# The original documents are located in Box 3, folder "Third Debate: Key Points" of the White House Special Files Unit Files at the Gerald R. Ford Presidential Library.

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## KEY POINTS - LAST DEBATE

# Opening answer:

- . One minute direct answer to question.
- . Carter hasn't answered questions only 10 days left to election day.
- . He has no record and \no experience.
- . The moment of truth has come.
- . We need specifics on: reorganization of government, defense cuts, spending and tax reform.
- . My record: peace, lower in flation, new jobs, tax cuts.

## Key themes:

- Peace strength, no fighting, no draft, my experience.
- . Tax-cuts cuts for all families, Carter's statements on taxing over median income level, eliminating mortgage interest deduction and closing loopeholes on rich; Carter for higher spending, Ford for lower taxes.
- Employment 4 million new jobs in 17 months is a peacetime record, Carter's answer is Humphrey-Hawkins, new jobs without jeopardizing existing ones.
- Experience (foreign policy) Carter for cutting defense budget, withdrawing U.S. forces abroad, waffleing on the B-1 and friendly hand to Communists in Western Europe.
- Experience (Georgia) employment up 25%, government spending up 50%, debt up 20%, crime up in three of seven serious crime categories.

#### Page 3

. Comeback (feeling good) - in two years Ford has restored trust, peace, 4 million jobs, cut inflation in half.

# Closing statement.

- . Thank League of Women Voters.
- . First time incumbent President has debated his opponent.
- . Stakes are high.
- In August of 1974, people had lost trust, no faith in the economy and no spirit of optimism.
- . Have comeback: inflation cut, new jobs, country at peace, honor restored to White House.
- . Question is whether to keep on steady course to greater prosperity or to pursue uncertain future with untested leadership.
- . I need your help. I need your vote.

Carter was quoted by the Associated Press on Saturday, October 16 in Kansas City, Missouri as follows:

Carter said he would not send troops to Eastern
Europe if nations in the Soviet bloc revolted
against Soviet domination. "I don't know what I'd
do, but I wouldn't send American troops in," he
declared. "I would not go to war in Yugoslavia"
even if the Soviet Union sent in troops after
President Tito leaves power.

We recommend the following for rebuttal purposes:

I read about Governor Carter's comments last Saturday in Kansas City, Missouri. He was asked if he would send U.S. troops to Eastern Europe if one of these nations revolted against Soviet domination. According to the press dispatches, the Governor said, "I don't know what I'd do, but I wouldn't send American troops in."

I was asked essentially the same question in my press conference last week and I declined to say what I would do as President if such an event occurred. There is an important lesson here. The President of the United States should not tell a potential adversary what this country will do or what our options are in the event of hostilities.

Mr. Carter's serious error in Kansas City goes beyond the Eastern European issue. He does not understand the sensitivity of such remarks.

He has made the same dangerous mistake in his comments on removing U.S. troops from South Korea. I have seen over six press reports starting in February 1975 and as recently as May of this year where Governor Carter is quoted to the effect that he would remove atomic weapons from Korea and U.S. troops. In some of these interviews he talks about a 5-year phased withdrawal of troops.

We must remember, as many historians have pointed out, that one of the commonly accepted reasons why North Korea attacked South Korea was because the United States officially indicated in 1950 that it would not defend South Korea if attacked.

According to reports, this was viewed as an open invitation to the North Koreans.

I do not know how the North Koreans or the Soviets will interpret the specific comments made by Mr. Carter.

That is not the issue. The issue is that Presidents and serious candidates for that office should never make such statements. They do not serve the interests of the United States and they do not serve the interests of world peace.

NOTE: ONE OF YOUR LARGEST ADVANTAGES OVER CARTER IS THE PERCEPTION THAT YOU ARE EXPERIENCED IN FOREIGN POLICY AND THAT YOU WILL KEEP AMERICA STRONG ENOUGH TO MAINTAIN PEACE.

