - SEPTEMBER 13, 1967

It is a pleasure to be here on the 40th anniversary of the Port Forty of Cakland. / years, this port has been serving the state.

I have just put in 40 weeks that seem like 40 years, probably because the political honeymoon I was promised only lasted 40 minutes. But don't get me wrong. I am not complaining. Can you imagine a 40 year honeymoon with Jesse?

Actually, there is a lot of significance to the figure 40. The flood lasted 40 days. And I will bet Noah felt like that was 40 years too.

And life, they say begins at 40. I am not sure they are right about that, however. Jack Benny has lived a full life and has never gotten beyond 39.

However, if life does begin at 40, this great Port we are here to honor has a great future ahead of it.

Of course it does not take any genius to predict that.

But it might have 40 years ago. In 1927 it surely took men of foresight, vision and courage to sit down and begin to plan and build facilities that 40 years later would make this City one of the world's great ports.

Just as it has taken men with the same kind of vision in recent years to expand this port to its present 17 deepwater berths with nine more scheduled to open next year.

I am sure the men who sat 40 years ago as the first Board of Harbor Commissioners little dreamed that 40 years later the Port of Oakland would have such facilities or would handle, in a single year, nearly 3 million tons of cargo valued at nearly half a billion dollars.

The work and vision that have gone into the Port of Oakland have not gone unnoticed, either in California or outside it.

The federal Maritime Administrator last May noted in a talk in San Francisco - that's a city just across the bay from here - noted that Oakland, "one of the more progressive ports on the west coast... is fast becoming a leader in intermodal container facilities."

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He went on to say that "the new Oakland teminal now under (construction is a forerunner of the kind of streamlined port facility needed to fully integrate the land and marine transportation modes."

The initiative and enterprise of Oakland in building a great port should and must set an example for all of coastal California if our state is to continue to expand its trade.

And world trade is indeed one of the main arteries of California's life blood.

We are already the leading world trade state in the nation, outranking even New York.

As a matter of fact 400,000 Californians, about five percent of our total work force, are directly engaged in exporting goods and products from California ports.

Their efforts will produce for California this year about a \$300 million favorable balance of trade, a considerable help to our national balance of payments problem.

California's dollar amounts of import and export trade have grown steadily since 1950, but has remained relatively static in terms of percent. In this decade about 7.5 percent of the nation's exports leave from California ports and about nine percent of the nation's imports enter through California ports.

It puts us kind of in the position of a swimmer treading water. He is not sinking but he is not going anywhere either in contrast with the other swimmers.

We think California should be going somewhere in almost every phase of our economy and certainly in the area of <u>world trade</u>. We are doing a number of things in this administration to attempt to improve the situation.

Our Intergovernmental Committee on Ocean Resources (ICOR) is deeply involved in looking at the ocean in terms of shipping and commerce and at our Pacific Basin neighbors in terms of trade.

Our task force on transportation also is vitally interested in ocean-going transportation.

Our tax reform task force is studying ways and means of making California's business climate and tax policies more attractive to all business including the export-import business.

Those of us directly involved in state government also are trying to create a business climate, and a climate of fiscal responsibility

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in government that will make California a haven for business and (()

Often some who classify themselves as more liberally oriented accuse this administration of being business-oriented. And they are correct on the basis of two facts some of them have never learned: business doesn't pay taxes - people do; and, government doesn't make jobs - business and industry do.

For these reasons we are doing everything possible to create conditions to insure that business and industry can expand to meet the job needs of a growing population.

One of the truly great labor leaders of all time, Samuel Gompers, (founder of the A.F.L.) said, over and over again, labor and business were in a partnership and the laboring man could only prosper if business prospered.

At the same time we are trying to give California's taxpayers the people - as frugal and efficient a government as possible.

Neither of these jobs can be done over night. It has meant reversing an entire philosophy of government, an attitude that has become ingrained in government.

This is the attitude that has said government can afford anything and, at the same time, that government cannot be operated efficiently or economically.

We disagree with both of those premises.

We believe that covernment can afford only what the people can pay for and should afford only what they are willing to pay for.

And we believe government can operate both efficiently and economically.

As a matter of fact we have set out to prove modern business practices can work in government.

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OFFICE OF THE GOVERNOR Sacramento, Califo La Contact: Paul Beck 445-4571 9.19.67 RELEASE: Noon, Tuesday September 19

EXCERPTS FROM SPEECH BY GOVERNOR RONALD REAGAN UPI EDITORS' CONFERENCE SAN FRANCISCO, Tuesday, September 19, 1967

I don't believe it's necessary to talk to you in any detail about the news business, although I must express a wonder as it continues to grow. I'm sure, also, you recognize that I couldn't let an opportunity such as this go by without commenting on some of the things that come with the morning coffee.

Since I came from a profession where we felt that everyone had two businesses, their own and show business, don't be too hard on me if now, from the vantage point of another occupation, I do a little getting even.

Sometimes it has seemed to me that <u>newspapers</u> let their <u>policies</u> get in the way of objectivity and accuracy. Eere in California, for example, we have an axis that begins in Los Angeles in the morning and ends up in Sacramento in the afternoon. And it sometimes seems to me, that news, as they print it, is what they wish it were instead of what it actually is. Now, I don't want to give the impression that their kind of reporting could actually influence anyone, but after reading their accounts of what I'm supposed to be doing, I did go out the other day and sign a recall petition and I was the subject of the recall.

