

FOR IMMEDIATE RELEASE

SEPTEMBER 5, 1975

Office of the Vice President

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MONROE COUNTY SAVINGS BOND KICK-OFF LUNCHEON  
U.S. Chamber of Commerce  
(Rochester, New York)

(1:20 P.M. EDT)

THE VICE PRESIDENT: My good friend, Reverend Lavery, your two distinguished Congressmen, your Chairman of the occasion, or Chairman of the Nation, is a good friend of mine who has really expressed already in very succinct language the importance or the reason for this gathering.

I would like to say today that it is always nice to come to a bipartisan gathering representing business, labor, the professions, from large and small corporations, as well as civic societies. I just want to get myself so I don't get caught on either side.

(Laughter.)

THE VICE PRESIDENT: But I would like to say today that I don't know of any community that is a better community to kick off the campaign. Gabe says he is holding the campaign, but it is a successful campaign. Rochester is a good place to celebrate.

I was very fortunate, as David said, in kicking off a certain operation here in 1958 at a little convention. I would like to say it was bipartisan, but it wasn't exactly. But I just somehow feel that Rochester as a city personifies those values which we as Americans believe in. It personifies the best in terms of the citizen responsibility, the basic concept of initiative, the willingness to take leadership, the willingness to innovate, to take risks, both in pioneering in community work and in pioneering in the economic life of our Nation.

That is why this community has been so successful. It is based on the free citizen and the free citizen's tremendous resources.

We have just come from opening a family health center, and Rochester is famous not only for its medical work but its work in education.

I have a member of the Board of Regents sitting down here, a very distinguished member. I would like to say that any country that can assure its citizens of good education and good health and equality of opportunity, that nation has got strength and that is America, and we are awful lucky to live in America. And I must say I am proud to be an American citizen. So I am thrilled to be here.

(Applause.)

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THE VICE PRESIDENT: I have to say that because of the leadership which is gathered in this room, that if Gabe hadn't already said that this looked like a very successful campaign, we would know that it was going to be a successful campaign, because it is inspiring when you see a group of people coming together who care and who are aware and who are concerned about their community, and not only the community but, in this case, the larger community, which is the Nation. And the strength of our Nation has been this diversity, this Federal system of Federal, State and local government, and the responsibilities of leadership at all levels.

You are very fortunate to have someone as in the case of Dave who has the dynamism and enthusiasm and the ability to attract the talent to undertake an important job. That is what he has done. He has attracted the leadership and membership of the community, enlisting them in a common cause which reflects the best interests of all of us. Those interests have already been well expressed. Dave has done a superb job.

I am very honored and pleased and delighted to have the privilege of being here with you on this occasion, which is a bond sales occasion, but I feel also a celebration of a successful campaign. Now I would like to congratulate all of you and also thank you, and to thank those members of the Treasury who are here and who are importantly responsible for the basic management of the campaign and also responsible for the handling of funds. So they are here in a double capacity. We are grateful to them and their leadership.

I would like to say a word about the product which is being sold here today. What you are selling has particular appeal to the American people and to the American Nation -- personal security for families and financial stability for the United States. U.S. Savings Bonds help to promote both objectives.

The Federal Government, quite frankly, continues to depend on savings bonds as a source of stable, non-inflationary savings funds. As of this moment, the cash value of outstanding Series E and H bonds and Freedom Shares is \$66.5 billion -- an all-time peak. These bonds amount to a significant 22 percent of the privately held portion of the national debt. These funds are important in the management of that debt. Even with their shorter initial maturities, savings bonds constitute a stable portion of the total national debt.

Some have a feeling that savings bonds are cashed in soon after they are bought. That is completely contrary to the facts. On the average, savings bonds are not redeemed in less than five years. This is considerably longer than the average maturity of Treasury bonds marketed in the regular market.

People also hold onto the savings bonds longer in comparison to deposits with savings banks, savings and

loan associations and commercial banks. So rest assured, these funds continue to be an important tool in the management of the Federal Government's finances.

Now let's take a look at the savings bonds from the buyers point of view. Thrift is a virtue long engrained in the American character. It is important not only from the point of view of the bonds we are talking about, but it is important from the point of view of the capital which is invested in productivity. This is one of the very problems we have as a Nation right now -- the percentage of our Gross National Product that goes into capital formation, capital investments for new production, for jobs, for meeting the needs of the people in this country, and for the ability to meet our responsibilities throughout the world.

This is one of the matters that is of major concern to the President of the United States and to the entire Federal Government, as well as one of major importance to our country.

What can be done through this voluntary saving and the investment of those savings in productivity is illustrated by the great corporations that are located here, which are worldwide corporations and which started and grew out of savings. But as has been explained by Gabe, those savings are also tremendously important from the government's point of view as well as the individual. So rest assured that these funds that are put into government savings bonds continue to be an important tool in the management of the Federal Government and its financial problems.

Talking about thrift, Benjamin Franklin celebrated its value long ago in the pages of Poor Richard's Almanac, which all of you are familiar with. I have to say that I remember as a boy receiving a 25-cent allowance and having to save 10 percent. That is cutting it pretty fine. But along with it was 10 percent forgiven.

This is a tradition which I think all of us know which has been one of the great strengths of our country. Whatever the economics of the moment, the habit of thrift needs to be nourished and sustained. For millions of Americans, for over a generation, savings bonds have become their thrift habit. And why not. They now pay, as Gabe pointed out, a good six percent return when held to maturity. They are as secure as Fort Knox. So you have a product with considerable and continuing consumer appeal.

As you go about promoting payroll savings and the Bond a Month plan, you are operating as part of a vigorous Nation-wide drive. I have got to say that my respect for Gabe in his willingness to assume the national responsibility, for having taken the time which he has for the tremendous responsibilities he carries as one of the Nation's leading bankers, having visited 18 cities -- maybe my statistics are a little bit behind; it has to be 19 after today, Gabe -- 13,800 miles in spearheading this campaign, this is a typical example,

just as in Dave's case here, of the willingness of the private citizens in this great free country of ours to volunteer their services and to give of their time and energy in the interest of the Nation as a whole. Between his national leadership and your brand of local leadership, the drive is going very well and is going on to success.

In fact, the 1975 campaign is on target. Some of my figures here are a little bit earlier than Gabe's so that he has overrun me. So I will include his in here. The Series E and H bonds are currently exceeding \$4.25 billion. The E bond sales for July set a 30-year record.

New York is doing beautifully, too. In the first six months of the year, the State has reached 51.4 percent of its annual quota. Gabe said the Nation has reached 69 percent, so I am sure New York must be ahead of that. But that is now three months later than mine. The State sales are presently running five percent ahead of this time last year.

You can take enormous personal satisfaction in making this campaign a success. The beneficiaries are going to be individuals and their families who buy these bonds and the nation that offers them.

You are selling a stake in this country. That has to be the soundest equity in any American's portfolio.

I would just like to say in conclusion, sure, we face tremendous problems in the period of accelerating change. But no nation has the capacity to meet change with the flexibility and the adaptability as does our great free land with its diversity and its tremendous sense of purpose and devotion to equality of opportunity and respect for human dignity.

So I have tremendous confidence and optimism about the future, despite the problems. And with the opportunities which we enjoy as a nation, with the tremendous resources, the intellect and material which we have as a nation, and the will to use those and to apply them, we have the possibility of moving in the next 10 and 20 years into one of the great periods of the history of civilized man. Important decisions as to whether the world is going to move into that kind of a period are going to be made here in this country by the great, free people of the United States.

I thank you for letting me be with you on this occasion.

(Applause.)

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(1:35 P.M. EDT)