THE ABOVE STATEMENT INVOLVES GREAT RISK. YOU MUST BE VERY CAREFUL NOT TO GIVE CARTER OR THE PRESS ANY OPENING TO CHARGE THAT YOUR STATEMENT CAN BE INTERPRETED AS AN INDICATION THAT YOU WOULD USE TROOPS.

#### ARMS SALES

[Carter scored best against you during the second debate with his attack on your policies on foreign arms sales. Carter has the position which is most popular with the public on this issue. Therefore, we suggest that you answer very simply and quickly moving on to another subject as fast as you can. The following is a suggested response.]

Once again the Governor has attacked our policy of arms sales to our allies and friends around the world. He continues to imply that somehow my Administration has reduced U.S. support and assistance to Israel. That is absolutely untrue.

The fact is that in the years 1964 through 1968 Israel received under 60% (58%) of arms sales to the Middle East compared to over 60% (61%) during the two years of my Presidency.

But let me put the question of foreign arms sales into its proper perspective.

As far as I am concerned as a Nation we've learned a good lesson from our involvement in South Vietnam. We cannot be the world's policeman.

Our friends and allies must protect themselves and the United States should only be involved militarily as an absolute last resort

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to protect and defend the essential interests of this country.

Now having said that, I don't think any American would suggest that we have no responsibilities to our friends and allies. They must have the ability to defend themselves and that means they have to buy weapons.



We live in a real world with real threats and real dangers and other nations whose interests are hostile to the United States and are more than willing to sell weapons to nations which are now allied with us.

So in order to help these friendly countries defend themselves we sell them arms which are made here at home. This helps maintain world peace and thus protects the U.S. interest without having to commit U.S. troops. Now if we lived in an Alice-in-Wonderland world, we could do much of what Mr. Carter has suggested, which is stop arms sales. But like it or not we live in a real world and as President, I have had to face up to the real threats and problems. My foreign arms sales policy is the right policy and nothing Mr. Carter has suggested will work.

(In response to a Carter charge or a question to the effect that your statements during Wednesday's press conference concerning the unlikely possibility of an Arab oil embargo would undercut the premise of your energy program designed to achieve U.S. energy independence.)

The likelihood of an Arab oil embargo has been reduced to almost zero possibility in the near term because of the efforts of my

Administration to bring peace to the Middle East. We aren't there yet and indeed there's a long and dangerous road ahead, but we have made extraordinary progress and under my continued leadership we will ultimately achieve a lasting peace in this area of the world; thus virtually eliminating the possibility of an oil embargo.

Nevertheless, regardless of the near-term likelihood of an embargo, this Nation should be independent of foreign suppliers for its energy needs. I said that that was the policy of the United States in my State of the Union address in 1975 and I say it again now. There is absolutely no question about it.

We have made a lot of progress. Last year I set a goal for this Nation that by 1985 we would only be importing 6 million barrels of oil a day. Which is exactly half of the 12 million barrels that had been projected absent strong action by our country to conserve energy

and produce more domestically. By pushing and pulling the Congress and appealing directly to the common sense of the people, we have been able to implement about half of my energy program already.

As a result, projections now show that we will be importing

8 million barrels by 1985 which isn't as low as I want, but nevertheless shows substantial progress.

When the Congress comes back next year, I am going to go to them once again, but this time with the mandate of the people and demand a tougher energy program. What I will ask is very simple and direct: All they have to do is totally implement the comprehensive energy program I sent to them nearly two years ago.

There is another important point I want to make. In my 1975

State of the Union address, I pointed out that the United States had an energy crisis because of over 20 years of not dealing with the energy problem which grew steadily more serious. I also pointed out that it would take at least a decade for us to reverse the mistakes of the past two decades in a manner that would not severely damage the growing prosperity of Americans as we made the changes. I committed this Nation to a goal of energy independence. I also said that we should regain a great power we had as a country, which is to control the world price of energy. In the past, we had

this ability because we had more energy here at home than we needed and we also had the capability of selling our excess oil abroad. Now obviously we can't go back to that condition, because our current and future needs for energy will exceed the amount of oil we can produce here.