I know, of course, that a good reporter in the field of politics must depend on the usually "reliable" source, and as a result, he sometimes gets blamed when the "reliable" source turns out unreliable. One such story made its appearance in the last few days regarding our administration. It was headlined as an inside story, and it was a great story. It just didn't happen to be true. days ago who must he gotten her story after a lisit to Haight- *I.*shbury. She gave a first-hand account of my meeting with Governor Johnson of Mississippi---my questions to him, and his advice to me, on how to run for president in the southern states. For this kind of story, of course, there was no excuse, and I have demanded a retraction even though I've lived my life believing that retractions never appear in large print and if anyone notices them at all, they only give them an appetite to go back and read the original story they missed in the first place. You know, I've never met Governor Johnson. Eut what is even more significent, I have a wire in which Governor Johnson said he never met me.

If this seems a rather inhospitable way to great you at the beginning of your meeting in our Queen City, please allow me these few prefacing remarks. Because, in actuality, I will be the staunchest defender of your right to speak your piece.

You and I have one thing in common---we are custodians of a public trust. All of us who hold public office, of course, are. And your <u>public trust</u> is to see that unless we meet our responsibilities or when we fail to, you are going to keep the people informed. And I think, by and large, down through the years, you have done just that. But someplace along the line, there has been a loosening.... liberties are being taken....agencies of government at every level are seeking to perform their services more and more with less and less attention to the right of the people to know. And by the same token, there have been those in your profession who have violated their trust, their responsibility to keep the people informed.

Let me seriously give just one example and leave it to your judgment whether someone has not betrayed a trust.

Last month, one of the wire services sent a story datelined Da Nang, Vietnam. The story read, "a marine helicopter pilot saw 50 Viet Cong torturing four wounded American soldiers on the beach below." One of the most respected of the major eastern newspapers

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answering the radi d call for help, saw 50 V : Cong holding four wounded American soldiers on the beach below."

The wire service story went on to say that it took 20 minutes of scrambling across a soft South China Sea beach to drag three of the Americans aboard, while a South Vietnamese Air Force helicopter picked up the body of the fourth whose throat had been cut. The paper ran that section of the story, changing the last sentence, however, to simply read that the other Air Force helicopter picked up the body of the fourth. The wire service story quoted one of the officers aboard the helicopter as saying it looked like they wanted to mutilate them, strip them and leave them in a line for display. The newspaper ran the story "all four had been wounded in the gunfight before the helicopter arrived."

Perhaps one can argue the editorial right to not be too brutal in the telling of the story. But one has to ask, is there also not a right when the government's policy is being assailed, of the people to get the factual information about the enemy we are fighting and the tactics being used?

When groups such as yours meet, I would hope there would be a continuing re-evaluation, not only of <u>news gathering</u>, and news gatherers, but also of the place of interpretive reporting in newswriting and the value, if any, of the political gossip columnists and rumor-mongers.

As I said earlier, I am not an expert in the newspaper business and certainly not here to talk to you about it. But now that I have become increasingly a subject of its stories and columns and speculation, I am concerned, indeed concerned, about the responsibility I mentioned before of both of us and of those of us in the business of government who must resist the temptation to influence public thinking by keeping from the public the facts. As I said before, you share in that responsibility, that whether pleasant or unpleasant for us, you must deliver the facts to the people, and your great responsibility is to make sure they are facts.

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these days, we must χ 'e the help, the genius and the power of all of our people enlisted in finding the answers. They cannot help unless they are informed.

All of us, I'm sume, are concerned about welfare programs that have gotten out of hand, about a war that seemingly has no end, about riots and inditers of riots, about government costs that are taking more and more of a man's income, about inflation that day after day erodes the value of the individual's savings and makes it nearly impossible for earnings to keep pace with the increased cost of living, and about a generally permissive attitude that pervades today's moral climate and blames society for the wrongful acts of the individual and denies that man has to face up to his individual responsibilities.

We here in California government are attempting to deal with such of those problems as are the responsibility of state government. But, at the same time, we are enlisting the aid of the people, for without them, no solution is possible. We are trying to re-establish a climate that says a man must be responsible for his own acts and as much as possible for his own welfare.

Tomorrow, we open a conference here in San Francisco that we have called among states having Medicaid programs.

We are in deep trouble in this phase of our welfare programs.

In California alone, hastily drawn legislation in this field can bankrupt our state unless we have major revisions. Costs of this program are increasing by 50 percent annually. In its first 16 months, it was budgeted for 74.6 million dollars, but 876 million dollars were spent, meaning that the program went 130 million dollars in debt, debt that has to be paid off this year.

Obviously, our state, and probably the federal government, must change its approach to medical aid for the poor and the needy. Certainly we are agreed that no one should be denied medical care because of a lack of funds, but it just does not make sense that those who earn their own way must provide medical care without stint for the less fortunate beyond that which they can afford themselves.

Somewhere, we have to draw a line between what is necessary and what is desirable.

As a matter of fact, I believe we are going to have to change our approach not only to Medicare, but also to the entire welfare field.

