

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

July 29, 1970

MEMORANDUM FOR: GENERAL HUGHES

With respect to the letter from Armin Linn, I concur with Alex Butterfield's suggestion that it might be a good idea for him to meet with someone on the Vice President's staff -- Herb Thompson would probably be the one.

If a meeting is arranged, however, I think it should be made clear that it is for the purpose of exchanging views only, and that no "adult support, particularly financial" for this effort would necessarily be forthcoming from the White House.

Herb Klein

cc: Mr. Butterfield

August 4, 1970

MEMORANDUM FOR:

Mr. Keogh

SUBJECT: The President's Mail, January 20, 1969 - July 22, 1970

During his first eighteen months in office the President received 4,567,483 letters and cards and 429,308 telegrams - 4,996,791 messages in all. This is more than a million pieces above the total received by President Eisenhower during his eight years in office. It is approximately the same number that President Johnson received between November 1963 and January 1969.

Across the eighteen month time span, the President sent out 65,031 letters, 4,655 telegrams and about 470,000 cards - these last bearing facsimiles of his signature. The weekly average of outgoing Presidential letters and telegrams was 857 for the first year and has been 926 for the past six months.

Noble Melencamp

✓ cc: John R. Brown III

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Projects for Follow Up

1. Four top-notch aides for HRH of the quality of Ed Morgan and Colson. ✓
2. Full-time television man quickly. ✓
3. Ziegler do a better job of getting out the President's schedule.
4. "Holler guy" on the staff who speaks in an upbeat way about what we are doing. ✓
5. "Holler guy" on the Cabinet who will do exactly the same thing. ✓
6. Plan to divide the hostile working press and develop a more coordinated and effective program on calculated leaks. ✓
7. Plan for the use of Cabinet Officers.
8. New plan for the Vice President and his role in 1971.
9. Analysis of Senate and Gubernatorial incumbents who should not run in 1972 and what to do with them.
10. Better program for selecting candidates for the House and Senate.
11. Safire and Rumsfeld sit down with Kissinger and develop a more effective program on selling our Foreign Policy accomplishments.
12. Finch, Colson, Ehrlichman, et al, develop a program to work with all Republican members of Congress and to avoid feuds with them.
13. Column on the restoration of dignity to the Office of the Presidency.
14. Small book on the campaign of 1970 emphasizing the President's participation.
15. Column to put in historical perspective, the tone and amount of activity of the 1962 campaign vs. 1970 campaign.

16. Colson, Ehrlichman, Shultz, and Keogh discuss Keogh proposal with regard to Labor.
17. Analysis of appearances and use of regional TV for key states.
18. Meeting of Ehrlichman, Mitchell, Dent and Haldeman re: the proper roles for MacGregor, Bush and Dole.
19. Nofziger, Klein, Moore and Haldeman develop recommendation re: meeting with regional commentators and key reporters with the President.
20. Develop a plan for building up Cabinet Members and maybe four or five members of the House and Senate as potential running mates.
21. Plan for Kissinger, Rogers and Laird to work on the new Republicans and Democrats such as Bentsen and Chiles in briefings.
22. Develop better research facilities as Nofziger indicated in his memorandum.
23. Consider the idea of a column written by our staff and develop recommendation in this regard.
24. Consider and develop the idea of an independent TV news service.
25. Colson, Rumsfeld, and Finch develop a plan as to what groups we should concentrate on in the heavy industrial states.
26. Consider the idea of additional meeting with network commentators and possibility of a fireside chat.
27. Ehrlichman, Mitchell, Haldeman develop a recommendation on the RNC Chairmanship.
28. Plan on having one man in charge of each of the major target states and develop a plan for each of the states.
29. Plan for more political input on WH dinners, entertainments and Church.

30. Dick Moore examine situation with regard to raising the enthusiasm quotient of the White House. Particularly in the eyes of the press.

31. Follow up on various Safire projects with regard to the Generation of Peace.

32. Safire meet with Shultz and McCracken in developing a more meaningful way of spelling out the employment figures.

33. Follow up on Safire recommendations with regard to the Bi-Centennial and the Conference on Children and Youth.

34. Harlow do analysis of the farm problem and make a recommendation in this regard.

35. Set up a school on key issues for Task Forces of new Congressmen.

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

August 11, 1970

MEMORANDUM FOR: H. R. HALDEMAN
VIA: DWIGHT L. CHAPIN
FROM: STEPHEN BULL
RE: Analysis of Presidential Appointments
on an Ethnic Basis

Attached at Tab A is a list of Presidential meetings with members and representatives of ethnic groups that could be classified as "potentially favorable type people". At Tab B is a similar list of "opposition type people". This analysis covers the period January 20, 1969 to July 20, 1970.

The judgement as to what category (i.e., "potentially favorable" or "potentially opposition") in which the groups fell was made by me based upon the following information:

- A. Review of briefing papers;
- B. Discussion with Staff Member having cognizance over the meeting; and
- C. Personal recollection of the meeting substance.

In terms of time spent with each group, the totals are as follows:

Potentially Favorable - 11 hours, 16 mins.

Opposition Type - 5 hours, 31 mins.

Total: 16 hours, 47 mins.

2 -
What's this
for now?

Rec'd Aug 28

At Tab C is a breakdown by individual ethnic group of the people with whom the President has met. As a totally separate entity is the President's meeting with the American Heritage Division of the Republican National Committee. This relatively short event included 31 different nationalities and their inclusion in this report would vastly distort the totals.

Following is a summary of total meetings with each ethnic group. The American Heritage Division of the RNC is not included.

<u>Group</u>	<u>Number of Meetings</u>
Blacks	18
Mexican-American	2
Puerto Rican	1
Indian	2
Jewish	1
Japanese-American	1

POTENTIALLY FAVORABLE

<u>Date</u>	<u>Time</u>	<u>Participants</u>	<u>Location</u>	<u>Length of Meeting</u>
2/7/69	9:06 - 9:44	B Roy Wilkins, Exe. Dir., NAACP (1)	Oval Office	38 mins.
3/5/69	11:16 - 11:45	Signing Ceremony of EO 11458. Individuals of Black, Mexican- American, Puerto Rican or Indian backgrounds. (40 people-total unknown)	Cabinet Room	29 mins.
3/29/69	4:29 - 4:44	B Rev. Leon Sullivan, Minister at Zion Baptist Church in Philadelphia. (1)	Oval Office	15 mins.
3/27/69	3:03 - 3:32	B Rev. J. H. Jackson, President of National Baptist Conference. (1)	Oval Office	29 mins.
5/28/69	1:07 - 1:11	Members of Interagency Committee for Mexican-American Affairs.(3)	Rose Garden	4 mins.
10/13/69	10:20 - 10:50	B Advisory Council of Minority Enterprise. (13 approx.)	Indian Treaty Room.	30 mins.
10/30/69	10:20 - 10:51	Republican National Committee, Heritage Groups Division. (100 approx.)	State Dining Room.	31 mins.
11/19/69	12:21 - 12:29	Representatives of Japanese American Citizens League. (2 + P. M. Sato)	Roosevelt Room	8 mins.
12/9/69	10:38 - 11:18	B Representatives of National Bar Association. (6)	Oval Office	40 mins.
1/27/70	3:45 - 4:00	Representatives of Jewish War Veterans. (2)	Oval Office	15 mins.
2/17/70	3:04 - 3:09	Miss Indian America. (1)	Oval Office	5 mins.

