March 2, 1976

MEMORANDUM FOR:

BILL CLEMENTS ALAN WOODS

FROM:

DON RUMSFELD

Ted Kennedy called and he hopes that we are taking into account the broader economic implications, that is to say for the government, that is in an area of high unemployment, a higher percentage of the people out of work as a result of a base closing presumably might go on food stamps and welfare and that type of thing, which is an additional cost to the government than in an area of low unemployment where they have a greater absorption capability.

The other thing that he hopes we will take into account is the question of what sections of the nation, or states, or areas have had the greatest loss of defense jobs in the last three to five years.

Maybe someone ought to be taking a slice at those so we at least are ready to defend ourselves on those two things.