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Somewhere along 'he line we have gotten off 'he track. Can we continue our insistence that <u>welfare</u> is an inalienable right without recognizing the rights of those working men and women who make it possible by sharing the fruit of their toil? Isn't it something of a gift granted by people who earn their own way to those who cannot, or in some cases even to those who will not?

For those who cannot, the gift is a good one benefiting both the givers--the taxpayers--and those who receive it.

For those who will not, the gift robs the giver of his purse and the beneficiary of his self-respect and a meaningful place in our society.

I'm sure not one American would begrudge the cost of <u>welfare</u> as is charged by some who think any criticism of welfare is inspired by more concern for dollars than for humans. All would gladly bear the burden if we could see success rewarding our efforts. But, in the dark days of the Depression, only 1.3 percent of California's population received public assistance. Today, in a time of excessive affluence, 7 percent of our citizens are welfare recipients.

The goal of welfare should be to make recipients independent of welfare. It is one government program whose success can only be measured by a decline in the necessity for continuing it. Welfare to truly fulfill its purpose should be a beginning for human beings, not a hopeless end of the road.

To those who can only see more government spending, more layers of plans and bureaus and gigantic work programs, I say jobs are the answer---jobs in business and industry--productive jobs, and we shall do our utmost to make such jobs possible.

But our <u>welfare</u> problems are not the only ones facing us today. No society can long tolerate crime either by lawless individuals or by lawless groups. My office maintains a constant liaison with local law enforcement agencies and local governments. We also maintain a close contact with our own law enforcement agencies---the State Department of Justice, the State Highway Patrol and in case of major emergency, the National Guard.

We are prepared to move swiftly and forcefully in case of trouble. But of course there is more to our effort than a willingness to meet violence head-on. We have community relations representatives and we have a community relations program.

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especially for those with environmental or langua, problems.

We are seeking the solutions to their problems. We have stiffened sentences for crimes involving violence; we have created a Crime Technological Research Foundation aimed at improving the prevention and detection of crime and the apprehension and treatment of criminals; we have made clear to criminal and police alike that we hold the individual, not society, responsible for his actions and that it is the policeman, not the criminal, who has our understanding and support.

We are concerned in California about national and state attitudes that say debt is good, that inflation doesn't matter and that we can afford what we want whether or not we can pay for it.

We think that the fiscal irresponsibility of the federal government has spilled over in many cases into state and local thinking and even the thinking of the individual.

We've found out here that eight months ago frugality was a strange word in many quarters and is still a dirty word in some. We have found that many of those in government have been unable to equate outgo with income, that they talk in terms of increased spending and increased taxes instead of in terms of increased efficiency and careful examination of state needs.

We are trying to reverse that approach here, also, and it has required almost the reversal of an entire <u>philosophy</u> of <u>government</u>.

Eight months ago, we began talking about a theory of government which we chose to call the Creative Society.

We have explained at every opportunity that our theory is--government does not rule, does not intimidate, does not lecture, but leads, cooperates, listens, and instead of taking power unto itself, turns to the people for the answers to as many of their problems as they can possibly provide.

At the opposite extreme was something with which you, as business leaders throughout the state, are familiar: the work of the more than 200 citizens in our state who formed task forces, and who, over these past several months, have devoted full time bringing their expertise and their knowledge to bear on the problems of government. Their several hundred reports with their findings are now being put into order and we will soon be taking measures to implement them for the increased efficiency of government and for greater <u>economy</u> in government.

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I have long nurged a theory that many of the sound practices of business can be utilized by government to the peoples' advantage. During these several months, as I am sure we have told you on a number of occasions, we have put these ideas to work.

You have all heard about the 10-story building that will not be built here in Sacramento. It was to have housed two state government agencies. One of our citizen task forces simply applied the normal business standards to those departments regarding the square feet of floor space which should be sufficient for each employee. On this basis, it was discovered that two buildings presently occupied can handle the staff of these departments, now and in the foreseeable future. Fortunately, we had not signed the contracts for construction which was scheduled for this summer. So a \$4.3 million building will not be built.

That \$4.3 million though will not be reflected in a reduction in the budget. It happens that the departments who would have used that building are financed by the gasoline tax. So, while the money will still be spent, it will be spent in more miles of California highways and freeways.

In that same department, Gordon Luce, our secretary of transportation has been able to carry out additional <u>economies</u> that save \$15 million in operating expenses in the Highway Patrol and the Department of Motor Vehicles, and another \$15 million in the Division of Highways.

There is and should be concern about those who would tamper with our time-tested separation of powers. Can, for example, the judiciary charge us with obstructionism when we simply ask the right to watch, to guard against decisions that go beyond interpretation of the law and, in truth, declare what a judge thinks the law should be?

There is a growing tendency among certain judges to violate traditional concepts and thus usurp the authority of the executive and the legislative bodies. -7-

Such actions can and have been costly in terms of money and in upsetting the orderly machinery of government.

Speaking entirely as a layman, it appears to me that judges should use great caution before they interfere with the proper functioning of either the legislative or the executive branches. For when our traditional concept of the doctrine of the separation of powers is breached by our judges, we run the very real risk of tyranny by the courts.

Now, I know that the courts, more than either of the other branches of our government, have been held sacrosanct and inviolate.

And properly so. But I know also that judges, with or without their robes are human and are subject to the same frailties as the rest of we mortals. Once we put any branch of our government or any people in our government above criticism, we have taken a step toward diminishing our free institutions.