(Potentially Favorable)

<u>Date</u>	<u>Time</u>	<u>Participants</u>	<u>Location</u>	<u>Length of Meeting</u>
3/2/70	11:46 - 12:29	B William Raspberry, Washington Post Columnist. (1)	Oval Office	43 mins.
3/5/70	3:10 - 4:15	B Black Officials in key positions in Administration. (37)	Cabinet Room	1 hr., 5 mins.
3/15/70	3:08 - 5:45	B Black Ministers and others. (7)	Library	2 hrs., 37 mins.
3/20/70	5:17 - 5:35	B Reception for Republican Black Elected Officials. (41)	Blue Room	18 mins.
5/13/70	12:24 - 1:26	B Roy Wilkins, Exe. Dir., NAACP and others. (1)	Oval Office	1 hr., 2 mins.
7/8/70	10:42 - 11:19	Representatives of Taos Pueblo Indian Council and Congress of American Indians. (10)	Cabinet Room	37 mins.
7/15/70	10:56 - 11:46	B Representatives of National Insurance Association. (7)	Oval Office	50 mins.
<u>TOTAL TIME:</u>				11 hrs., 16 mins.

OPPOSITION TYPE

<u>Date</u>	<u>Time</u>	<u>Participants</u>	<u>Location</u>	<u>Length of Meeting</u>
1/31/69	9:06 - 9:44	B Mayor Walter Washington and others. (Crowd situation)	7th & T Sts., N.W. (burned out area)	38 mins.
5/13/69	10:26 - 11:30	B Rev. Ralph Abernathy. (10)	Cabinet Room	1 hr., 4 mins.
5/28/69	5:00 - 5:40	B National Newspaper Publishers Association. (18)	Cabinet Room	40 mins.
9/11/69	4:12 - 4:46	B Representatives of Institute for Black Elected Officials. (250)	Rose Garden	34 mins.
3/13/70	10:15 - 10:48	B Visit to Washington Technical Institute, Pres., Cleveland L. Dennard. (Crowd situation)	Washington, D.C.	33 mins.
5/20/70	10:46 - 12:48	B Black University and College Presidents. (13)	Cabinet Room	2 hrs., 2 mins.
<u>TOTAL TIME:</u>				5 hrs., 31 mins.

<u>ETHNIC</u>	<u>FAVORABLE</u>	<u>UNFAVORABLE</u>	<u>TOTAL</u>
Negro	144	291	435
American-Indian	12	0	12
Puerto Rican	2	0	2
Mexican-American	8	0	8
Japanese-American	2	0	2
Jewish	2	0	2

The President met with the American Heritage Division of the Republican National Committee on October 30, 1969. If the total of ethnic distribution were included for this meeting, it would change the entire complexion of this report, since 31 nationalities were represented as follows:

Italians	9	Puerto Ricans	2
Poles	9	Russians	2
Ukrainians	6	American Indians	1
Greeks	6	Armenians	1
Cubans	6	Byelorussians	1
Mexican-Americans	5	Cossacks	1
Germans	4	Czechs	1
Chinese	3	French	1
Estonians	3	Japanese	1
Hungarians	3	Rumanians	1
Latvians	3	Macedonians	1
Lithuanians	3	Syrian-Lebanese	1
Slovaks	3	Slovenes	1
Serbians	3	South Americans	1
Bulgarians	2	Irish	1
Croatians	2		

	<u>BLACK</u>	<u>ETHNIC</u>
POTENTIALLY FAVORABLE	116	159
POTENTIALLY OPPOSITION	291 plus two crowd situations	
<u>TOTAL</u>	<u>407 plus two</u> crowd situations	<u>159</u>

THE WHITE HOUSE
WASHINGTON

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August 13, 1970

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MEMORANDUM TO THE PRESIDENT

FROM: Patrick J. Buchanan

The President has sought for some time to find a way to neutralize the adverse impact of the Brookings Institution -- and the related left foundations which use their resource to assist Left-Democrats and to advance causes hostile to this Administration.

Attached are two speeches which form the centerpiece of a political assault on these institutions which should nicely polarize the country with the overwhelming majority on our side, and the left intellectuals and Establishment Liberals isolated on the other.

The Vice President has seen them; he is enthusiastic about delivering them; he believes the dramatic shock effect of these speeches -- back-to-back -- would be the desired one -- namely, to strip away the veil of impartiality in which Brookings and Ford drape themselves -- and force them to defend what has clearly become a left-Democratic bias in the individuals and issues they support with their bottomless resources.

This would set up the kind of Silent Majority versus Liberal Establishment battle which is the precise kind of setting in which the fall campaign should start. There is more than enough in our research here for a third speech on the radical foundations giving money to anti-Americans which is another theme new and which our people and conservative Democrats would applaud.

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*get this circulated broadly to 1000
to business leaders in
the nation -*

*Tell them just
to clam up -*

*A brilliant analysis
go on it
But more
important
I got a game
plan for our
people to follow
up in Press
Congress. Finance -
See an
advance
briefing
Be sure
to cool
Mazzei
et al - in
advance -*

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THE GUNS OF AUGUST (Scenario)

In the waning days of August the Vice President makes an appearance -- hopefully in N. Y. -- to deliver this first Ford speech to a bipartisan group of businessmen. The speech's impact is not verbiage but substance -- nor are the recommendations all that radical; they came here clandestinely in a letter from Dr. Edward Banfield, seconded by Milton Friedman.

Just as the Establishment rushes to Ford's defense, the Vice President "takes" up an invitation to reply -- this before a partisan audience -- and instead of answering Ford's inevitable counter-claims, hits them again, in this second one on the Daisy Chain of Eastern Liberalism, which should surprise and stun especially Brookings and the Harvard Institute of Politics. Timed right, the "Foundations" could be on the cover of all three newsweeklies, by the beginning of September.

The Vice President's profile would be raised from the relatively quiet summer, which is what we want for the fall months.

EFFECTS BENEFICIAL

1. The President's "worker-peasant" coalition should be energized by this new issue; and this should provide some excitement to start off the fall campaign. How would the so-called "party of the people" look running to the defense of a monster institution like the Ford Foundation? We have both the popular and populist side of the issue.
2. We should derive the kind of benefits JFK derived from his put-down of Big Steel -- without injuring ourselves with business, which is our constituency.

