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THE WHITE HOUSE

REMARKS OF THE PRESIDENT  
AT A  
GOP DINNER

THE CENTURY PLAZA HOTEL

9:55 P.M. PST

Chuck, I can't express deeply enough -- and as deeply appreciative that I am -- of those more than generous words. Let me add, if I might, my great gratitude for the tremendous turnout here tonight that expresses a faith, a conviction, a dedication to the principles and the things that all of us believe in as Republicans in effectuating what we seek and desire at the local, the State and the Federal level.

But, let me say first I am delighted that Andy Hinshaw and Don Clausen are here, Ev Younger, of course Paul Haerle, and your incomparable leaders in the State, Margaret Brock and Bill Banowsky.

I have had the opportunity in several meetings this afternoon and this evening to renew acquaintanceships with some of the members of the legislature that I have met and, of course, those local officials that are so essential and vitally important, and I had the privilege again of renewing acquaintances with individuals I served with in both the House, as well as the Senate.

It is just nice to be here, and I can't express adequately my appreciation for the warm welcome.

You know, it is always a great enjoyment coming back to California, particularly when it is so close to October 31; (Laughter) a very special time when we observe the mysterious and supernatural; when people tell strange tales about big houses where rooms lay ghostly silent, where lights are never seen, where mortals never tread.

In most places, it is called Halloween; in California, it is called the Governor's Mansion. (Laughter)

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I deeply appreciate your kindness in tendering this Salute to the President's Dinner, but I would prefer to designate -- and I say this most sincerely -- this evening as a salute to all the men and women of the Republican Party of California and throughout the Nation who are working to prove that the elephant has not forgotten how to win elections or provide good Government.

Ladies and gentlemen, our Republican elephant will neither be stampeded nor exterminated. We are full of energy. We are full of faith. We will prove the rumors of our political extinction have been greatly exaggerated and certainly have no foundation in this great State of California.

California and the Republican Party started going together with Free Soil, Free Speech, John C. Fremont in your great State of California. Unfortunately, in 1856, California had only four electoral votes, and Fremont didn't get them.

But, let me say this with emphasis, and reiteration, if I might: I can assure you, as Republicans, we are going to get a lot better deal in California and the rest of the Nation in 1976 than we did in 1856. But, even more significantly and far more importantly, we will do much, much better than we did in 1974, here as well as elsewhere in this great Republic.

The reason I am confident -- and I can say this from traveling the length and breadth of this country -- is the hard spade-work that you are doing right here in California that is being repeated throughout the country. You are rescuing votes we would otherwise lose -- the votes of over one million registered Republicans who did not go to the polls last November.

You can be proud -- and I say this as a former precinct worker myself -- of the dynamic job being done by Walt Smith and Alice Ogle. They, and many other California stalwarts, have reregistered nearly 400,000 voters in this State alone.

Your voter registration drive is giving new life to the precincts and, as I said a moment ago, that is where I started, and I am proud of that heritage and that experience.

Your 1975 fund-raising, including the great work of the Golden Circle Club, is having its best year yet. You are building the Republican Party on the local level, where it really counts, and every elected official in this hall this evening knows that to be true. There is no substitute for it.

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We approach a year of decision, as I see it, for all Americans. It is the year to save the two-party system or abandon America to a one-party rule. It is a year to stop the annual growth of Federal budgets that already have amounted to more than we spent to win World War II. It is a year Republicans must stress our differences with Democrats rather than with other Republicans.

It is a year to win elections instead of arguments. It is, above all, the year to build a platform big enough to hold all who care about America and believe in the principles of the Republican Party.

Two hundred years ago our forebears set out to build a new kind of a nation which would govern itself through the political mechanisms of self-correcting balance. The governmental balance of powers which they envisioned and which we have perfected over the years is not limited to the constitutional separation of legislative, judicial and executive branches of the Federal Government, nor are the balanced scales of justice the property of the judiciary alone.

Justice, as Hamilton and Jefferson for once agreed, is the goal of all Government.

Balance is essential among the Congress and the President and the Federal courts, but so is balance among the States and the cities and the Federal establishment. So is balance among the conflicting claims of pressure groups and special interests within our complex society--and it is so complex--and if freedom is to endure, so is balance between our two great political parties.

And so is balance in our bookkeeping. If you don't believe it, just look what is happening to New York City. The only thing wrong with New York City -- and I had a few words to say about that today -- (Laughter) -- is that too many things have gotten out of balance, including far, far too many budgets. The only thing wrong with this country is that too many things have gotten out of balance, including too many budgets.

The balance has shifted against business and industry to the degree that both the freedom and the enterprise are being taxed and regulated right out of the free enterprise system. The balance on taxes has shifted to penalize hard-working, law-abiding Americans and especially taxpayers in the middle income groups and to reward able bodied adults who want benefits without work.

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The balance has shifted against the disadvantaged, the poor and the pensioners who live on fixed incomes as the Congress fires up inflation by voting benefits for many, many who don't need them at the expense of those who do. The balance has shifted against the States, counties and cities that practice sound fiscal management and in favor of those communities which spend beyond their means and look to Washington for a bail out.

The balance on crime has shifted so heavily on concern for the rights of the criminals that the rights of their victims are almost forgotten. I say this with emphasis, this must stop.

