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THE WHITE HOUSE

REMARKS OF THE PRESIDENT
AT THE
MISSOURI GOP DINNER

ALAMEDA PLAZA HOTEL

10:09 P.M. CDT

Governor Kit Bond, Lieutenant Governor Bill Phelps, Jack Danforth, Gene Taylor, Lowell McCuskey, ladies and gentlemen:

It is really great to be here, and I appreciate no end the more than generous observations and conclusions. We have got a long way to go between now and November of 1976, but I can't help but reminisce a bit that it was the Middle West that kind of got me started back in 1965 on my interest in, and success in, the Republican leadership in the House of Representatives, and I guess I am a little nostalgic about what the Middle West can do in 1976, based on a little history.

So, I thank the kind words from Dutton and I am most grateful for the very warm reception, and I thank all of you for being here.

Let me say that I have a prepared text here, and as my friends from the press know, on occasion I don't use it. (Laughter) So, I am not going to use it tonight. They have written all their stories, and it will be in the papers, but I will just talk to you as friends.

First, let me congratulate all of you in the great State of Missouri for the outstanding Governor that you have in Kit Bond. Over a long period of time, I have seen Governors come and go, and you get a feeling -- those that are going to stay and make a real record, yes, in their respective State, but potentially on a broader basis, and I say in Kit Bond you have got a real fine Governor who has a great future.

Somebody told me when I came to Missouri earlier today that Bill Phelps had a special name, something like "Full-time Phelps," or something. Well, I like to see the number two man work at the job 100 percent, and that is exactly what Bill is doing, and congratulations, Bill.

But, you have an opportunity in the State of Missouri in 1976 to send us a first-class, outstanding, young, attractive, articulate United States Senator, and I certainly hope you do precisely that with Jack Danforth.

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Gene Taylor is a man of quality. He has done a fine job. But we need a little quantity from the State of Missouri in the House of Representatives, and I think Gene would like it and, believe me, it would be a great addition to the House of Representatives. If you could add from our side of the aisle some new and equally attractive, articulate, able people, it would help us in 1977, 1978, in trying to do some of the affirmative things that must be done if we are to change some of the directions, if we are to move ahead.

And so in those areas where there may be some vacancies for one reason or another, this is a unique opportunity to get some good candidates and to support them in the field, in the precincts, with adequate and proper financial support.

So I urge that Missouri again have more than just one Member of the House of Representatives.

I could not be happier that we are having our Convention here in the Middle West, Kansas City, Kansas, or Kansas City, Missouri. Aren't you all one family? You worked hard to get the Convention.

I must tell a story. The good Governor more or less alluded to it but I am told -- I am not repeating what I said but I am told -- that yesterday on the Floor of the House of Representatives the Democratic Majority Leader from the State of Massachusetts got up and started to ridicule the Republican decision to come to Kansas City and he alleged that it was a mistake because the last Republican Convention held in Kansas City nominated Herbert Hoover. (Laughter) I agree.

But then my successor in the House of Representatives, as the Minority Leader, a good Kansas Middle Westerner who now lives in and represents Arizona, got up and he said he understood why the Democrats were going to New York City. New York City was in serious financial problems, better known as "Debt City", and that was identical with the philosophy of the Democratic Party.

So we are pleased and honored to be invited and I am especially pleased to know that we will be out here in August and we look forward to seeing you then, if not before.

Now let me, if I might, talk for just a few minutes about some of the problems we have, some of the areas where we have made some headway and where we have been very frustrated and have made little or no success.

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Thirteen months ago when I became President we had a serious inflation problem -- 12 to 14 percent on an annual basis. We were on the brink of a serious recession. We have gone through a very traumatic economic situation in the last 12 or 13 months, but because we had a steady forthright approach of trying to do something constructive and responsible in the area of fiscal policy, and because we have not panicked and gone for a quick fix when a permanent effort was the better way to go, we made considerable, substantial headway in the area of inflation.

We are down now to half of what it was a year ago. That is not good enough and it won't be satisfactory. We are going to continue to try and control, regardless of the Congress, in the area of fiscal affairs. We are going to try and maintain the kind of steadiness and forthrightness and determination that is essential if we are going to keep our Federal budget under some degree of responsible control.