Certainly the courts have been a bulwark of our freedoms. I want them to remain that way and they cannot if they begin to substitute personal policy for legal interpretations.

It may be that some judges have forgotten that the vast judicial powers they can exercise must be tempered with the judicial restraint that in our history has traditionally been exercised.

Now, I would like to get back for a moment to the philosophy of this administration, because that basically is what I have been talking about.

While leadership and initiative for the <u>Creative Society</u> should begin in the governor's office, it would be the task of the entire state government to discover, enlist and mobilize the incredibly rich human resources of California, calling on the best in every field to review and revise our governmental structure and present plans for streamlining it and making it more efficient and more effective.

And that is the basis of the Creative Society--government no longer substituting for the people, but recognizing that it cannot possibly match the great potential of the people, and thus, must coordinate the creative energies of the people for the good of the whole.

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I believe we have started something in this state. We are being watched...watched by those all across this land who once again dare to believe that our concept of responsible, people-oriented government can work as the founding fathers meant it to work. If we prove that here, we can, as I have said before, start a prairie fire that can sweep across this country.

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(NOTE:

Since Governor Reagan speaks from notes, there may be additions to, or changes in, the above. However, Governor Reagan will stand by the above quotes.)



OFFICE OF THE GOVE OR Sacramento, California Contact: Paul Beck 445-4571 9.18.67

RELEASE: Noon, Wednesday, September 20

EXCERPTS FROM SPEECH BY GOVERNOR RONALD REAGAN GOVERNORS' CONFERENCE ON MEDICAID SAN FRANCISCO, WEDNESDAY, SEPTEMBER 20 1967

Ladies and gentlemen, I'm pleased to welcome you here today and even more pleased that the Governors of these states which have implemented federal legislation with their own Medicare or Medicaid programs have seen fit to participate. You know there are almost as many names for these programs as there are states participating, or diseases which they are supposed to cure.

The fact that you are here is recognition by the states involved that the programs are in fact sicker than the people they are expected to aid. Certainly, that is true here in our own state of California, where unless <u>Medi-Cal</u> is revised and revamped, it not only can, but most assuredly will, bankrupt our state, and in a very few years.

Our Medi-Cal program implementation of Article Nineteen was budgeted at \$746,000,000 for its first sixteen months, but cost for that same period was \$876,000,000 in bills either not presented or still in the lengthy pipe-line and none of which reached this state in time for us to properly budget or plan. Thus, with the figure budgeted on apparent need, we were faced with a ruling by our Attorney General that this newly discovered deficit must be paid out of the current year's budget.

There are some who had proposed that we should immediately tax our people for this additional amount, in spite of the fact that we have already imposed a burden of a tax increase on all people, and in spite of the fact that we are one of the highest tax-paying states in the union.

I might say some of you are fortunate enough to still be debating as to whether you should, for the first time, switch to or include one of the numerous basic programs such as income tax or sales tax. California has nothing new to switch to. We have had all those taxes for a very long time. We don't believe the answer lies in continually turning to the people for more revenue when it is our responsibility to see if we cannot make these programs workable at a realistic price.

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In California we estimate that without any new programs of any kind, just on increased work load and price in pay scale, our budgets should increase about 8 percent a year. This represents need based on our increase in population plus the normal pay and price increase due to the present inflationary rate.

Our tax program, even though it needs improvement, roughly parallels this increase in growth in that without increasing rates, it increases state revenue about 8 percent a year and this is the rate of increase for as far as we can see into the future. Obviously, this rate is geometric progression--a one hundred million dollar increase next year and so on into the future. Obviously, if we are to continue to provide other government services, including education, this program will have to be radically changed.

At the very least I think we should have to look for two basic changes--one in eligibility requirements and one in what services can be provided. In addition, we may be forced to petition the Congress to make basic changes in its Medicare law, changes that will allow the states greater latitude in handling their own programs.

There is another possibility and one I think is exciting, and that is to revise our entire concept of aid and medical aid for the poor. I said poor deliberately, for the poor have always been with us, while the disadvantaged, the deprived, only joined us with the advent of the "Great Society".

I was raised in a small town back in the Midwest and I was in poverty before it became popular, before the rich folks got hold of it. My father always said, "It's no disgrace to be poor, but it might as well be." Perhaps one of the differences between then and now was I only know now that we were poor then; the government wasn't telling us at the time.

But, I don't believe that just giving the poor a handout is of any great service to them, whether it be money or medical care. And I don't believe that the bulk of those who aspire to a better life want just a handout. They may need a step up, a helping hand, but they want it so they can do better for themselves.

There is no question of our responsibility to those less fortunate. I don't think any one of us would retreat from that responsibility. But, we also have a responsibility to those who make that helping hand possible. There are the among us today who have (;ablished the idea that welfare is an inalienable right of the recipient. But what of the right of those who work and earn, and share the fruit of their toil to make welfare possible, and those who earn their own way, pay their own doctors and provide for public welfare with their earnings? These people are restrained in the amount of care they can afford for themselves.

The minor illness, the cold, the cut finger, is treated at home and then they call in a doctor when their reason tells them the trip is justified.

