How Should the Federal Government Respond to New York City’s Financial Crisis?

President Ford recently met with New York State Governor Hugh Carey, and New York City Mayor Abraham Beame to discuss Federal aid for the failing New York City. They discussed the impending financial collapse that could occur when the city’s notes became due in a matter of days. Governor Carey and Mayor Beame asked President Ford to issue a Federal guarantee of one billion dollars in New York City notes. At the heart of the issue is American federalism and moral responsibility. The question is, who is responsible for city government and the people who reside within it?

**OPTION A:**
Flatly deny the request for a bailout: Let New York City solve its own problem.

**OPTION B:**
Provide a Federal bailout with conditions: Get a bankrupt New York City back on track.

**OPTION C:**
Provide Federal assistance to New York City only if the State of New York assumes responsibility for the city’s restructuring: Force New York State and New York City to work together.
Why are we here? What are we going to do?
We are here to participate in the decision-making process for an important choice facing the President.

How do we do that?
We do that by engaging in a deliberative process in which we:
- Understand the advantages and disadvantages of each option.
- Know the strategic facts and how they affect the way the group thinks about each option.
- Get beyond the initial positions people hold to their deeper motivations—the things they consider to be the most valuable in everyday life.
- Weigh carefully the views of others; appreciate the impact various options would have on what others consider valuable.
- Work through the conflicting emotions that arise when various options pull and tug on what people consider valuable.

Stages of a Forum

Welcome
   The convener or moderator introduces the program.

Ground rules
   Participants and moderator review desired outcomes and agree on ground rules.

Getting started
   One good way to start is for participants to take a few minutes to talk about their personal experiences with the issue and tell their stories. Sometimes the convenor or moderator begins by showing a starter video that reviews the problems underlying the issue.

Deliberation
   Participants examine all the options.

Ending the forum
   Participants reflect on what has been achieved.
If This Is Your First Experience as a Moderator

Remember, the Role of the Moderator is to:
  • Provide an overview of the deliberation process
  • Ask questions about what’s at stake in each option
  • Encourage participants to direct their questions and comments to one another
  • Remain neutral

You don’t have to be an expert on the issue.
Reading the issue guide thoroughly, considering questions that get to the heart of the issue, and thinking through the essence of each option is the critical part of preparation.

You should stay focused on what the forum is about—deliberation.
Ask questions that help participants explore each option from a variety of perspectives; viewpoints from different levels of government, businesses, unions, individuals, and tradeoffs that might be required. Look for common ground.

You should keep the discussion moving and focused on the issue.
Sometimes it’s hard to move on to another option with so much more that could be said. But in order to make progress, participants need the chance to weigh the three major options.

You should reserve ample time for reflections on the forum.
In many ways, this is the most important work the group will do. The moderator will provide reminders that time is passing, but it is up to all the participants to help preserve the time to reflect on what they have said and what they might want to do about it.
Beginning a Forum

Before the deliberation begins, it is important for participants to review guidelines for their discussion. They should agree that:

- Everyone is encouraged to participate,
- No one or two individuals should dominate,
- The discussion should focus on the options,
- The major options should be considered,
- Everyone should maintain an open and respective atmosphere for the discussion, and
- Everyone should listen to one another.

Ending a Forum

Before ending a forum, take a few minutes to reflect on what has been achieved. Consider the following questions:

I. Individual reflections
   Has your thinking about the issue changed?
   Has your thinking about other peoples’ views changed?
   Has your perspective changed as a result of what you heard in this forum?

II. Group reflections
    Are there issues we didn’t address?
    Can we identify any shared sense of purpose or direction? Did we discover any common ground?
    Which trade-offs are we willing to make to move in a shared direction?
    Which are we unwilling to make?

III. Next-step reflections
    Are there viewpoints or issues we still need to talk about?
Questions to Promote Deliberation of the Issue

As you examine this issue together, remember that the purpose of this forum is to participate in the process of decision-making as it might have occurred at this moment in the President’s administration. As a group, you are weighing the basic values that define us as human beings and as Americans. This is not a reenactment. You are not here to figure out or replicate the discussion that occurred at the time of the event. The Libraries hope you will gain a better understanding of their President’s actions in office by exploring the information he had available and the choices he made.

Before you begin, it may be helpful to consider broad questions that need to be addressed in each option. Here are some examples:

**OPTION A**

- Question

**OPTION B**

- Question

**OPTION C**

- Question
BEFORE MAKING FINAL DECISION

• What would be your major concern before making a final decision?
• What repercussions might there be for the President if he chooses this course of action?
• How do you think the American people would react if the President selected this option?

POST-DELIBERATION

• Did you have a certain viewpoint at the beginning of this discussion? Did you change your mind by the end of the process?
• What do you believe is the most important thing a President can do before making a crucial decision?
• Has this discussion changed your perception of the Presidency, the role of the advisers in a Presidential administration, and your duty as a citizen?
• Did this exercise help you understand the complexity Presidents often face when making tough decisions?
Learning More about the Cold War and Presidential Decision Making:

For many young people today, the Cold War can be a particularly abstract and overwhelming topic, yet it is essential to dig deeper into this topic in order to put the post-World War II period through the late 20th century into a meaningful context and useful understanding. To skillfully weigh and intelligently assess the significance of the historical, political, social, economic, and cultural aspects of this era is an impossible task without a fundamental knowledge of what was the Cold War.

Below are a number of online resources for teaching or learning more about the Cold War. Presidential Libraries, in particular, offer rich online collections of manuscripts, oral histories, and photographs, which relate a particularly presidency and sequence of events to the history of the Cold War.