Now I have heard some criticism from some of my good Democratic friends. They say a \$60 billion deficit is too much. I agree but we are trying to do something about it and they have established a deficit for the current fiscal year not at \$60 billion or not at less than \$60 billion but \$69 billion, and they have already exceeded it by their own action.

So we can say in all honesty and sincerity, based on the record, that we are truly seeking a policy of fiscal responsibility and doing something about it. All we need are more troops, people that stand up and say that we can't do this. We have to be responsible and serious about how we handle the taxpayer's money.

Yes, we have had unemployment much too high and we are trying to do something about that but there are those who say if you just turn a spigot all of a sudden you can end unemployment. Most responsible people say there is no quick fix.

Most responsible people say that you have to seek to get the increase in employment out of the private sector rather than out of the public sector. And I am glad to report despite the fact that unemployment is still at 8.4 percent that in the last four or five months, since March, we have added 1,500,000 more people gainfully employed in the private sector, and we are going to have more progress in that regard, and I am convinced that if we don't panic, if we don't get irresponsible, we can look forward to a slow but constructive decline in the unemployment figure as we give individuals in the private sector the kind of employment that is good for them and good for the country.

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Let me speak for a moment, if I could, about energy. As you all know, in 1975 there was a blow-up in the Middle East. The net result was that we had an oil embargo imposed by the OPEC nations. It triggered substantial increases in oil prices.

We were first strained to get any oil and then after the settlement in the Middle East the prices zoomed. Whereas in 1972 we were spending, for foreign oil, about \$3 billion a year after the price increase following the embargo, today we are spending \$25 billion a year, paying it to OPEC, which means -- if you translate it into the figures of an individual family it means that every individual family is paying today about \$350 more a year for fuel and it is all going overseas to OPEC.

Wouldn't it be better to have those extra prices paid to American oil producers rather than paying them overseas? How are we going to solve our energy problem?

First we have to recognize that we are extremely vulnerable to foreign oil cartels. If they wanted to turn the spigot over tomorrow our whole economic progress in the last six or eight months would go down the drain, and they could because today we buy roughly 40 percent of our oil overseas.

So what we in America have to do is become invulnerable to foreign oil dictates.

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How do you do that? You conserve on the one hand, and it must be admitted that the United States, because energy was very cheap for many, many years; we wasted it; we squandered it; we have not been careful how we used it, so we have to conserve, and there are many things each of us individually and businesses can do and Governments can do, but in addition to that, we have to produce more at home.

You can't produce more if you are not going to let people get a return on their investment. Oh, I know it is very easy for the demagogues to get up and get the speech which Gene Taylor has heard in the House of Representatives, and I have heard innumerable times, but it is pure demagoguery.

You don't increase production by controlling prices. All you do is spread a scarcity, that is what you are really doing.

So, we have to find an answer on the short haul to increase production domestically. In January of this year, I submitted to the Congress a 200-page bill that was a comprehensive energy program that would have conserved, produced more, and it would have given us the wherewithall to increase our research and development in some of the exotic areas -- geothermal, solar, and the rest.

Isn't it hard to believe that since January of this year there has not been one meaningful energy bill passed by the Congress? Not one. Isn't that right, Gene? Not one. It is unforgiveable, and if the Congress does not do something, they are going to be responsible for the increasing vulnerability of this country to foreign oil cartels.

I would rather have an answer than a political issue, and we have gone the last mile, we have gone better than 50 percent trying to get an answer, and in all honesty, so far there has not been any progress on their part.

We have got another 60 days, or we are about to get 60 days. I can recall vividly in, I think it was February, they pleaded with me to give them 60 days, they would pass an energy program. That 60 days passed. Then they wanted another time limit. Then they wanted another time limit, and the net result is zero.

Well, all I am saying is the American people are smarter than the politicians. They know we have an energy problem. They know we have to do something about it. They won't tolerate being vulnerable to foreign sources, and we are going to get it somehow, somehow, because America needs it and America deserves strength at home in the energy field.