The key to the problem we are here to discuss is that these same people are now providing medical care for their fellow citizens, more comprehensive than they can afford for themselves. With the best intentions in establishing this program, we have created a situation where there is no restraint on those who are receiving Medi-Cal. They are free to seek help for the most trivial of ailments simply because it represents no cost to themselves. INSERT (See attached)

I believe also that government, in making provision for health services for the poor, should make maximum use of the voluntary organizations. Any Medicare program will have a heavy influence on private sector health services. Therefore, in developing the programs we need we must remember we have an obligation to preserve the voluntary hospital system, the private health insurance programs and the integrity of doctors who have given this nation the best medical care in the world under the private enterprise system.

We have a responsibility to face up to the fact that, in those nations who have turned to nationalized programs or socialized medicine, they cannot possibly match the quality of medical care that we have developed under a contrary system. Of course, the answer is not the opposite extreme of no government involvement at all. It is, instead, a partnership of private effort and governmental activity--a system in which those with true need are helped and the rest of us permitted to help also.

We are living in a period of rapid change. It is obvious that medical science will continue to unfold opportunities for better health services for our people. As these opportunities appear, we in state government will have a particular responsibility and that is to organize government's activities in these areas so that strong leadership and efficient administration can be provided without

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disrupting the voluntary system which has brought health care in the United States to the standards we enjoy today.

I know the problems are many and complicated. But they are not beyond our capacity to solve and certainly we are obliged to solve them. We cannot meet the problem of part of our citizens by unduly penalizing any other group.

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Now, once again, let me say how much I appreciate your being here and participating in this meeting. As you discuss the issues involved in the Medicare programs, I am certain that you can come up with answers that can help all our states in their efforts to provide adequate medical care for those who need it at a price we can all afford to pay.

(Insert on Page Three)

While the overwhelming majority of doctors are honorable and have a long history of extending the best of care to those who seek it, still, as in any profession, there are some who can't resist a good thing and so in this program we have no restraint, no way of checking on the doctor who has the patient return for two or three checkups on these trivial ailments. We have no way of curbing the hypochrondriac who has, at public expense, an examination and then goes on from doctor to doctor trying to find one who will tell him what he wants to hear.

These are technical problems, problems of administration, of regulations, and I cannot believe they are beyond our ability to solve. But, I do believe that in fulfilling responsibility to the less fortunate, we must make sure that the working men and women of our nation and our states do not provide better health services for the less fortunate than they are able to provide for themselves.

(Note: Since Governor Reagan speaks from notes, there may be additions to, or changes in, the above. However, Governor Reagan will stand by the above quotes.

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RELEASE: SUNDAY AM's

OFFICE OF THE GOVERNOR Sacramento, California Contact: Paul Beck 445-4571 9-22-67

> EXCERPTS FROM SPEECH BY GOVERNOR RONALD REAGAN REAGAN STATE CONVENTION Anaheim, Saturday, September 23, 1967

Since California is one of those states annually sending more money to Washington than Washington sends back to California, we decided to take a look at some of our dealings with the office of economic opportunity which most of us know as the War on <u>Poverty</u>--which as I've said before, poverty seems to be losing.

Under the combat rules, I have the option of vetoing those various projects, although Washington has the right to overrule that veto within 30 days. Evidently, Washington hasn't had to override many vetoes because there haven't been many. We changed that situation when we vetoed a project in Ventura County that was aimed at rehabilitating the hard core unemployed by putting them to work beautifying our open park lands. We didn't quarrel with the purpose, but when our research revealed there were 17 hardcore unemployed and half the money would go for seven administrators to take care of the 17 beneficiaries, we vetoed the project. The veto was not overriden.

We stopped another that seemed to be a course in picketing and demonstrating and somehow there doesn't seem to be a shortage in California of experienced demonstrators.

All told, we have in these several months successfully vetoed seven projects and caused more than half of all the rest to be substantially changed before approving them.

There's another program that wont into effect before our administration took office.

This is the <u>California Rural Legal Assistance Office</u> with a budget of \$1,545,874 and a total of 130 lawyers, investigators,

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secretaries and clerk-typists in 10 offices throughout California. Now this sounds just fine. Legal help for the rural poor. But in at least one case, the California Rural Legal Assistance Office, using taxpayers' money, is harrassing a county welfare office to the point where that county's Board of Supervisors has had to use the taxpayers' money to hire a lawyer at \$35 an hour to protect its county welfare director.

Her big problem/that she saved her county \$200,000 in welfare costs last year. In the eyes of some of these people, saving taxpayers' money is a crime.

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But this isn't the sole story of the <u>California Rural Leg</u> <u>Assistance League</u>. Many of their lawyers are actively and unethically promoting litigation, often against the state, once again leaving the taxpayer to pay both the costs of the prosecution and defense. Among the cases they have taken to court to the detriment of our state and our farmers are the suit to stop our changes in Medi-Cal, a suit, incidentally, which if they had won would have deprived 150,000 of our poor people of any kind of public medical care and would have cost one county alone, Los Afgeles, an extra \$20 million.

Another suit, if they had won, would have cost California farmers millions in lost crops and the poor people other millions in higher food costs. That suit sought to prevent the importation of about 8,100 supplemental workers into California on an emergency basis. Incidentally, even labor Secretary Wirtz, no friend of California farmers, approved the effort to bring in workers. So we had the spectacle of a federal government body opposing the decision of an official of the President's cabinet.