3. Both Brookings and Ford will be thrown on the defensive; will be called on to deny what is charged; will be hard put, like the networks and the Times, to take actions to show they are neither biased nor exclusively liberal. Just as with the networks, however, their credibility will be permanently impaired, and henceforth their names will not be mentioned again without inevitable suspicions arising in the back of peoples' mind.

appearance -- *mainly they will be discredited*
speech Basically, our purpose is to see to it that if these institutions are going to play partisan politics -- which they do -- then they ought to be dragged right down into the arena and identified as a player, and no longer an objective judge.

EFFECTS OTHER

4. Henry Ford II, our voluntary action chieftain, will be somewhat distressed -- but since Mr. Ford has never been any great loyalist of ours -- one recalls his 1968 performance -- this should not be of great concern. But, this problem is similar to the one we had with Cronkite and Howard K. Smith in the fight with the networks -- which was later easily smoothed over.

5. The Establishment will know they have a major war on their hands -- the Foundations are not unlike COSVN and the Parrot's Beak to liberalism. Their journals will be stunned, and angry in retaliation, but that is a given in any enterprise we undertake that is greatly controversial -- viz. Cambodia.

6. There will be some inevitable minor contradictions; it is always true that in a bombing run like this, a few innocent and friendly civilians get killed. Some of our own liberal people are out of Brookings; or have been related to it in the past -- but these are minor contradictions which will be lost in the intensity and magnitude of the clash.

7. We can handle the logistics and everything from right here ourselves; through the National Committee, etc; we will have two inundation mailings; that will be critical; we will also need some programming of the Director of Internal Revenue, to stand up and say to the public that the Vice President has presented a strong case and that Internal Revenue will look seriously into every statement he has made.

If Thrower would make a public statement to the effect that he is reviewing Ford's tax-exemption and ordering Bundy to appear -- he would be a national figure overnight; and would rise in Georgia's esteem right next to Stonewall Jackson. Don't think we have that kind of fellow over there, however; but we can't settle for less than a statement at least as strong as Burch's when the Vice President made the networks address.

We are double-checking everything for accuracy; will have a friendly soul in the tax-exempt division look these over before production; and are re-drafting. Is there any guidance?

PATRICK J. BUCHANAN

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FOUNDATIONS

The modern foundation is an American invention -- one of the nation's unique twentieth century innovations. Under the Internal Revenue Code, foundations enjoy tax exemptions to engage in religious, charitable, scientific, literary or educational activities. They also enjoy tax exemptions if they test for "public safety" or work for the "prevention of cruelty to children or animals."

The scope of activity of the modern foundation has been broad, its latitude wide, its achievements many and visible.

From 1934 to 1941 the Daniel and Florence Guggenheim Foundation was the sole supporter of Dr. Robert Goddard whose pioneering discoveries in rocketry laid the basis for the new technology. The Rockefeller Foundation has saved hundreds of thousands from the suffering of yellow fever and malaria.

The Mott Foundation has become the angel of Flint, Michigan; building medical clinics for indigent children; establishing a college for young people who might otherwise have never seen the inside of a college; making the Flint school system a progressive laboratory for testing educational programs that may one day benefit every American child.

But the recital of achievement only begins here. Foundations contribute \$300 million yearly to colleges and universities, a quarter of their voluntary support. Were short-sighted politicians to strip foundations of tax-exemptions, schools would close; operas would hold their final performances; institutions that give our society its character of pluralism would wither; promising young artists would lose their patrons and, from economic necessity, be forced out of their garrets in Greenwich Village to enlist as salaried soldiers in the legions of Doyle, Dane and J. Walter Thompson.

In the heat of Congressional debate on foundations, ten months ago,

Saturday Review rose in their defense:

"The quality of American life is better than it might otherwise be because of the crucial support foundations have provided to our commonwealth. Because of this support we have free public libraries; we have a continually expanding range of scholarship programs to help the talented get a college education. Many of the crippling diseases that cursed mankind a generation ago are now under substantial control because of foundation support The pension system that we now have for college and university faculties is a foundation invention. The discovery of the genetic code mechanism is a consequence of foundation support. The rediscovery of the poor and our belated and anguished efforts to provide adequate educational and economic opportunity for Negroes literally have been forced to the center of the nation's attention through foundation support."

Here are unimpeachable character witnesses for the modern foundation -- convincing attorneys for a continuance of the national policy of tax exemption.

But alongside the endless record of foundation accomplishments -- there is a lengthening list of abuses; abuses by both foundations and tax-exempt institutions ranging in size and prestige from the sublime to the ridiculous. Some of them I shall treat tonight -- others presently.

Many of these abuses violate the letter of the law -- all of them violate its spirit. Unless corrective measures are adopted, an angry and impatient public -- the regular patsy and occasional victim of foundation abuse -- will retaliate politically. That collision could be disastrous, even fatal, to many foundations.

Just as major reforms were imperative in the nineteen hundreds and the nineteen thirties to save capitalism from its own excesses -- so reform seems necessary today lest all foundations suffer a withdrawal of public confidence because of the continued egregious abuses of a few.

It has always been thus. A couple of renegades give the whole tribe a bad name.

The present abuses are traceable to several causes. First, there is the proliferation of tax-exempt institutions. Foundations are breeding like rabbits. In 1950 there were 1000 tax-exempt foundations in the

United States; today, they number an estimated 33,000, with 2000 new foundations being created every year. To be an internal revenue officer in the tax-exempt division is to be a census taker in Calcutta.

A second cause of abuse is the natural tendency of centers of power to expand to their prescribed limits and -- meeting neither resistance nor a warning shot across the bow -- to overstep those boundaries and engage in more exciting activities -- in this case, well beyond the purview of the Internal Revenue Code. This last tendency has become a particular occasion of sin for the greatest of the foundations.

Many of the great modern foundations -- Rockefeller, Carnegie, Russell Sage -- trace their ancestry to the Gilded Age, to the legendary fortunes of the men whose name they bear. Though "philanthropy" is listed as "parent" on their birth certificate, Burke's phrase, "the useful fruit of a late penitence" is perhaps a more accurate description of their

conception. Nevertheless, we should not judge these foundations on the circumstances of their birth -- anymore than we judge Hamilton and Lincoln on the circumstances of theirs.

With this introduction, let me turn to the foundation that must serve as starting point and concluding subject of any discussion of such institutions -- the Ford Foundation.

Five times the size of its closest rival, the Rockefeller Foundation, this Super Foundation boasts assets between \$3 and 4 billion, equal to the total assets of all the foundations ranked from two through ten; it controls, by one estimate, 18 percent of the wealth of all American foundations; it disburses hundreds of millions annually; it is the shark in a pool of salmon and sardines.

The great Ford Foundation was established, in Congressman Wright Patman's brief blunt appraisal, to:

"reduce the taxable estates of Henry and Edsel Ford, and to enable their heirs to avoid having to sell Ford Motor Co. stock to meet estate taxes."

