

REMARKS BY BRYCE N. HARLOW  
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LADIES AND GENTLEMEN ----

Over many years I have found that people unfamiliar with the representation of business here in our nation's political cockpit regard it as a mysterious sort of thing, requiring very peculiar talents.

Well, let's face it, it does require a special adaptability, a flexibility, a dexterity, plus the more conventional attributes of assiduity and perspicacity.

Let me divert for a moment to demonstrate that to you.

No sooner had I strolled across Lafayette Park from the Eisenhower White House to open Procter & Gamble's Washington office -- that was 16 years ago -- than I found it necessary, in order to communicate with the new Kennedy complex, to learn how to say "vigah" and "Ameriker must get moving again." Not an easy chore, believe me, for a country boy from the prairies.

About the time I had that in hand, along with "having a dialogue" and "reaching a judgment," I had to take to talking LBJ-style about "nailing a coonskin on the barn door" and "a hound dog hunkering down in a hailstorm."

After that I made my way through "let me make one thing perfectly clear" and, more recently, "guarantee" and "judge-a-ment. "

But here we go again. For people of my ilk around town to make it after January 20, the problem has become not only diction but diet as well. Somehow we have got to "git tuh speakin' in a sort of plantation way roun' chere" if we're going to cozy up to this new crowd of

good old boys over at the white place; and then, we've got to work up a fancy for chitlun's and cracklin's and good old grits with hamhock and redeye gravy.

Well, I am already in training, takin' it real slow'n easy to be all set by January. Already I am up to one grit every morning, and come Christmas I ought to be up to four or five.

So you see, we Washington reps have got to flex and bend and make do in order to make it around here. But never fear -- we shall overcome . . . you can depend on it!

Now then, to Square A -- the November 2 elections and what they mean to us all on down the road.

I am, to begin with, so sad the Fords lost by an eyelash 16 days ago. They have been my intimate friends throughout their public service, as also have been their top aides virtually the entire cabinet, and many others in their Administration. I imagine the Fords and their associates have been your friends as well.

Nevertheless, I must say that in the short term, at least, the election results may well have been propitious in the present condition of our country. It is evident that had the President won, he would have won only electorally not popularly; he would have had a malevolent Congress, a disgruntled press, and a nation divided regionally, racially and by class; and then he would have faced a dreary prospect of four more years of governmental deadlock, unrelenting partisanship and acrimony. In these circumstances, six months after his inauguration we could have had a browned off Washington and a turned off nation. In light of the Johnson, Nixon and Agnew tragedies of the recent past, one would even wonder if Ford could have made it through his term.

So, despite my political bent and my close personal ties I hopefully regard the Carter victory as a constructive interlude at this point in time.

Not that our new President is the answer to our prayers. Both programmatically and by personality, Jimmy Carter is likely to give us the willies for a good time to come.

Just what kind of a fellow is he, anyway?

Well, the best one can tell from his campaign rhetoric, from discussions with people close to him, and from such literature as is extant on his characteristics, he comes out like this:

He is acutely intelligent -- probably a more finely honed, more sensitive, more perceptive intellect than we usually get in our highest office-- perhaps, even, a mind as razor sharp as President Nixon's. One intimate of his tells me he is "brilliant," in the same hushed tones admirers of John F. Kennedy used back in 1960.

Apparently he is also "all buttoned down," as we say -- phenomenally disciplined -- "single purposed" his own pollster, Pat Caddell, said a couple of weeks ago -- remorselessly driving and relentlessly driven to achieve and to excel -- "the most ambitious, the most hungry to succeed, the hardest worker" columnist James Kilpatrick has ever seen, so he said the other day. Jack Watson, a Carter top aide, is widely quoted as saying, "Jimmy Carter is a strong manager, a planner and an administrator. He is the most persistent and formidable man in terms of the commitment to goals and in the achievement of those goals that I have ever known."