As I said, Californians are in a situation where nobody? wins hut everybody pays-pays the lawyers of the <u>Rural Legal Assistance</u> Office, that is.

Some of you lawyers in the audience who exist on clients' fees rather than on the largess of the federal government might be interested to know that in some towns the Rural Legal Assistance Office is the biggest law firm there. Although the federal government has channelled \$288 million into the <u>poverty</u> programs in California since 1964, we have found no evidence of any basic change in our state povery picture.

I think part of the reason must be obvious. That \$228 million they sent here is part of something more than \$288 million we've sent back there during the same period. It's merely come back minus the carrying charge.

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Sacramento, California Contact: Paul Beck 445-4571 9.25.67 September 26

EXCERPTS FROM SPEECH BY GOVERNOR RONALD REAGAN California Real Estate Association Convention Los Angeles, September 26, 1967

It is a pleasure to be addressing the California Real Estate Association again this year.

The last time I spoke to you--last year--I was a candidate for this office I now hold. And we were making the promises then that we are doing our best to keep now.

Now, as then, we are counting heavily on your support.

You people and your profession are the epitome of our free enterprise system. You could hardly exist without the free enterprise system since only this system recognizes that one of man's basic rights is the right to own and dispose of his property as he sees fit and to use it as he sees fit so long as he does not infringe on the property rights of those around him.

Make no mistake about it. There are no such things as property rights in the connotation used by some. There are only human rights and some of those human rights are the rights involving property. These rights affect all cur citizens, regardless of their color, their race or their social status.

Now, this takes me back to what I said a moment ago---that we are doing our best now to keep the campaign promises we made last year.

One of those promises was to seek repeal of the <u>Rumford Act</u>, and • if that were not practical, modification of the Act to the point where it was no longer discriminatory and oppressive.

That is still our goal.

Let me make it plain that I do not feel disagreement with this Act in any way should be taken as endorsement of bigotry and prejudice or the practice of discrimination by those subject to this sickness. I oppose the Rumford Act for the same reason I oppose restrictive covenants. Freedom is based on the right of an individual to personal ownership of property and this basic human right cannot be infringed upon by majority rule. The very meaning of the Bill of Rights is that certain inalienable rights cannot be submitted to a vote. We erode that principle at great risk to us all, indeed, to freedom itself.

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As you know, we rere unsuccessful during the last session of the Legislature. There were a number of reasons for that. Frankly, one of the problems was that some of our own people are committed to an "all or none" approach. In all sincerity they would rather go down to glorious defeat than accept a partial victory. They have never learned that politics is the art of the possible. For 35 years the advocates of big government and state control have inched forward, recognizing that 12 inches makes a foot and 5,280 feet make a mile. On this theory, they have nibbled away at freedom, at state government, at local government.

What they have taken over a 35 year period, we cannot get back this year or next, but we can make a beginning.

That is what we are trying to do. That is what we have been able to do in many areas, even though we have been a minority party in both houses until recently, and are still a minority in the Assembly.

That is what we will try to do again next year. We may not get the <u>Rumford Act</u> repealed, but if we can keep all of our people together, we will make that beginning.

In the meantime, let me tell you about some of the things we have accomplished.....

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OFFICE OF THE GOVERASacramento, CaliforniaContact:Paul Beck445-45719-27-67

RELEASE: (.00 p.m. CDT Thursday, September 28, 1967

EXCERPTS FROM SPEECH BY GOVERNOR RONALD REAGAN EUREKA COLLEGE

EUREKA, ILLINOIS - SEPTEMBER 28, 1967

It must be evident to most of you that only a thin wall of wavering willpower stands between you and an engulfing flood of nostalgia.

Ten years ago, in cap and gown, I stood in this place to receive an honorary degree-- A happening which only compounded an already heavy burden of guilt. I had always figured the first degree you gave me was honorary.

That first degree was 35 years and a few months ago.

Now as far as you students are concerned, that makes it definite I am <u>not</u> of your generation. There are those with differing political views who would go even further and place me as far back as the Ice Age--some even further to the time of McKinley.

Some here today, however, can bear witness that 35 years are like 35 minutes, so clear and fresh is memory. No matter how much you students may want to believe this, your imaginations are not quite up to it. You will just have to wait and find out for yourselves. But you will find out.

There is a tendency in today's world to put more than years between us. Somehow, as humans, we have been stratified into a horizontal society instead of vertical. Layers of humanity are separated into age groups from pre-school to those the social tinkerers refer to as senior citizens. And somehow we are losing our ability to establish communications between layers. What is even worse, there is a growing hostility between these layers.

It is an unnatural situation. <u>Humanity</u> is vertically <u>structured</u>. The teenager will become the young married or junior executive, and in turn, the middle aged and eventually the senior citizen. Each one of us will take his faults and virtues, his

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pluses and minuses through the years, being at all times the sum total of all he has experienced.

This separation into horizontal layers makes no sense at all. What of this talk that no one over 30 understands the <u>youth of</u> <u>today</u>? If this is true, then what happens when you reach 30? Do you suddenly join us and quit understanding those who have not quite reached the magic age?

Each generation is critical of its predecessor. As the day nears when classroom and playing field must give way to the larger arena with its problems of inequality and human misunderstanding, it is easy to look at those in that arena and demand to know why the problems remain unsolved. We who preceded you asked that question of those who preceded us and another younger generation will ask it of you.