Before the death of Henry and Edsel Ford, 90 percent of the company stock was transferred to the foundation -- whose first significant philanthropic gesture was to magnanimously pick up the check for the estate taxes on the remaining ten percent decided to the heirs. The first Mr. Ford knew his way around the tax code as least as well as he did around the assembly plant.

In the two decades since 1950, more than \$3 billion in Ford money has been distributed to advance education and health, to add enrichment to a thousand and one sectors of American life. No foundation can even approach Ford's record of accomplishment. However, in the nineteen sixties an unsubtle shifting of priorities took place at Ford, a change in direction -- as politically experienced and politically sensitive men assumed power over the Ford Foundation empire to steer its resources in directions undreamed of by the Sage of Dearborn.

In 1962, Mr. Dyke Brown, a Ford Vice-President, wrote that the Foundation's interest "had shifted from management and public administration to policy and the political process;" henceforth Ford programs, he said, would "become increasingly action rather than research-oriented:" as the Foundation began to take "political risks."

In 1965, a new President was inaugurated at the Ford Foundation, recruited from the basement of the White House where he had served as Special Assistant for National Security Affairs in both the Kennedy and Johnson Administrations.

Mr. McGeorge Bundy was the choice of the Foundation's Board of Directors, a self-perpetuating body that nominates in secret ballot to fill its own vacancies, an oligarchy that meets but four times a year for 48 hours. Other than those eight days, management of the multi-billion dollar enterprise is left to Mr. Bundy.

Though the American people subsidize the tax-exempt Ford Foundation with higher taxes, there is no public participation in the selection of Ford trustees, no public influence over the decisions of Ford executives; no public accounting of the actions of Ford's management.

Where the businessman answers in the marketplace and the politician answers in the polling booths, the men of the Ford Foundation answer only to one another.

Ford and Mr. Bundy's remoteness from -- and seeming indifference to -- public opinion seemed evident in the surprising choice of a new Vice President to head up the research and education division. The appointee is Harold Howe II, Commissioner of Education in the last Democratic Administration, a man whose manner and policies in public office created a national storm of controversy.

In a number of Southern states, there is still a price on his head.

The policy and point of view of Mr. Howe, a social issue in the campaign of 1968 were clearly rejected by voters that November.

Yet, Mr. Howe today controls a Ford budget of \$46 million -- underwritten by the American taxpayer -- to apply to the larger society the same policies in 1970 which this society overwhelmingly rejected in 1968.

The deputy chief at Ford is Vice President for International Affairs David Bell, who also served in the two previous Democratic Administrations as Budget Director and Director of AID.

It was coterminous with the arrival of Mr. Bundy that the shift in Ford's priorities accelerated -- and the new orientation became clear.

Within two years of the beginning of the Bundy regency, Ford's international activities had been cut 50% from \$116 to 65 million. Educational and research grants were slashed from \$103 million in 1966 to \$45 million in 1968. Meanwhile, allocations for the division entitled "National Affairs" tripled from \$20 million in 1966 to \$62 million in 1968, nearly

a third of the entire Ford Budget -- and the Foundation was, in Fortune Magazine's description, "making grants all over the lot."

In the same magazine, writer Irwin Ross waxed eloquent over the new "activist" role of Ford:

"... to be effective a foundation must make choices, take sides, support causes. In such matters as population control, civil rights, and school decentralization, a foundation takes sides merely by funding a project. To be above the battle is to be irrelevant; to be relevant is to risk controversy."

As for Mr. Bundy's new policy of active intervention in the social arena with the Ford Foundation millions that won a standing ovation from Ross:

"... he (Mr. Bundy) has lived up that credo and led the way in making the private foundation a significant third force in American life -- a powerful engine for social change independent of the dominant centers of business and government."

But, Jeffrey Hart, the conservative pro-foundation intellectual from Dartmouth was apprehensive where Fortune was enthusiastic:

"Social Change," he writes, "which has such positive connotations in Fortune's rhetoric is a complicated ambiguous thing. Not all change is necessarily good. The fall of Troy, after all, was a social change, not much relished by the Trojans. In the American context, one man's desirable change may be another man's ruined neighborhood, or disrupted way of life or lost election."

Indeed, it was the Ford Foundation's active intervention in volatile social quarrels -- and its patently political grants -- that in the mind of many -- generated the Congressional pressure for the limited restrictions on foundations written into the Tax Reform Act of 1969.

In the eyes of the public, the case against Ford held substance. And the charges levelled are hardly misdemeanors in the eyes of Congress. Nor were they the invention of populist politicians. The specific allegations against Ford are as follows:

First, that in 1968, the Foundation contributed \$175,000 to the Committee on Racial Equality, part of it for a voter registration drive in the black areas of Cleveland in the heat of a mayoral campaign, thus directly, and probably decisively, influencing the election outcome, a wafer-thin victory for black Democrat Carl Stokes over white Republican Seth Taft.

Secondly, that in 1968, Mr. Bundy ladled out more than \$130,000 in "severance pay" to eight former staffers of Senator Robert F. Kennedy. The grants ranging from \$6,000 to more than \$22,000 were given allegedly for "Travel and study". No similar "Travel and study" arrangements were made by Ford for the staff of any other presidential candidate.

Third, that Mr. Bundy made a special generous grant of nearly \$13,000 to powerful Democrat and retiring White House Assistant, Joe Califano for seven weeks of travel, to write a book on student unrest.

Fourth, that the Ford Foundation provided substantial assistance to Harlem's Intermediate School 201, despite continuing manifestations there of anti-Semitism, racism and violence. That Ford and Mr. Bundy underwrote the ill-fated Oceanhill-Brownsville School Decentralization project which produced a city-wide teacher's strike and, in the words of a Pulitzer-prize-winning ex-New York Times reporter, as "jarring, bitter and vicious a confrontation as New York has experienced" resulting in

"... a social tragedy of immense proportions, still unsettled, which exacerbated existing differences in New York especially between blacks and Jews. "

Albert Shanker, leader of the Teacher's Union, outraged at what the "experiment" had done to the community, to the teachers and to his union, spoke in bitterness at Ford:

"They (the Ford people) feel we're on the verge of guerrilla warfare and the only chance is to make a deal with the guerrillas. So Ford subsidizes the revolutionaries and puts them on the payroll which makes being a revolutionary a hell of a lot easier. "

The charges of Mr. Shanker's union -- predominantly Jewish and liberal -- are echoed on the Right by the American Conservative Union in a bill of particulars against Ford entitled "Financers of Revolution. "

Fifth, a charge by Democratic Congressman Henry Gonzalez of Texas, that \$630,000 in Ford money was given to an umbrella organization that channeled it to a Mexican-American Youth Group whose membership traveled regularly to Cuba and whose president called for the killing of "gringos. " The same "president" was also allegedly a member of a Mexican-American Legal Defense Fund that received \$2.5 million in Ford money directly -- the walls of whose office in San Antonio are

To those who don't remember him, Mr. Guevara, of course, is the colorful clown whom some of our college children love and revere as the Marv Thronberry of Latin American revolutions, a fellow of impeccable revolutionary credentials who booted the kind of textbook operation that a score of army sergeants with mission-school educations have pulled off flawlessly.

