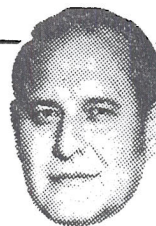


GOP in Trouble



Jack Anderson

ONE OF President Ford's top advisers privately forecasts a Republican debacle at the polls this year. His reasons are strictly economic.

On condition that we not identify him, he told us frankly why he expects 1976 to be a bad year for the Republicans. Here are his main points:

- More than eight million Americans are out of work. Millions more, seeing their neighbors unemployed, are uneasy about their own jobs. They can be expected to vote overwhelmingly for the Democratic ticket.

- The inflation rate is now running slightly above eight per cent. This is slowly impoverishing millions of Americans who live on fixed pensions. They are almost sure to turn to the Democrats in November, too.

- Although wages are expected to keep up with inflation in the year ahead, most Americans are complaining about soaring prices. Not only are prices higher than ever but the quality of both products and services have deteriorated. Americans, therefore, are paying more for less. More than likely, the majority will register their displeasure by voting against the party in power.

- Americans are now importing 40 per cent of the petroleum they use. For this, they pay the oil potentates a

staggering sum, which must come out of the U.S. economy. Most Americans tend to blame the administration both for the higher gas prices and the sluggish economy.

- Contrary to Republican gospel, higher prices haven't stimulated increased production. An alarming 30 per cent of all our industrial capacity still stands idle. Despite skyrocketing oil and gas prices, for example, the oil companies are opening fewer wells than they did at the lower prices. This has undermined public faith in GOP solutions.

- The world demand for food has stimulated farm production, but the great grain companies and food processors have been banking most of the profits. Meanwhile, back on the farm, the farmers are caught in a cost squeeze. Many of them, who normally are conservative Republicans, may be restless enough by November to vote for Democrats.

- The President's economic advisers agree privately that his proposed budget provides less, not more stimulus to the economy. This may be the responsible way to curb inflation, but our source believes it will cost votes in November.

He points out that Americans, when their pocketbooks are pinched, tend to vote Democratic. That's why he is worried about the coming election.