I hope there will be less justification for the question when it is your turn to answer. What I am trying to say is that no generation has failed completely, nor will yours succeed completely.

But don't get me wrong. When the generation of which I am a part leaves the stage, history will record that seldom has any generation fought harder or paid a higher price for freedom.

We have known three wars and now a fourth, a cataclysmic worldwide depression that toppled governments and reshaped the map. And, because we could not find the single cure-all for man's inhumanity to man or the answer to human frailty, we have downgraded our performance and confused you as well as ourselves.

It is easy to point to the failures and talk of the mess of our times, and even to promise we will do better. But for the record, since we are the generation that exploded the atomic bomb and brougha permanent terror to the world, we also harnessed the atom for peaceful purposes. And some of those peaceful purposes. in medicine and industrial power have brought man to the thres/hold of a fabulous era.

We have defeated polio and tuberculosis and a host of plague diseases that held even more terror for mankind than the threat of -2 - the bomb. It is a certainty that your generation and ours will overlap in defeating cancer.

Point an accusing finger and list smog, water pollution, poverty, civil rights, inequality of opportunity. We still seek the answers, and while many of us disagree as to the solutions, we were the ones who faced up to the problems and charged ourselves with finding the answers. No one in public life fails to treat with them.

This horizontal stratification has led to lateral communication and it is highly essential that we restore vertical dialogue if not an outright recognition of the naturalness and rightness of a vertical structuring of society.

How well do young people understand those whose defect is age 30 plus? Can you possibly believe your fathers who knew the savagery of World War II or your grandfathers who came of age in the muddy trenches of the Great War could possibly have an affection for war?.. That we would callously send our sons to war?

Permit me here to build at least a foot bridge between the age groups of parent and child, remembering that bridges are open to traffic both ways.

That fellow with the thickening waist and the thinning hair who is sometimes unreasonable about your allowance or letting you have the car...his life seems a little dull to you now as he reports for his daily 9 to 5 chores or looks forward to lowering a golf handicap, or catching a fish no one wants to eat.

I wish you could have known him a few years back on a landing craft at Normandy or Tarawa or on a weekend pass in Peoria. He was quite a guy. Winston Churchill said he was the only man in the world who could laugh and fight at the same time. General Marshal called him our secret weapon. He hated war more than he hated the enemy, but he did what had to be done.

A few years after the end of World War II I was in a little pub in rural England. The motherly soul who was waiting on trade figured out I was an American (for the life of me, I don't know how). She began to reminisce. "During the war," she said, "some of your

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chaps were stationed just across the road. They used to come in here and have song-fests. They called me Mom and my husband Pop. It was Christmas Eve and we were here all alone when the door burst open and there they were with presents for us." She paused for a tear or two and then said: "Big strappin' lads they was from a place called 'Ioway'."

I know those over 30 fellows probably don't tell it very well so that you can see them as they were then, but they all knew what it was like to dream, to say goodbye to a girl and wonder when, if ever, they would see her again. They missed a world that let things like that happen, and swore they would do better when they got back and were running the show.

They came back from war and created an organization to outlaw war and we have not known a single minute's peace since. The dream was a good dream, no effort was spared and we continue to pour out our treasure to make the dream come true. Proving again our vertical structure, this problem will be yours as well as ours to solve.

It wasn't that we faltered or lacked in willingness. There are organizational difficulties that could not have been foreseen. New and emerging nations with neither power nor responsibility for controlling world forces have a disproportionate voice in world councils. A two-thirds majority can be mustered among a half hundred nations who represent less than 10 percent of the world's population.

Are the problems of urban ghettoes and poverty the result of selfishness on our part or indifference to suffering? No people in all the history of mankind have shared so widely its material resources.

We taxed ourselves more heavily and extended aid at home and abroad. And when the problems grew, we planned more and pessed more legislation to add to the scores of programs, until today, they are listed in government catalogues of hundreds of pages. We who are called materialist have tried to solve human problems with material means. We have forgotten man's spiritual heritage; we have placed

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security above free(a and confused the citized s responsibility to society with society's responsibility to the individual.

We have to re-study some of our social legislation, legislation that meant well, but has failed in its goals or has created greater problems than the ones it was meant to cure.

We have to re-examine our individual goals and aims. What do we want for oprelves and our children? Is it enough to have material things? Aren't liberty and morality and integrity and high principles and a sense of responsibility more important?

The world's truly great thinkers have not pointed us toward materialism; they have dealt with the great truths and with the high questions of right and wrong, of morality and of integrity.

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They have dealt with the question of man, not the acquisition of things. And when civilizations have disregarded their findings, when they have turned to the things of the flesh, they have disappeared.

You are concerred with us and what seems to be hypocrisy and lack of purpose on our part. And we in turn are concerned about you, seeing a rising spirit of unrest, aimlessness and drifting, a feeling of rebellion without a real cause that results sometimes in meaningless but violent actions. Now let me make it plain. I am aware that all of you are unfairly suspect because of a very small percentage of dissidents.

Nevertheless, you do seek a purpose and a meaning to life and apparently we have failed to give it to you. But, again, our failure was not one of bad intent.

We are the classic example of giving to you what we never had... from TV to wheels and dental care to Little League. But I am afraid we shortchanged you on responsibilities or the right to earn for yourselves.