Congressman Gonzalez further contends that Ford money has gone to other extremist groups detested and feared by the Mexican-American community.

Sixth, that the Ford Foundation -- once the CIA lost its enthusiasm for the enterprise after some bad publicity -- moved in to subsidize, with hundreds of thousands of dollars, the National Student Association, a tightly-controlled left-wing organization specializing in radical resolutions and public denunciations of the United States Government, an organization whose own activities hardly seem to square with IRS regulations for continuing tax-exemption.

Seventh, that just as the Southern Christian Leadership Conference was preparing for "Poor Peoples March" -- the "massive dislocations" of Washington that became "Resurrection City" -- S.C.L.C. became the sudden beneficiary of a \$230,000 grant from the Ford Foundation to quote "train ministers" unquote.

Even as the Ford check came in, the Reverend Ralph David Abernathy was proclaiming S.C.L.C.'s goal -- to force Congress to repeal in his words "vicious welfare amendments."

"We know that a legislative program, must come forth to deal with the issues" the Reverend Abernathy said, "But we will leave that to the experts. Its Congress' job to legislate... we're going to put our bodies on the line."

This timely quarter of a million dollar assist from Ford clearly helped enable S.C.L.C. to carry out what, by any rational standard, was a form of lobbying by coercion -- a practice hardly consistent with the tax-exempt status of S.C.L.C. -- and a Ford grant that hardly seemed to square with the responsibilities of Mr. Bundy under the stipulations of their own tax-exempt status.

Eighth, that one member of the Board of Trustees of the Ford Foundation was paid \$15,000 for attending three meetings; and that in 1967 the Ford Foundation used half a million dollars in tax-exempt funds for its own public relations.

Ninth, that early in 1969, Mr. Bundy and Ford adopted the specific political objective of raising from 9 to 30 the number of Negroes in the Congress of the United States. Reportedly, five million dollars in Ford money was earmarked for the umbrella project, entitled the Center of Community Change.

Its president was to be Jack Conway, the late Walter Reuther's assistant of fifteen years. The center's board of directors was to be composed of Kennedy and McCarthy Democrats, among them Frank Mankiewicz, syndicated columnist, TV commentator, and beneficiary of \$15,000 in Ford money as recipient of one of the afore-mentioned grants to the Robert Kennedy staff.

Syndicated columnist Allen and Scott outlined the purpose of the operation:

"... to create issues behind which a broad-based coalition of black militants, the poor, students, labor and farm groups can unite for political action. . . . In working closely with the Ford Foundation, Reuther hopes to enlist the new breed of militant politicians to help hammer together the political coalition."

The end sought in this case, and with other Ford grants mentioned -- to reward liberal Democratic politicians of a viewpoint sympathetic to Mr. Bundy; to increase the number of blacks in Congress -- are surely not illegitimate political activities in this society. What is seriously questionable here is the use of tax-exempt monies, monies subsidized by the American people, to achieve them.

Should the number of black Americans in Congress eventually rise from 9 to thirty that might be a good thing for the black community and a good thing for America. But it is clearly a political objective -- one that can be achieved only when twenty-one other Congressmen lose their seats; and should those Congressmen pay higher taxes today so that the Ford Foundation can be free to go on working for their ultimate defeat.

Tenth, according to the Washington Daily News, that "... without any public announcement, the Ford Foundation sent members of Congress on foundation-financed trips to Tokyo." In Congressional eyes providing junkets for Congressmen is a hardly reprehensible practice. But I particularly wanted to mention these Ford junkets as the only Senator I can find who had the benefit of both jaunts was my old junketing and free-loading friend, Ed Muskie of Maine.

With this record of alleged abuse before him -- uncontradicted by testimony -- Congressman Wright Patman asked Mr. Bundy a question to which all of us deserve an answer:

"Does the Ford Foundation have a grandiose design to bring vast political and social change to the nation in the 1970s?"

Testifying before the Ways and Means Committee, Mr. Bundy replied humbly that the purposes of the Ford Foundation were "scientific, educational and charitable."

But in reading Ford's annual report from last year, Mr. Bundy apparently believes in a rather broad interpretation rather than a strict construction -- of what is "scientific, educational and charitable."

"The nation's social ills," he writes, "were still a major focus of our activity in 1969...we hope to do much more in the 1970s."

Another small signal of the "new" mood at Ford came last year when a troubled educator -- who had written Ford for assistance in studying how to avoid recurring disturbances in his New Jersey school system -- received the tart reply:

"The Ford Foundation no longer supports studies in education but supports action programs."

"Action programs," then -- in the communities of our country.

And what has been the fruit of these "action programs?" Herewith, the informed testimony of Counsellor to the President, Pat Moynihan:

"... professional persons were too willing by half to see public funds, and tax-free private funds employed on a vast scale to further what was in effect a political agenda of a fairly small group of intellectuals."

"Over and over again, the attempt by official and quasi-official agencies, such as the Ford Foundation to organize poor communities led first to the radicalization of the middle class persons who began the efforts; next to a certain amount of stirring among the poor, but accompanied by heightened radical antagonism on the part of the poor if they happened to be black; next to the retaliation from the white community; whereupon it would emerge that the community action agency, which had talked so much, been so much in the headlines, promising so much in the way of change in the fundamentals of things, was powerless. . . Finally, too much bitterness all around."

In summation then it is charged that Ford and Bundy have used their tax-exempt millions in ways that violate both the spirit and the letter of the law. Secondly, that, on their own testimony, they are moving with deliberateness, openness and not a small degree of smugness and arrogance to effect radical social change in sectors of the public domain where tax exempt foundation have no damn business. Third, that they have acted against the political and social interests of thousands of Americans who have no resources to do battle with Ford's tax-exempt billions, Americans who, -- by paying higher taxes so that Ford may pay little or no tax -- are in effect subsidizing enterprises they viscerally and vigorously oppose.

This, then, is the case against the Ford Foundation -- the foundation I chose tonight because it is the greatest of all foundations, and because the public charges against it seem the most grievous.

But it is wrong to assume that alleged or actual Foundation abuses are confined to Ford; that once these are corrected or terminated, the American people have no further legitimate demands to make. Others will be treated this coming week. Ford's little visit to the woodshed tonight is only a beginning. But just as William Penn observed that they have a right to censure who have a heart to help, I shall propose tonight some of my own somewhat radical thoughts looking toward resolution of what I see as a national and political problem.