Yes, and apparently he is tough -- hard-bitten more than solicitous, demanding of subordinates, unhesitating in firing poor performers, even close friends. He's not one to sidle around confrontation, nor does he easily brook attempts to block his designs. He is persistently described by close observers as "arrogant." One veteran reporter in constant contact with him at Plains these past many months confidentially describes him as a "bully" with his staff and associates. Kilpatrick said his ambition is so all-consuming that it is "scary." A number of

leading Democrats came privately to me late in the campaign to confide their judgment that he is, in their word, "dangerous." One of the most veteran of the Democratic Senators said with great earnestness four weeks ago that "Carter is the most dangerous politician I have seen in my lifetime this close to the Presidency." One of Carter's closest associates said a few days ago that he has "a mild instinct for the jugular." Repeatedly I have been told that he reserves his opinion, encourages advice for a time, quietly retires to reach a judgment, then after decision turns inflexible and hard as nails. He is described as disinterested in rewarding those who have helped him politically -- that he feels this conflicts with good government -- which, if true, makes him politically unconventional.

I think what we have here is not an ideologue -- not a fellow with a burning commitment to the political left or right -- but an intensely pragmatic politician, which is why, his people say, he came off so fuzzy in the campaign. He genuinely wants, for example, to garner liberal support by criticizing business; but he also lusts for business support, among other things, so we disconcertingly find him cooing toward us even as he snarls.

As a personality, therefore, our new President comes off as something of a mix between a religious populist and a coldly calculating Nixon, but without the Nixon hang-ups. Where Nixon shrank from personal encounters, leaving to Haldeman or others the dirty business of removing subordinates, Carter seems disposed to do it himself. Where Nixon used aides to run the government from the White House, Carter seems inclined, as he begins, to use the Eisenhower approach of appointing competent Cabinet officers and holding them accountable. Where Nixon relied on a chief of staff system in the White House, in the Eisenhower mode, Carter states he will work with and through numerous aides, which makes him Jerry Ford revisited.

However all that evolves, the bottom line appears to be that our new President is first rate intellectually, a no-nonsense executive, a non-ideological pragmatist, a tough leader bent on achieving his goals. Such a leader, sort of a Dixieland LBJ, should give us a bouncy four years, possibly tempestuous ones, and conceivably we will find it a period of memorable accomplishment.

Well then, how does the new Congress fit into this scheme and scene? You know, of course, that party-wise the old Congress and the new 95th are virtually identical both numerically and ideologically, with Democrats still 3 to 2 in the Senate and 2-1 in the House. With the President totally Democratic and the Senate and House hopelessly Democratic, our Republican friends recede once again into their happy irresponsibility and embarrassing inconsequentiality of years ago. Once again they can only caterwaul, kibitz, complain, point with alarm, and wait for the majority party to alienate people and shatter into factions. In the meantime the GOP is in for a soul-searching which could become bitterly divisive in the weeks ahead. Maybe we can speculate about that later on.

In some important respects, of course, the new congress will differ from the old one -- mainly in the quality of its leadership. Paradoxically, precisely when a gung-ho Democrat takes over the White House, placing a premium on Democratic fellowship on Capitol Hill, the go-along leaders of yesteryear -- Carl Albert and Mike Mansfield -- make way for hard bitten partisans -- Tip O'Neill and Robert Byrd. Had Ford won, these two Congressional toughs would have cauterized him in 6 months. But now, they themselves are Carterized and will have to play ball. So we can anticipate the use of their aggressive leadership not to checkmate their own President, but to cheer him on. Said the other way around, with the new leadership Ford would

have had a far worse Congress for all his four years; but Carter, at least for a time, will have a better one.

Some analysts are predicting that the Presidential honeymoon will be very brief because Congress has become addicted over the past decade to bushwhacking Presidents. I disagree. I anticipate an extended period of relative harmony between Carter and his Congressional leaders, and from it a substantial volume of major legislation. Of course, along the way there will be the customary whimpers and wails and temper tantrums over patronage, program priorities, invitations to White House functions, inattentiveness to Congressional sensibilities, and just plain orneriness on both sides -- yet, over-all the mutual interests of the President and his Congress to make each other look good will prevail, and I anticipate a surface harmony to last well beyond a year. I don't, by the way, extend that prediction to his relations with the press which has a constitutional aversion to any kind of a honeymoon.

