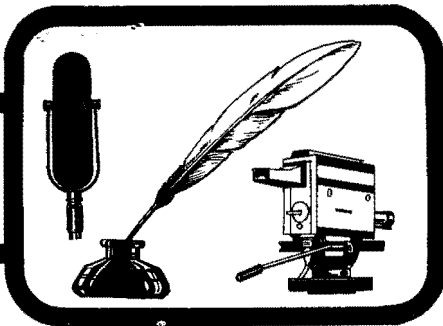


**The original documents are located in Box D21, folder “Essex County GOP Fund-Raising Dinner, Saugus, MA, September 9, 1966” of the Ford Congressional Papers: Press Secretary and Speech File at the Gerald R. Ford Presidential Library.**

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CONGRESSMAN  
**GERALD R. FORD**  
HOUSE REPUBLICAN LEADER

**NEWS  
RELEASE**

For release at 6:30 p.m., Friday Sept. 9, 1966--

Excerpts from Speech at Essex County GOP Fund-Raising Dinner, Saugus, Mass.

"Inflation is a pickpocket and there are clear signs that it is at work in our marketplaces today."

Sounds like me but it's not. Those words were spoken by President Johnson in a Labor Day speech at Detroit. And I agree with him 100 per cent.

But the President made some other statements to which I must take strong exception because they simply do not square with the facts.

Speaking of the cost of living, Mr. Johnson said: "We're not going to varnish the rough facts."

The truth is that Mr. Johnson has done nothing but gloss over the rough facts of inflation for months.

Earlier this year when Mr. Johnson virtually accused everyone disagreeing with him on Vietnam of being unpatriotic, I termed him "the No. 1 Nervous Nellie in the country." Since then he has deliberately turned optimist on Vietnam.

Now I cannot help but observe that Mr. Johnson has taken a completely Pollyannish approach to the frightening price rises which are robbing our people of their hard-earned wage gains. Mr. Johnson has a changeable personality. He now has become No. 1 Pollyanna in the country--a President who keeps telling the nation 'you never had it so good' when the rate of rise in living cost is nearly doubling.

It is deceptive for the President to insist he is not varnishing the facts when he uses only those cost-of-living figures which play down the seriousness of inflation under this Administration.

It is deceptive for the President to talk as though the rise in the cost of living is nothing to get excited about. It has measured over 2 per cent just in the first seven months of this year.

It is deceptive for the President to say that the annual rise in living costs has averaged 2.5 per cent over the past 20 years. This is deceptive because those two decades include the wildly inflationary period after World War 2 when living costs jumped 23.4 per cent from July, 1946, to July, 1948, and the sharply inflationary Korean War period of July, 1950, to July, 1952, when living costs rose 11 per cent.

It is deceptive for the President to create his own Consumer Price Index, referring to a 10 per cent increase in living costs since 1960. The official Index is based on the 1957-59 average and shows a rise of 13.3 percent from the base period through July of this year. And the official Index indicates an annual rate of rise this year of 4 to 5 percent.

President Johnson made a statement in Detroit which is painfully true of his Administration. He said: "Growth without stability is a mirage. For booms generate busts, and inflation gnaws at the pillars of prosperity."

I say that the pillars of so-called Johnson prosperity already have been gnawed thin by Johnson inflation. And I say we are having exactly the kind of growth Mr. Johnson describes--growth without stability, growth that is a mirage.

Mr. Johnson made two promises in Detroit--he is always making promises--two promises he has been repeating for months without results. He promised to cut all non-essential federal spending and vowed he would stop inflation.

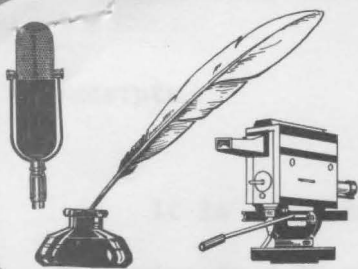
He has done nothing but talk about spending cutbacks and about a war on inflation week after week after week. Why should we believe him? He has to produce before he will make a believer out of me.

Mr. Johnson told working people in Detroit that labor deserves a growth of real wages. I thoroughly agree. But the truth is that the average working man in this country has less real spendable income now than he did a year ago. In the last 12 months, he has experienced an actual drop in the amount of money he has left after taxes and after allowance for the rise in living costs. The cost of living is going up faster than wages. I didn't hear the President brag about that in Detroit.

Mr. Johnson keeps talking about cutbacks in federal spending. I'll believe that when I see it. Democratic deficits in the past six years add up to \$30 billion. The national debt now totals more than \$320 billion, and the interest on that debt costs us more than \$12 billion a year. That's the largest single item in the federal budget except for defense expenditures.

Don't let Mr. Johnson fool you with his talk about economy. Yankee thrift was tossed out the window when his Administration marched in the door.

I think the people of this country are going to change things when they get a chance to speak on Nov. 8. Why? Because they know which party is synonymous with sound prosperity--peacetime prosperity--prosperity based on a sound dollar and stable prices.



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