First. Some months ago, there was a national campaign to elect to the board of General Motors representatives of the "public interest." "Project GM" was unsuccessful. But surely the case for having the public represented on the Board of Trustees at the Ford Foundation is at least as strong as that for General Motors -- for GM, after all,

uses its own money where the Ford Foundation's enterprises are subsidized by the taxpayer. Where GM pays half its income in taxes -- the Ford Foundations pays at less than a tenth of that rate. Where GM must answer to the consumer in the market place; the Ford Foundation answers to no one. One wonders where Mr. Nader is when we really need him.

Secondly, consideration should be given to legislation to dismantle the Ford Foundation into a number of smaller institutions. Should Ford be divided into four foundations, equal in size, those four would still be the largest four foundations in the United States; there would be no reduction in total giving; and the nation would still be the beneficiary of the same Ford benefactions. The critical difference is that those who control the Ford empire today would simply enjoy less absolute power and influence over the lives of lesser institutions and America's universities. The power of the directors of the subsequent foundations would still be great

but it would not then dwarf that of the individual at the helm of the other great American foundations. Surely, by increasing the number of great foundations, new diversity would be brought into the decision-making process -- diversity from which our whole society would benefit.

This could be accomplished by the simple expedient of legislation prohibiting any foundation from accumulating or holding assets greater than .05 per cent of the GNP. Such legislation would allow all the great foundations to grow along with the economy -- yet prevent any one tax-exempt, unresponsive institution from accumulating a degree of power and authority in the community inconsistent with democratic principles.

Third, that active consideration be given to Congressman Wright Patman's suggestion for a Private Foundation Control Committee to oversee the activities of tax-exempt foundations.

Clearly, the proliferation of foundations in recent years and their

incursions into the political and social realm call for a more effective policing than the casual monitoring that has necessarily been the rule at the under-staffed tax-exempt division of IRS.

Fourth, that the new agency -- or failing its establishment -- the IRS take a stricter view of what is and is not political. If foundations wish to maneuver in the social and political arenas -- taking sides on volatile issues -- then they should give up their tax-exemptions, and have at it. It is wrong, however, to require the Silent Majority of Americans to subsidize programs over which they have no control conducted by institutions to whom there is no appeal. This is something the Silent Majority should cease to be silent about.

As an example, should one of the succeeding Ford Foundations desire to continue Ford's political activities -- that one foundation could give up its tax-exemption and move freely and openly in the political arena -- while the others retained their exemptions and restricted

themselves to the "scientific, educational and charitable activities"

to which Mr. Bundy referred.

Last week, I discussed foundations in general and the Ford Foundation in particular. Tonight let me pick up the thread where it left off. Other points need making -- about the Ford Foundation; about other currently non-controversial, and seemingly non-partisan, tax-exempt institutions; about their inter-relationships with Ford, and about smaller and lesser institutions whose outrageous activities threaten to bring massive retaliation upon them all.

BROOKINGS

Returning briefly to Ford then, not only is it the most powerful and prestigious of foundations -- great universities and institutions are reduced to humble petitioners in its presence -- it is also the most prolific. Dozens of lesser foundations and organizations are direct lineal descendants -- as utterly dependent for their existence upon the flow of Ford money as a calf upon its mother's milk. In a letter to Congress, the Ford Foundation named twenty-four satellite institutions,

which had been the offspring of the Ford Foundation.

Dozens of other institutions, associations and foundations are regular beneficiaries of Ford largessee -- among them Harvard's John F. Kennedy Institute of Politics, the Institute for Advanced Studies at Princeton University, Washington's Institute for Policy Studies, and the Brookings Institution. All of them concern us tonight. This last - Brookings -- concerns us first.

Named in honor of Robert Somers Brookings, a St. Louis businessman, the Institution was the successor of two research institutes and the Robert Brookings Graduate School of Economics and Research which merged in 1927. Since its inception, Brookings has enjoyed a singular reputation for the value and objectivity of its studies.

But, as at the Ford Foundation, a metamorphosis has taken place at Brookings in the last decade. The current President is Kermit Gordon, a member of JFK's Council of Economic Advisers and LBJ's

Budget Director. Under Mr. Gordon, the institution which once earned and enjoyed uncritical public acclaim has become a harbor for political refugees from the New Frontier and the Great Society, a government-in-exile, waiting to be recalled. When the assembled forces of New Deal-Great Society Liberalism were routed in the fall elections of 1968, its leadership fled -- like Chiang Kai-shek and his general -- into tax-free fortresses like Brookings, pulled up the draw-bridge behind them and began to plot the restoration of a liberal Democratic regime, along Kennedy-Muskie-McGovern lines.

Within weeks of the 1968 election -- and well before President Nixon's Inauguration -- Mr. Gordon's institution, with considerable fanfare, had released, as a guide to the in-coming Republican Administration, a supposedly non-partisan report entitled "Agenda for the Nation."

The New York Times and Washington Post were expectedly enthusiastic about the Brookings analysis of the nation's problems and

its proffered help in suggesting solutions. The more skeptical Wall Street Journal, however, gave the gift horse a closer look -- noting that the 18 authors of the various reports seemed to "comprise an honor roll of academicians of the New Frontier and Great Society." Washington Star writer Crosby Noyes caustically observed that the opinions presented in the Brookings report were the views of a quote, "highly partisan group of writers" -- unquote, even though Brookings "bills itself as a non-partisan."

Of the eighteen it turned out that two had been assistants to McGeorge Bundy in the White House; three had served the Democratic Administration in the Department of State; two had been economic advisers and Budget Directors in the Democratic years; three others had served as regular consultants to Presidential Commissions and government agencies in the same years; one had been the Ambassador to Japan under both Presidents Kennedy and Johnson; still another had

been Deputy Undersecretary of Agriculture under both Presidents.

The enterprise was financed by a "special grant" of \$175,000

from Mr. Bundy and the Ford Foundation.

"Agenda" thus basically represented the views of men who had already had an opportunity to deal with America's problems, men who had been part and parcel of an Administration that had failed and had had its failure recorded in the political verdict of 1968.

These reports thus amounted to a bold and brassy attempt by liberal Democrats to influence the direction of the New Republican Administration -- an Administration which has been elected to office partly on a solemn pledge to remove those same liberal Democrats.

Not surprisingly, the reports called for a wholesale re-examination of America's foreign commitments; warned against new spending on strategic weapons, especially on ABM; argued for acceptance of nuclear "parity" a precarious balance of power which eight years of sitting on

our hands in strategic weapons development had left us with. It urged withdrawal from Southeast Asia; it called for a new active policy of integrating the races; and expressed a cherished hope for whopping new spending programs for the cities.

In short, "Agenda for the Nation" envisioned a kind of Administration that would have made the Great Society look like a lemonade stand.

The President-elect was not about to turn the new franchise over to the same managers who had already run the business into the ground. So, Brookings' "Agenda" got the silent amused reception it merited from the in-coming Nixon Administration.