Before moving on, you are aware, I am sure, of other adjustments in the new Congress -- for instance, the selection of a new House Majority Leader. Front runner at the moment appears to be Caucus Chairman Phil Burton of California -- an uncompromising left-winger distinctly unfond of O'Neill. Three others are hard after the same post, which is one of the most influential in the entire government. A Burton victory would at least for a time harden the President's muscles on Capitol Hill.

On the Senate side it looks as if Bob Griffin of Michigan, John Tower of Texas and Howard Baker of Tennessee may tangle over Hugh Scott's Republican Leader slot. While all of them are more combative and energetic than philosophic Scott, in the new environment it matters little. Not for a long time will they be able to muster enough strength even to impede, much less defeat, Democratic initiatives.

So the meaningful question remains, what will our new President try to do, and when? It is far too early to be sure, but we have a few leads.

As for these 62 days left before Inaugural, his cup runneth over. He has to pick his Cabinet, find good people for scores of other top jobs, and firm up plans to purge some 2200 others. He must decide how his White House will work, pick his top aides, allocate their offices, and confer with party leaders on both patronage and issues. He has to nail down a legislative program, get quickly up to speed in his area of greatest weakness -- foreign affairs -- and resolve that always sticky problem -- how best to use his Vice President. He must meet with a wide range of power elements in the nation (hopefully including business), get poised to handle economic or foreign crises that might crystallize as he takes office, and urgently develop amendments to President Ford's outgoing budget. And, to cap it all, he must conjure up a soaring inaugural message that will thrill America, hearten our allies, and give our adversaries pause.

Speculation has already begun over his Cabinet and White House staff and will intensify until he makes his choices known in coming weeks. For example, there is talk of Roosa, Wriston, Voelker, Pete Peterson, Charles Walker, and a Dallas banker for Treasury Secretary -- Brzezinski, Ball or Vance for National Security Assistant or Secretary of State -- a black Georgia businessman or Coca Cola's Austin for Commerce -- John Dunlop once again for Labor -- Leonard Woodcock for HEW -- Charles Schultze of Brookings for OMB -- Lawrence Klein for the Council of Economic Advisers -- sundry crackers from down home, picked from his transition and campaign teams, to run the White House - and so on. It's a waste of time to wallow in that kind of speculation here, but a point or two about the process Mr. Carter is using is worth noting.

First, it is interesting that his people set up a talent search for these places as long ago as July -- long before the Republican Convention even met -- and they claim to have assembled a "talent inventory" of well over 7000 names computerized in various ways. This gives them a quantum jump over earlier transition teams. For example, in the Nixon entourage we very specifically declined to do this before the election of 1968 for fear of charges of arrogance. Had Carter lost, this procedure, which siphoned some \$150,000 from his campaign, would have come in for heavy criticism; as it comes out, his forehandedness looks gutsy and good.

Second, his staff keeps insisting that many of the new appointees will be "people you never heard of before," which suggests they are serious about shattering the traditional Washington interlinks, or as Ron Reagan put it, turning off the "buddy system." We may all find this process really boggling before it is over.

For other signals, we know the President-Elect said he will look for appointees who combine "management expertise and compassion" -- that is, people who will effectively deliver government services to the poor, the illiterate and minority groups. He promises to appoint disproportionate numbers of blacks and women. He says his Cabinet and staff will have ready access to him, that there won't be a Haldeman-style chief of staff, that there will not be a "command role" for anyone on his White House staff. He says his appointees must agree to stay in government long enough to get the job done, that the Administration will be completely open, that conflict of interest situations will be prevented, and that appointees will be fired not simply for political or personal mistakes, but also for managerial incompetence. He has also said he may well appoint a Republican or a clearly identifiable economic conservative to his Cabinet to reassure business. Beyond all that we can only wait and see. I have to note a bit cynically that

virtually all recent Presidents have vowed similarly before the hard choices had to be made. The results are well known.