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Now, let me, if I might, talk about something that some of our Columnist friends have written about. They have said I have vetoed 37 bills passed by the Congress, and they make it an evil thing.

I am glad I did because I think we have achieved some higher degree of fiscal responsibility in vetoing. Some people allege that a veto is a negative act. I am sure you have been accused of that, haven't you, Kit, that you are against progress, that it is negative and, therefore, something is awfully evil about it.

First, let me say that in the Constitution of the United States there is the authority given to the President to veto, so it is a constitutional right of the President. And our forefathers were so wise to give that veto authority constitutionally because every once in a while a Congress acts very irresponsibly--and a veto is a power given by the Constitution to tell the Congress maybe you made a mistake, maybe you ought to take a little time and think about it, maybe you ought to correct the error that you made, and often times it works out that way.

Let me give you one concrete example. Sometime early in the spring I recommended \$1 billion 900 million for a Summer Youth Program, and a public service employment program.

The Congress took the \$1.9 billion recommendation by me and added \$2 billion, with a whole batch of totally irrelevant logrolling, pork barrel projects.

So, I vetoed it. It was sustained in the House of Representatives, and they came back with virtually the bill that I recommended.

Now, we have done this on a number of occasions, and the net result, according to the statisticians, is that we have saved \$6 billion in taxpayer money. I think that was worth the effort.

What I am saying is that domestically it has been a hard fight. It has not been pleasant, but we have made headway by being candid, forthright, determined, and I think the public is on our side -- I think not only Republicans, but Independents.

And, as a result, I believe we have created the climate that gives our party and our candidates an opportunity to run on a record of responsibility, fiscally, a party that has a record of trying to do what was right and not necessarily what was political.

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Now, we are going to continue in the domestic area of trying to be straightforward, firm, openminded. In the field of foreign policy, we are going to continue our efforts of trying to negotiate rather than confront, and the best evidence of that is what was achieved in the last few weeks in getting two nations together that could not in the past agree -- Egypt and Israel -- to settle the problem in the Middle East.

I give full credit to the genius of Henry Kissinger, who did a superb job in taking two longstanding nations of vast differences, and the net result is we have made progress toward peace in that very volatile, difficult area, but wherever we go around the world, we are going to keep the pressure on, the pressure on for peace with strength, fairness and, I believe, the record will be one on the plus side.

But what makes it possible for us to have that capability is very simple; it is a military program second to none; not to wage war, but to insure the peace.

I know from my negotiations and discussions with world leaders they respect us because we are strong. They will work with us because we are able and, therefore, it is extremely important that America maintain an Army, a Navy, and Air Force and Marines that is second to none, not for war, but for peace, and that is what we have.

One final observation, if I might. I have made quite a campaign about trying to get the Government off your back, whether it is through the Executive Branch or through the regulatory agencies. I am not advocating all regulation-- certainly not that that involves health and safety--stripped, but there are some obsolete regulations, there are some obsolete laws, there are some bureaucrats that hang on to power like they had to have it to live.

We are going to get rid of some of these things. We are going to get rid of them because during a period of time when the last 25 years, to my own personal knowledge, there was this effort made to expand controls and to increase regulation.

I used to sit in the Chamber of the House of Representatives, and I would listen to these arguments about they had to do this for the people and they had to do that for the people and so forth.

I was reminded one time of a saying that was given to me a good many years ago of a man who said, "Don't ever forget that a Government big enough to give you everything you want is a Government big enough to take from you everything you have."

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I thank you all for being here and supporting and making the party fiscally solvent in the great State of Missouri.

I thank you all for the friendship you have given and the hospitality that you have expressed. I love Kit and Jack Danforth, and I love Gene Taylor. I just hope that you will send them back for the good of Missouri, but for the good of the country.

I can't say that I am going to wish you well on October 4, however, in Ann Arbor, Michigan. I know you will play very well, and you will be treated extremely well.

I played a few ball games in that stadium, but let me say I love Missourians, and I thank you for the wonderful day and the fine evening.

Thank you very much.

END (AT 10:35 P.M. CDT)