Not to be discouraged, Brookings pulled up its socks and announced -- in the first days of the Nixon Administration -- an impressive "new program of foreign policy studies."

The great issues to be studied include: The strategic balance, arms control and disarmament, America's role in Asia after Vietnam, the United States' role in the defense of Western Europe; foreign aid;

trade, investment and development policy; new sociological and technological forces in the world; the size of the defense budget; kinds of weapons; military assistance to foreign countries; a permanent peace-keeping role for the United Nations; and social changes and domestic problems in the United States. Which doesn't leave a hell of a lot for the rest of us to study.

The new "foreign policy studies" are to cost an estimated \$7 million dollars. They are to be completed in three years which is, coincidentally, perfect timing for their use in 1972 by Democratic politicians as political ammunition against the Nixon Administration. It was not a great surprise to learn from one source that three-fourths of the \$7 million cost would be underwritten by the Ford Foundation. Nor is it surprising that the majority of those selected to do the new foreign policy studies come out of the very government and academic circles that staged or supported the uprising in the

Democratic Party against the foreign policy of Lyndon Johnson.

The overall director of the foreign policy studies, is Henry David Owen, former chairman of the State Department Planning Council under Mr. Johnson.

The chairman of the Asia panel is a professor at the John F. Kennedy School at Harvard. His study director is a former member of State's Policy Planning Council in the Democratic Administrations.

The chairman of the panel on strategic arms policy is the former Secretary of the Air Force and Director of Research and Engineering in the McNamara Pentagon. His study director, a senior fellow at Brookings, is a former assistant director of the Arms Control and Disarmament Agency under President Kennedy. This study incidentally is being co-sponsored by the Carnegie Endowment for International Peace -- two of whose members will serve on the panel.

The director of the China study will be A. Doak Barnett whose

views on China are about as secret as my views on the media. On

March 23, of last year the Baltimore Sun reported that Mr. Barnett

was chairman of a National Committee for U.S. China Relations,

whose purpose was to encourage better relations with China, starting

with trade and cultural exchange and looking toward eventual diplomatic

recognition. That committee reportedly receives a lion's share of

its financial support -- from the Ford Foundation.

Among other prominent names involved in the Brookings studies
are these:

Paul C. Warnke -- former Assistant Secretary of Defense under
Mr. McNamara, an adviser to Hubert Humphrey and Senator Muskie,
and chairman of the Democratic Policy Council's Committee on Arms
Control and Defense Policy.

Leslie Gelb -- former Director of Policy Planning for International
Affairs in the McNamara Pentagon, now a senior fellow at Brookings.

He is compiling a quote "balanced and accurate history of the United States' experience in Vietnam" unquote and "the lessons learned," and has already compiled one such report, for Mr. McNamara personally.

William W. Kaufman -- Director of Defense Analysis at Brookings, who served the Democrats for eight years as a Pentagon consultant and wrote a glowing book called "The McNamara Strategy."

Charles Schultze -- Budget Director under Lyndon Johnson, and another current fulltime member of the Brookings staff. He will participate in an unprecedented defense budget review along with Mr. Owen and Mr. Gelb, and Mr. Edward Fried, an economist who served on both the NSC Staff and State Department Planning Council during the 1960s.

Also listed as participants and contributors to the Brookings study groups are representatives of the liberal "Democratic Study Group" in the House; members of the staff of Senator Fulbright's Foreign Relations Committee; and aides to Senators Kennedy, Muskie and Proxmire.

If this list is not sufficient to indicate the orientation of Brookings' studies, one might note the only two journalists who have been listed on the panels -- one is the Washington Bureau Chief of the New York Times; the other, the editorial editor of the Washington Post.

In high praise of Mr. Gordon, it can be said he has successfully eliminated the sometimes troublesome element of surprise from his forthcoming reports -- and, with the last two selections, he has taken out some extra, but unnecessary, insurance that his reports will win at least two rave reviews.

Before proceeding, let me state unequivocally that I am not indicting the men I have mentioned. Many are able and experienced public servants. Nor am I suggesting the Brookings is engaged in something immoral or illegal.

I am suggesting that they are engaged in something that is not unpolitical; that with such men at the controls, the foreign policy studies

are proceeding from a set of preconceived assumptions to a set of predetermined conclusions. I do not urge that Brookings be shut down, or that its tax exemption be shut off. Nothing I know of; nothing I have alleged, justifies that.

But I do ask that good Republicans and good Conservatives open their eyes to the real world -- and when, in passing conversation, they hear the name Brookings praised in glowing phrases as a non-partisan, non-politican institution -- they quietly put their drinks down on the nearest table -- and reach for the shotgun in the corner.

INTERLOCKING DIRECTORATES

Before moving to discussion of the other institutions, let us step back and observe at a distance this vital segment of the great daisy chain of Eastern Liberalism -- the interlocking directorates of these most powerful of foundations and most prestigious of think tanks.

At the apex is the Ford Foundation headed by McGeorge Bundy, Special Assistant for National Security Affairs to both Presidents Kennedy and Johnson. Two of his top deputies in dispensing the Ford billions were respectively Commissioner of Education and Director of the Budget in the Democratic Years. The director of highly regarded Princeton's Institute for Advances Studies is Carl Kayson, who served as Mr. Bundy's top deputy in the basement of the White House, who is also a visiting member of the NFK Institute at Harvard and, whose institute is currently the beneficiary of hundreds of thousands of Ford Dollars. The President of Brookings Institute, as mentioned, is Kermit Gordon, a high official in both the Kennedy and Johnson administrations and a one-time director of the Ford Foundation's program of economic development. His Brookings Institution has become a veritable Soldiers Home for veterans of the New Frontier and Great Society; and his foreign and domestic policy studies are almost wholly dependent upon Ford

Foundation contributions. One of the two co-directors of Washington Institute for Policy Studies, which has been described as the nation's foremost "radical think tank" is Marcus Raskin, still another aide to Mr. Bundy during the latter's years in the White House. This Institute as well is the recipient of Ford Foundation money. The John F. Kennedy Institute of Politics at Harvard is another link in the chain. The chairman of the Advisory Committee at the Institute is Mr. Averell Harriman, who needs no further introduction. The Director (on leave) is Richard Neustadt, a consultant to President Kennedy in the early sixties. The head of the fellowship committee has been Adam Yarmolinsky, Special Assistant to Robert McNamara at the Pentagon, former secretary of the Ford-financed Fund for the Republic, ex-Robert Kennedy staffer who was given more than \$22,000 by the Ford Foundation in 1968 -- largest of the eight study and travel grants. He is now the Democratic

candidate for Attorney General of New York

Robert McNamara, Secretary of Defense for seven of the eight Kennedy-Johnson years, is another recurring name in the establishment's table of organization. He is a former President of the Ford Motor Company, former Secretary of Defense under both Presidents Kennedy, and Johnson, current President of the World Bank, trustee of the Brookings Institution, trustee of the Ford Foundation, and honorary associate of the Kennedy Institute of Politics.

