

MEMORANDUM

THE WHITE HOUSE  
WASHINGTON

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September 19, 1967

TO THE PRESIDENT  
FROM JAMES R. JONES  
SUBJECT Congressional Leadership Breakfast  
Tuesday, September 19, 1967

Meeting convened: 8:36 a.m.  
Meeting adjourned: 9:35 a.m.

ATTENDING WERE:

Vice President Humphrey  
Speaker McCormack  
Congressman Carl Albert  
Congressman Hale Boggs  
Senator Mike Mansfield  
Senator Russell Long  
Senator Robert Byrd  
Postmaster General Lawrence O'Brien  
Barefoot Sanders  
Mike Manatos  
Joe Califano

The President commended Speaker McCormack on the radio interview he made last week. The President pointed out that the Republicans are making these radio tapes and they are playing them all day on the stations and he hears these all day, and the Democrats should be doing the same thing.

The President noted that the rat control vote may be coming before the House again. He added that we should wait until we get the Housing Bill out of the Senate. "Those who are for the Housing Bill can then correct their record on the rat control legislation by voting for both."

Carl Albert said, "I agree. This is not the proper vehicle."

The President said "Sparkman will get a Housing Bill out next week. Can we get Reuss to wait?"

Albert said "it would be difficult but Reuss might wait. He's been talking about it too much."

Speaker McCormack said "Reuss is a good fellow and..."

The President asked Senator Mike Mansfield how the Japanese were.

The Speaker asked Carl Albert to talk to Reuss because he believes it is poor tactics to bring the rat control up now.

Mansfield reported briefly on his Asian and Far Eastern trip. "The Philippines are on the upgrade. They are doing a good job. They expect to get control of the Senate and Marcos is doing a good job. In Macao -- Portugal is bending with the wind with China in their race. Hong Kong -- I expect more troubles. In Japan the economy is in good shape, there's some talk about Okinawa."

The Speaker asked about Huk activity in the Philippines.

Mansfield said "there is not much." Mansfield spoke of the situation in China, pointing out that he understands Lin Piao is in control. He said to watch Choen Lai because he is being friendly with both sides and playing it down the middle. He said "there is some friction and some disorder and it might last for months yet."

The Vice President asked Mansfield if Marcos (President Marcos of the Philippines) talked about the civil action groups and the Engineer Battalions?

Mansfield said "yes, but most of the time was spent talking about rice production, graft, corruption, cleaning up the local situation..."

The President said he was glad to hear that Marcos was friendly, because he had heard bad reports.

Speaker McCormack mentioned his radio interview and the question they asked him on George Romney's brainwashing comment. The Speaker commented "it was more than amusing, it was astonishing that anyone who might find himself in the White House could be brainwashed so easily."

Albert said he didn't think we should "knock Romney out yet because he would be easiest to beat in 1968."

The Speaker disagreed, saying he believes "in the school of politics that you should take advantage when opportunity knocks."

The President said his biggest problem now is with Mills (Congressman Wilbur) and the Ways and Means Committee and the Budget. He pointed out that high interest rates and other spin-off issues from this would be disastrous, saying that if we should fail to get the Tax Bill and have to borrow this money it would not be good. It would also not be good to have a \$30 billion deficit. He said we are trying to figure out how to cut expenditures. We have over \$100 billion that we can not touch of funds such as Treasury, Post Office, Defense and the like. The only touchable items are on Education, Poverty, Health etc. The President said "I gave some thought to sending a message to Congress showing touchable items amounting to approximately \$20 billion and asking Congress to reduce this by 10% or a total of \$2 billion. Budget people say that is not the way to do it however. So what do you do with a \$30 billion deficit?"

The President said on PC's, the Republicans will try to embarrass us if the Democrats don't hold together in the House.

Mansfield said we are very hopeful in the Senate.

Mike Manatos said that he has not had a Senate head count, but out of the Committee, three Republicans, instead of the four he had previously mentioned, were against PC's.

Albert said "I keep hearing that we can't get the Tax Bill out of Committee."

Postmaster General Larry O'Brien asked Hale Boggs for his analysis of the Tax Bill.

Boggs said "With Mills you can get it out of Committee and without Mills you can't. I'm not sure you will get a bill out as a package as we now have, but you'll get it out in some form and you'll pick up some Republicans such as Conable (Congressman Barber) if you get Mills' vote."

The President urged that we get all appropriation bills out of the House.

Albert replied "all we're waiting on is the authorizations in the House and there is no problem in getting the appropriations." Albert did acknowledge that we would have real trouble on OEO authorization, especially the plan to split it between Education and Labor.

The President asked about the Clark Amendment to add \$3 billion to the OEO in the Senate.

Mansfield said we should get as close to the Administration request as possible.