Moving from people to programs -- also still speculative -- the general outlines look like this:

Mr. Carter will move immediately after January 20 to pardon the Vietnam War draft evaders. He will quickly request authority to re-organize the executive branch - indeed he put in a bid for this only yesterday with his Congressional leaders. He must submit any budget revisions by early March, so defense cuts, postponement of the B-1 bomber, and shifting spending to social-welfare programs may have to be deferred for lack of time, even though two of his transition team are urgently developing changes that can be fitted into the Ford budget. If slack in the economy demands it, Carter may swiftly call for a temporary tax cut, a tax rebate, or sharply higher spending, or a combination of these. Over the longer haul we have reason to expect a kaleidoscope of interesting programs -- for example:

expansionist monetary and fiscal policies

national health insurance

public service jobs, housing subsidies, special job

programs for young people

modified Humphrey-Hawkins "full employment" legislation

comprehensive tax reform specifically soaking the rich and

penalizing corporate earnings abroad

energy reorganization, including limited oil divestiture

strong environmental support, including strip mining

legislation, auto emission and gas consumption controls,

land use planning and non-degradation of the air  
welfare reform and aid to cities  
sundry Labor goodies including repeal of 14-b, situs picketing  
legislation and support of government unions  
vigorous antitrust plus consumer class action  
consumer legislation specified by Ralph Nader  
wage and price jawboning, plus prenotification of price increases  
regulatory reform and zero-based budgeting  
registration of hand guns  
return in some measure to old-style agricultural price supports  
tie the term of the Chairman of the Federal Reserve to the  
President's  
and, of more than casual interest to many of us around these  
parts, legislation to harass, to hobble and ultimately  
to hang, draw and quarter business lobbyists.

The flavor of all this is, of course, both sweet and sour and in varying degree known to you all. In the aggregate it tilts predictably leftward in ways that will keep most of business in a fume and fuss much of the time.

I must close by reiterating two points:

First, these projections are unfortunately but of necessity very speculative at this time. Most of us are still befogged about Mr. Carter and his detailed plans, and we know next to nothing about whom his closest advisers will be. It is conceivable that he will do as Franklin Roosevelt did 44 years ago -- on taking office do what he pleases regardless of earlier

professions. This much we do know. Two weeks ago he said, "I don't feel timid or cautious or reticent about moving aggressively to carry out my campaign commitments." I am inclined to take him at his word.

Second, how could anyone say, as I did at the outset, that the Carter victory may bode well for America, then describe a Pandora's box of troubles he may bring? I say that, because I believe a Ford hairline electoral victory would have caused Ford himself and all of us unending torment over the next four years, and because I believe the Carter victory will serve as a political air wick, cleansing at last the national air -- a catharsis, so to speak, casting off frustrations, resentments and a Vietnam and Watergate virulence that have poisoned our attitudes for 15 years. While Carter will surely bring us a different set of troubles, I believe we may now, out across this country, regain a unity, a confidence, a comradely feeling once again, and perhaps even a faith reborn in our national institutions. And let's not knock it -- if all that happens, it will be good for us all.

My great misgiving is not the damage Mr. Carter may cause domestically, but damage he may cause abroad through inexperience joined to supreme self-assurance. It is there - - in the terribly dangerous world -- that disaster could ensue as our nation turns away from a seasoned national leader to an international novice as our chief of state.

To conclude, President Ford has served us, in my opinion, extremely well, considering how far he has brought us from where he had to begin.

And now, I believe President Carter has a golden opportunity, if only he will grasp it wisely, to purge us of old hang-ups and move us on to new gains.

He's not off to a bad start, by the way, from our business point of view. Three days ago he was asked to explain what his wife meant when she told the press he is a "conservative." Listen to his answer:

"I'm not sure that I can. I believe in balanced budgets and before my term is over I intend for the Federal budget to be balanced. I don't believe in wasting money. I believe in careful long-range planning. I believe in maximum openness of government. When there's a choice to be made between the private sector and government sector, my option would be for the private sector to assume the responsibility. When there's a choice to be made between the Federal, state and local levels of government to perform a function, I would prefer that the function be carried out by the level of government closest to an individual citizen."

Well, well, well -- Ronald Reagan, Gerald Ford, George Wallace, Lester Maddox could all have said that! So could any of us! Hallelujah and right on, Mr. Carter!

So that's how I see it, my friends. I will gladly try to answer any questions.