KENNEDY INSTITUTE OF POLITICS

Let us turn now to that Institute.

In 1966, for the first time in its history, Harvard University named one of its schools after one of its donors -- the Graduate School of Administration was renamed the John F. Kennedy School of Government. To that school, there was attached a new body -- the Kennedy Institute of Politics, which under the unprecedented terms of the agreement the Kennedys hammered out with the Harvardians -- has its own

"advisory committee."

What is most interesting here is that the endowment for the schools, -- the established scholarly body -- is only \$3.5 million while that for the supposedly adjunct Institute of Politics is \$10 million.

The tail seems to be a good deal larger than the dog.

At the head of this Institute is Richard Neustadt, adviser to Presidents Truman, Kennedy and Johnson. The Chairman of the fellowship committee is the aforementioned Mr. Walinsky. And among the lucky handful of liberal journalists who have enjoyed fellowship status at the Institute are the aforementioned Washington Bureau Chief of the New York Times and the editorial editor of the Washington Post.

Also a passing interest: One-fifth of the 10 million dollar original endowment of the Kennedy Institute of Politics came from the far-sighted Ford Foundation.

Three years ago, in a piece which U.S. News entitled "Power Base for the Kennedys," Henry Fairlie, the British journalist, described the J. F. K. Institute thus:

"By means which are entirely legal and respectable and discreet, the Kennedys have established, with funds collected in memory of John F. Kennedy, a recruiting college. That valuable work may be done there is beside the point. It could have been done without the formal and informal connections which the Kennedys have insisted on retaining with the Institute.

"One hardly needs more confirmation than the list of the main appointments themselves. Whether past members of the Kennedy circle, whether aspiring members to it, or whether men the Kennedys would like to attract, they are all potential members of any future Kennedy Administration."

It should be noted that this piece was written prior to Robert Kennedy's death. But that does not change the original concept of the Kennedy

Institute; and it has not changed its current orientation. Mr. Fairlie,

it should also be noted, is not the Cambridge stringer for Human Events.

He is a certified liberal, who, six months ago, cleaned my clock in the

Outlook Section of the Washington Post -- by pointing to some of the more

worthwhile themes of my speeches and raising the question, "Why should

the Devil have all the best tunes?"

THE INSTITUTE FOR POLICY STUDIES

Let us turn again -- leftward this time -- to Washington's

Institute for Policy Studies.

The political orientation of this institute is perhaps best indicated by the fact that one of its co-directors was indicted and acquitted in the Boston draft conspiracy case along with Dr. Spock, while the other led a "freedom" observance on the first anniversary of the D. C. riots. It is not a Goldwater front.

But it is the actions, rather than the orientation, of the IPS that are ground for concern. For in its actions this institute seems clearly to have gone beyond what is tolerable within the broadest interpretation of the IRS code.

First, one of its fellows, has been an economist on the staff of the Senator Proxmire's Joint Council Committee, which committee has

spear-headed the assault on the defense budget. This same economist, as a fellow at IPS, has conducted seminars and briefings on the defense budget for Congressional staffers under the auspices and at the expense of the Institute. Clearly, it seems with this kind of activity that the wall of separation that is supposed to exist between tax-free organizations and Congressional lobbying has disappeared.

Secondly, another officer of IPS, formerly on Mr. Bundy's staff at the White House, doubles in brass as part-time co-director of the Institute and full-time political activist. He was recently chairman of the Committee for Formation of a New Party, and stated that New Party's goal to:

"stand for the dismantling of an obsolete, dangerous military establishment, that is over-extended and over-reaching. It, the New Party, will insist that there be an arms control and disarmament law in the United States applicable to citizen and police as well It will insist that revolution in other nations or insurgencies therein should not cause interventions and suppressions by the American military."

Ordinarily, this kind of nonsense provides comic relief from the hum-drum political scene. But the issue is whether the

tax laws of the United States are to become as large a joke as this New Party; whether the American people should be required to subsidize with higher taxes this kind of outrageous nonsense; and just what explanation the Ford Foundation has for underwriting IPS, which names Ford among its "major contributors."

As the newspaper Barron's writes:

"Since its inception, the Institute has fought military defense through 'seminars' chiefly for members of Congress and their assistants. In 1967-68.... IPS held a series of conferences for Congressional Assistants on the 'The Impact of the War on American Society.' "

If IPS is still in the business of lobbying, then perhaps the Internal Revenue Service should get around to reviewing its tax-exempt status and reviewing also the Ford Foundation's tax-deductible contributions to this booby hatch.

Finally, according to the Washingtonian Magazine, the

"...Institute is miles ahead of any other Washington academic institution in supporting social experiments.....it has encouraged the growth of the city's two underground newspapers, the Free Press and the Quicksilver Times."

Both of these little rags are commercial enterprises -- serving up a regular succotash of sex and sedition. One wonders if the American people are satisfied that their taxes are subsidizing these New Left enterprises.

Emulating its patron, the Ford Foundation, the Institute of Policy Studies is reportedly busying itself setting up satellite institutes in Berkeley, Cambridge and Atlanta. Again, the Internal Revenue Service might do well to throw a full-court press on this outfit, pronto.

The reality I have described tonight calls forth several new policies. First, on the part of the policing agencies of this government -- closer surveillance of tax-exempt institutions to guarantee that they are not violating the conditions of their tax-exemption.

Secondly, on the part of good Republicans and good conservatives a new awareness of the academic-foundation complex arrayed

against their social and political objectives. Whenever a good Republican hears mentioned the name of the Ford Foundation, or Brookings, or the John F. Kennedy Institute of Politics, or Princeton's Institute for Advanced Studies, or Washington's Institute for Policy Studies, he should -- in Arthur Schlesinger's plagiarized phrase -- "release the safety catch on his revolver."

Third, I confess to a certain admiration for the diligence and ingenuity of Democratic politicians in capturing and commandeering vehicles to advance their political goals when the levers of traditional political power in government are in Republican hands. It is time that conservatives support more actively free-enterprise-oriented foundations and that the latter become more like their liberal adversaries; providing scholarships and fellowships for young men who will be as effective in defending this system as others are in denigrating it.

As for young independents and Republicans and conservatives -- interested in a business career -- perhaps it is time they "absented themselves from felicity a while" and entered the academic arena, the political arena, to do battle for their beliefs just as the liberals for generations have done battle for theirs. Perhaps the reason Eastern Liberalism has dominated the academy, the media, the foundations, for years is not any brilliance of their ideas -- but the weakness of our own numbers in those institutions.

If the old elite is as bankrupt as we have long argued -- then it is time we bent to the effort of creating a new elite based on both ability and acceptance of those ancient and enduring truths in which together we believe.

Thank you, and good night.

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