



The New York Times/Teresa Zabala

President Ford discussing his budget before signing it

The President's Gamble

Ford Hopes to Persuade the Voters In Election Year to Cut Expectations

By JAMES M. NAUGHTON
Special to The New York Times

WASHINGTON, Jan. 21—President Ford's budget without "illusion" is built around a big election year gamble, a belief that the President can persuade voters to lower their expectations of what the government can do for them.

News Analysis The budget proposal that Mr. Ford sent today to Capitol Hill would lower spending on education, make the aged pay more for health care, raise Social Security payroll taxes and remove pressure on the states to find money to help the disadvantaged. It calls for major new spending only for energy projects and the military.

Despite indications that Americans are more concerned about economic security than

national security, it anticipates that nearly 8 percent of the work force will be jobless during the campaign year.

Yet the President and his political associates profess confidence that his Bicentennial budget of modest expectations is in tune with a more realistic, and less compassionate, national mood.

"The American people know that promises that the Federal Government will do more for them every year have not been kept," Mr. Ford said in both his formal Budget Message and that extract he read for television. "I make no such promises," he said. "I offer no such illusion."

Instead, Mr. Ford offers the

Continued on Page 26, Column 6

Continued From Page 1, Col. 7

suggestion that he and his Administration are on the side of those in the middle class and among the wealthy who feel, correctly or not, that they have been paying for rather than receiving the fruits of Federal social spending. It is a budget aimed politically, as one senior Ford campaign aide put it, at "the givers, not the getters."

The few initiatives in Mr. Ford's budget outline and the State of the Union Message that preceded it are focused largely on the electoral audience that former President Richard M. Nixon called the "silent majority."

Mr. Ford's tax reduction plan would give the bulk of relief to families with incomes between \$10,000 and \$20,000. His remedy for joblessness involves speeding up the tax advantages of businesses that expand their work force. He would strengthen the economy by deferring taxes on money invested in corporate stocks by families earning up to \$40,000. He would make it easier for one generation to pass on to the next a family-owned farm or business.

Jockeying for the Center

He would combine 59 costly education, health, school nutrition and social services programs into four block grants to states and eliminate the stipulation that states contribute their own funds to the efforts, thus suggesting to those who begrudge them that such social experiments will be curbed if not stopped.

In drafting a "prudent," low-horizon program, Mr. Ford is said to have tried to pre-empt what he considers the current political center, positioning himself somewhat left of Ronald Reagan, his conservative Republican rival, yet to the right of whoever will emerge from the Democrats' nominating brawl.

The middle, said a Ford campaign official, "is an honest position for the President. He's comfortable there." But the aide also conceded that it is a spot that represents risk because neither it nor Mr. Ford's style has "a lot of political sex appeal."

Mr. Reagan, the former California Governor and a one-time movie star, has concentrated on attracting the crucial Republican right with such proposals as one to transfer \$90 billion of Federal welfare and social programs to the states.

To counter Mr. Reagan's threat on the right, Mr. Ford and his subordinates have begun trying to ridicule and radicalize the Reagan position.

The President called Mr. Reagan's \$90 billion transfer plan "totally impractical" at a budget briefing yesterday. "I can't imagine 50 states having all these programs dumped on them and then have to increase taxes if they want the programs continued."

Differs With Reagan

James M. Cannon, the White House adviser on domestic matters, said at another briefing on the Ford program that there was a "vast difference" between Mr. Reagan's plan and the President's proposal to give states block grants for social programs.

"It is as though each of them had a bag," Mr. Cannon said. "If you open Reagan's bag, it is empty. If you open Ford's bag, it is full of answers."

Assuming, as they do, that Republicans will reject Mr. Reagan as too "radical," Mr. Ford's strategists foresee a broader problem once the President wins the Republican nomination.

Unlike Mr. Reagan or the Democratic aspirants for the White House, Mr. Ford must simultaneously sell his program to the electorate and to an opposition Congress. The exer-

cise is complicated by recognition that, as Mr. Ford told Time magazine in an interview last week, "I am no great orator."

But the President said Americans might be searching in 1976 for "honesty, trustworthiness and a feeling of security" in the candidate they elect. In both his budget program and his budget rhetoric, Mr. Ford sought to project such an image of forthrightness, reliability and competence.

In a public relations exercise not attempted by a President since President Truman last did it in 1953, Mr. Ford spent 90 minutes yesterday answering questions on his budget at a news briefing. His spokesman, Ron Nessen, cruised through the press corps later saying, "I'd like to see the other candidates handle detailed questions from experts on their programs for 90 minutes."

If Mr. Ford's familiarity with the complicated budget was meant to suggest competence, his remarks at the briefing also were aimed at demonstrating reliability. His budget was not a "quick fix" for the economy, the President contended, but a way to "steadily" reduce inflation and unemployment and, ultimately, balance the Government's budget.

As for the "honesty" that Mr. Ford said was important to a post-Watergate electorate, his approach seemed to be bluntness. He said he had offered no "hollow promise" of economic miracles. New Social Security taxes and other burdens were "the right thing to do." His program, he said, contained no false hopes, no "illusion."

It was a novel performance by a President seeking election. Its political merit was untested. One element seemed clear today, however. It was an illusion to expect the Democrats in Congress to enhance Mr. Ford's candidacy by adopting his budget.