But we can, by doubling our coal reserves, producing much more nuclear energy and tapping other sources such as solar, end up once again with significant control over world energy.

That is a goal I set for this country over two years ago, knowing that it would not become a reality before the end of this century.

But knowing it would benefit the generation of my children and generations of Americans well into the third century.



#### ARAB BOYCOTT

[Suggested guidance: Do not raise Arab Boycott issue. Respond or rebutt briefly only if directly asked or if Carter raises it.]

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In dealing with the Arab Boycott problem, I have been guided by two principals:

First, I unalterably oppose it. It is morally and and legally wrong.

Second, I want realistic action taken against the boycott. I'm not interested in rhetoric and I will not hold out the promise of more than we can deliver.

Now, the facts are that the boycott has been in effect since 1952. As President, I have taken stronger action than any of my predecessors:

-- In November 1975, I acted to insure that
American Citizens and firms would not be
subject to boycott-related discrimination.



-- In January of this year, for the first time, the Justice Department filed a civil antitrust suit against an American company charging it with implementing a boycott agreement by refusing to deal with other American companies.

The week before Congress adjourned I sought a compromise in the Congress between those who wanted a piece of legislation which I did not believe would be in the national interest and those who suggested a different approach. Congress adjourned without accepting either of the two compromises I offered.

Nevertheless, on October 4, I signed the Tax Reform Act which includes provisions under which foreign source income attributable to certain boycott-related activity will lose its foreign tax credit, certain tax benefits, and its tax deferral.

I have also instructed the Secretary of Commerce to make public the reports filed with the Commerce Department regarding boycott-related requests received by American companies on or after October 7, 1976. Only certain business proprietary information will not be made available to the

public (i.e., monetary value of transaction, quantity and type

of goods, identity of consignee).

Disclosure of boycott-related reports will enable the American public to assess for itself the nature and impact of the Arab boycott and to minitor the conduct of American companies.

NOTE: It is important to keep in mind that the actions you have taken in regard to the boycott to date do basically three things: (1) ban any discriminatory effect against American firms or citizens that might arise from boycott practices; (2) charge an American company in a civil antitrust suit with implementing a boycott agreement to refuse to deal with other American companies; and (3) deny, under the Tax Reform Act, tax credits, benefits and deferrals for the foreign source income of companies that engage in certain boycott activity.

Compliance with the economic and political aspects of the boycott, as long as it does not involve a violation of the antitrust laws, or have a discriminatory impact in the U.S., is not illegal under present law.

#### HOMEOWNERSHIP

# CARTER ATTACK (Appeared in their advertising):

"It took 70 years to build up homeownership in the United States. Up through 1969 we had over 50% of all the homes in America owned by the families that lived in them. It took only 8 years under Nixon and Ford to tear that down and in only 8 years we now have only 32%, less than one third of the homes in this country owned by families."

#### THE FACTS:

Homeownership has never been higher than at the present time.

The percentage of homes which are owned by their occupant went up only slightly during the Kennedy/Johnson years but have increased sharply during the Republican years.

to only 55% in 1950, and the trend toward homeownership has been increasing much faster in the 70's than it did in the 60's.

Even for young families, homeownership is increasing. Now 56% of families under 35 years old own their own homes compared to 49% in 1970 and 48% in 1960.

#### FEDERAL BUDGET - HUMAN RESOURCES

[Governor Carter may be asked in the last debate to state specifically how much additional funds should be spent on human resource programs. You may find it useful to use the following in rebuttal.]

FY 77

HUMAN RESOURCES	\$205.3 billion
Education, Training, Employment and Social Services	16.6 billion
Health	34.4 billion
Income Security	137.1 billion
Veterans Benefits and Services	17.2 billion

Housing is not part of the Human Resources classification.

Proposed spending for HUD is \$7.2 billion.

Since 1969, federal spending for human resources programs has increased from \$63.6 billion to \$205.3 billion.

50 90