At this point, the President read excerpts from Califano's memo on OEO Amendments in Committee. "Major departures from the Administration bill contained in the Committee Bill are the Emergency Employment Act of 1967 which authorizes 2.8 billion to subsidize jobs in various public service activities; authorizes 2.258 billion for the poverty program: 198 million over the 2.06 billion we requested and provides an open end authorization for Fiscal 1969. It also deletes our \$20 million summer camp proposal. The authorization changes are: adds a 105 billion for our new "special impact" economic development program; adds \$40 billion for our community action programs; adds \$35 million for a new day care program; adds \$25 million for Small Business Loans; adds \$3 billion for migrant programs; adds \$2 million for VISTA; reduces the Neighborhood Youth Corps and Adult Work Training program by \$12 million. Changes related to Community Action Agencies are: it deletes requirement that Mayors and other public officials be represented on the Community Action Boards. It weakens the Administrative requirement that our bill would have imposed on local Community Action Agencies. Continues the 90-10 matching requirement for Community Action programs instead of the 80-20 requirement we proposed. The bill requires the director of OEO to submit to the Congress plans for eliminating poverty over periods of time such as 5-10-15 years." The President commented "we should kill this bill in Committee...the time to kill a snake is when you have a hoe in your hand."

Senator Robert Byrd said that Joe Clark wants to bring this up next week and not this week.

The Vice President said "if that Community Action part goes in you are going to have chaos." He said "all this does is let them organize against the Mayors."

Byrd said "if we don't cut out the Community Action and VISTA, we are going to loose a lot of Congressmen next year."

The President asked "Can you defeat it in the Senate Committee? You (Mike Mansfield) or Dirksen should make this a leadership question. Let's tell them don't force money on bureaucrats when they haven't asked for it."

Manatos said "Senator George Murphy may offer a motion to recommit Title II because there have never been any hearings on it."

The President said "That's good but this should be done by the leadership, not Murphy, because he can't carry it. We should kill the committee amendments because we just can't operate like that."

The President then reviewed this weeks legislative schedule. "In the House, we have Partnership For Health amendments and Mental Retardation amendments and Public Television. In the Senate, the Independent Offices - HUD appropriations and the OEO authorization. We anticipate no trouble on Mental Retardation, Public TV is a major Administration measure. On the Food Stamp Extension, the

conferees met at 2:00 p.m. Tuesday to try again to reach agreement on the two year authorization. Both House and Senate leadership should be sure that Ellender and Poage follow through on this procedure so that we can resolve this matter once and for all." The President then asked what Senator Russell Long thought of the Presidential Campaign Fund.

Long replied "we have a chance...its a beautiful issue if we handle it. It's the issue of the Jeffersonian v. s. Hamiltonian philosophy of government. You either are for the people or for the money people!"

The President said "some of them have been talking against you."

Long said "Brewster is against it because he must show his independence any way he can. Talmadge is against it. Lauche is against it. But, if Senator Gore thinks he can deliver, plus our fellows - we should win."

O'Brien opined that "the main problem is with the fellows that are up next year because they will be accused of trying to finance their own campaigns."

Long said "it's fine with me to wait two years to put this into effect or we might make it effective for the Presidential campaign and hold it off for the Senators."

The President said to talk to Gore "because it would be embarrassing to get this thing on the Floor again and have a long debate. Mike, get our ducks in a row before we go up again."

On the Crime Control Bill, the President noted that McClellan is prepared to offer a substitute bill. The President said he has agreed to see McClellan at the White House to discuss this. "I'd rather have some compromise than no bill at all."

O'Brien said the Republicans have been having it both ways on the Crime issue. "Our people don't think we are attentive to the problem, and at the same time the Republicans are gutting the bill."

The President noted "in 1960, Eisenhower indicted only 19 people from organized crime and we've indicted 1,190 this year alone. One of the problems today is that they didn't do anything about it in those Republican years."

The President asked about the Inter American Development Bank.

Speaker McCormack said "the Southerners are very unhappy and they are going to try to send it back."

The President asked "will they succeed?"

The Speaker said "I'd be willing to make a bet on it - that they would."

Hale Boggs said "they will get every Republican and all Southern Democrats."

The President said "I figured they would screw it up since we have all the Latin Foreign Ministers coming in for lunch Friday and we had hoped to have a signing ceremony Friday."

Boggs said "someone should talk to Armisted Selden. He's very amenable on South America and if we invited him down for the ceremony and lun ch, he might just get this thing out."

The President said he wants "all the appropriations bills just as soon as I can get them. We can not cut much until we get the appropriations bill."

The President said on the Asian Development Bank: "Fulbright said he would have a hearing, and he's for it. Eugene Black is anxious to testify. Dirksen is for it, and they're going to check with the Republicans. They would have trouble in the House."

Califano said State Department people informed him that Fulbright would schedule hearings Thursday.

The President replied "You get me the votes. Any fool can send something up, but how many of the 17 votes do we have? Easiest thing in the world is to send a bill up."

The President asked about the Gun Control Laws.

The Speaker said "Congressman Celler is meeting with Ramsey Clark today and will call in a group tomorrow.!"

Long returned to the Campaign Financing Bill saying "in party caucus we can pick up a vote or two that we didn't have. In any event the \$25 tax credit will pass. Also, Metcalf is working on plans which will give 100% for \$1 and 50% for \$50."

The breakfast group adjourned to the Indian Treaty room where a formal picture was made; first with the Leadership and the President and followed by a picture of Leadership, the President and the White House Liaison Staff.

The meeting adjourned at 9:35 a. m.