All too often, because we had to earn, we wanted to give. Our motives have been laudable, but our judgment has been bad. "No", was either a dirty word or dropped from our vocabulary.

Some time ago in Newport, California, a row of luxurious oceanfront homes were threatened by an abnormally high tide and heavy surf. All through the day and night, volunteers worked, piling sandbags, in an effort to save these homes. Local TV stations, aware of the drama, covered the struggle. It was about 2 a.m. when one newscaster grabbed a young fellow in his teens, attired only in wet trunks. He had been working all day and night--one of several hundred of his age group. No, he did not live in one of the homes they were trying to save, and yes, he was cold and tired. The newscaster inevitably got around to why. The answer was so poignant, such an indictment of so many of us, it should be on a billboard across the nation. He said: "Well, I guess it's the first time we've ever felt like we were needed."

You are needed, we need your courage, your idealism, your new and untried viewpoint. You know more than we did at your age, you are brighter, better informed, even healthier. And because human kind <u>is</u> vertically structured, we can take a little credit for that. But, you want a purpose, a cause, a banner to follow and we owe you that.

A few years ago, a national magazine did a series of articles by prominent people including a president, a vice president and distinguished statesmen. (the wrote his idea of what (s our national purpose. Somehow, nothing very exciting or profound resulted from these articles. I have always felt it was because they tried to invent something we already have and have had for 200 years. Our national purpose is to unleash the full talent and genius of the individual not to create mass movements with the citizenry subjecting themselves to the whims of the state. Here, as nowhere in the world, we are established to provide the ultimate in individual freedom consisten; with law and order.

We are here to dedicate a library. This would not be possible if humanity was indeed horizontally structured. Today's dedication began more than a hundred years ago when Ben Major struck an axe into a tree and said on this spot we will build our school. According to history as I learned it, the wagon train had not been unloaded and homes had not been built, but a site was chosen for a school.

Walnut Grove Academy became Eureka College because others followed in Ben Major's footsteps, giving and building, not for themselves, but for other's who would come later and take their places higher up on the vertical column of mankind.

Today, we dedicate this library because Wesley and Clinton Melick have thought not in horizontal lines of just their associates in time. You want a purpose, something to believe in? You might try resolving that you will contribute something to generations unborn--a handhold above your own achievement so that another generation can climb higher and achieve more.

This library is more than a beautiful and functional building. It is first and foremost a repository of knowledge and culture. More facts will be available in this one library than were available in all the libraries of the world a hundred years ago.

That shouldn't surprise you.

Man's knowledge has increased at such a rapid rate since the turn of the century that any book of facts written then would be obsolete now, both in terms of what we know to be true and also what we know to be true no longer.

But a library is more than just a place to go for facts. A library is also a place to go for wisdom. And the purpose of an educational institution is to teach not only knowledge, but also wisdom.

Someone once said that people who want to understand Democracy should spend less time in the library with Aristotle and more time on buses and subways.

In a way, that may be true.

But to understand Democracy is not necessarily to solve its problems.

And I would venture to say Aristotle, and those others whom you will find not in the buses and subways, but instead in this building here, will give you more answers and more clues to the solutions of our problems than you are likely to find on the buses and subways. Maybe the pest answer is to be found in both, but do not let the library go to waste because you are awaiting the completion of Eureka's first subway.

Now, when I suggest that we turn to books, to the accumulated knowledge of the past, I am not suggesting that we turn back the clock or retreat into some dim yesterday that we remember only with nostalgia, if at all. But we must learn from yesterday to have a better tomorrow.

We are beset by problems in a complex world; we are confused by those who tell us only new and untried ways offer hope. The answers to all the problems of mankind will be found in this building by those who have the desire to find them and perception enough to recognize them.

There will be the knowledge of Aristotle, Plato and Socrates, and from the vantage point of history, their mistakes. We can look back and see where pure Democracy became as dictatorial as a Sultan and majority rule without protection for the minority became mob rule.

One of mankind's problems is that we keep repeating the same errors. For every generation some place, two plus two has added up to three, or in another place, five--four seems to elude some of us. This has happened in my generation and I predict without smugness, it will happen to yours.

But, these two men here today have given something almost beyond comprehension.

Do you doubt the answers can be found here? From the 11th centur, Maimonides, Hebrew philosopher and physician, will give you the eight steps in helping the needy to help themselves.

Can you name one problem that would not be solved if we had simply followed the teachings of the man from Galilee?

We can redirect our nation's course into the paths of freedom and morality and high principle.

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And, in so directing it, we can build better lives for ourselves and our children and a better nation for those who come after us, or we can ignore history and go the way of Greece and Rome.

I think that this is the significance of this library. The fact that we can use it to rechart our course, not into the great unknown, but onto paths that are clear and which, if followed, can show us how to cope with the new problems that always confront each generation and can lead us, as a people, on to continued greatness.

There were many who had a hand in this, but they would be the first to say it happened because of you, Wes and Clint, Melick. On behalf of all of us who knew Eureka and those still to come, we thank you. Eureka means "We have found a way of life." You have made the search much easier.

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(Please note: Since Governor Reagan speaks from notes, there may be additions to, or changes in, the above. However, Governor Reagan will stand by the above quotes.)