The balance on national defense has shifted against our Armed Forces to the point where many members of the Congress would rather spend your money for controversial social experiments than for the essential insurance of a defense second to none. You and I know that America's strength is the only solid basis for peace in the world and that weakness is the surest way, the surest path to war.

The balance of world power must not be shifted against us and the free world because without freedom, nothing else is of value. Freedom must always come first.

Fortunately, there is a way to correct all these imbalances. We have weights with which to right every balance. We do not call them weights, we call them ballots. For too long many Americans have been putting their weights, their votes, under the wrong side of the scales. Balance can be restored to this country's affairs and I stand here to ask for your help in this critical and crucial moment. With all our weights put together, yes, our ballots, we will do the job.

The job starts with the Congress. A Congress that refuses to cut taxes and spending is drastically out of balance and drastically out of touch with you and others who will go to the polls in November of 1976.

America's vitality and prosperity is being zapped by the irresponsibility of the Congress, the irresponsibility of their spending; a Congress dominated two to one by Democrats; a Congress controlled by Democrats for 38 out of the last 42 years, and I might add for 33 of those 38 years there have been substantial Federal deficits.

What have those deficits brought, or what have they brought to us. You are painfully aware of how a massive bureaucracy is running more and more of your individual daily life. You know how Democratic-controlled Congresses have discouraged your enterprise and your initiative, encouraged and endorsed the unfair redistribution of your efforts and your incomes to others.

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For the last 20 years, Congress after Congress, all controlled by Democrats, has spent and spent and elected and elected. In 1962, let me illustrate, if I might, very quickly, the Federal budget for the first time in American history exceeded \$100 billion. I can recall that vividly, it was a headline. It startled us, it shocked us.

I had been in Congress roughly 13 years and I couldn't believe it. Democratic Congresses then doubled the budget to \$200 billion in only eight more years. Unless we bring sanity to the spending madness of the present Congress, the Federal budget in the coming fiscal year will more than double again to an estimated \$423 billion.

Where did these massive increases come from? That is a good, legitimate, honest question that ought to be asked by all people, Democrat, Republican or otherwise. Because of the mountains of Federal debt incurred through soaring Congressional spending, annual interest -- annual interest on the public debt almost tripled in the last ten years, from \$11 billion in a period of one year. Interest has grown to \$32 billion in 12 months.

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Another example. Between 1965 and 1975, Democratic-controlled Congresses increased spending for the Department of Health, Education and Welfare by nearly 400 percent -- 400 percent. Ladies and gentlemen, how can this Democratic Congress now tell the American people -- and listen, because this is the crux of the issue we are to be faced with in the months ahead -- how can the Democratic Congress now tell the American people that it cannot hold down anticipated spending for fiscal 1977 by a mere 7 percent? They have no answer.

Just over three weeks ago, I made the Congress a perfectly reasonable proposition. The Congress wanted to cut income taxes again next year, but go right on spending to the tune of another \$60 billion deficit.

I said, okay, let's have a tax cut, an even bigger, more equitable and permanent tax cut than you are considering, a tax cut of \$28 billion. Americans do need more of their own paychecks to spend. But, along with a tax cut, let's have a comparable \$28 billion cut in the growth of Federal spending. They go hand in hand, partners, in trying to save America's fiscal situation now and in the future.

Let's set a spending ceiling of \$395 billion instead of the projected \$423 billion, and start right now to cut back our annual deficit so we can have a balanced budget, an honest one, a certain one within three years.

Did Members of the Congress say okay, we will try? You know the answer. They didn't. They howled, they cried, they said I was being political. Tell me -- and this is a thoughtful distinction -- tell me why is it political to want to cut spending along with taxes, but it is not political to cut taxes and go right on spending for politically popular programs?

Do you realize that under the laws Democratic Congresses have already written--they are in the statute books right now and have been for the last several years--without a single new appropriation or program, and despite everything I can do as President by vetoing further increases, our Federal expenditures will automatically increase next year by \$50 billion? No new programs, no changes in any laws, just the automatic increase because more people are eligible or their escalation clauses, or a wide variety of other reasons, an increase automatically of \$50 billion.

Fifty billion dollars in spending growth -- think of it for a minute. That is nearly five times the total annual spending of the great State of California.

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The majority in Congress -- as Chuck Reed said -- don't like my vetoes. If I could reiterate, those vetoes have already saved the taxpayers some \$6-1/2 billion, and I will go on vetoing unwise, unnecessary spending bills again and again and again.

The sole criteria will be, will it save you money and save our country's future? Now, the Congress obviously doesn't like my combination of a tax cut and a spending cut proposal. Having served 25 years in the Congress, I understand it. I know why. Without being seriously unkind to my former colleagues and some of their new Members, you know, some call this a spendthrift Congress.

I will say this: It is sure a lot more spend than thrift. But, to be more emphatic and more deliberate and more specific, I call it a "can't do Congress." They can't pass an energy bill, they can't face up to one issue after another, but most of all, on the issue I am discussing, they say "We can't cut the budget. They complain. They tell us we are to cut it. They ask, where do we start?"

Very well. Let me tell them. For a starter, Congress can begin by slashing the food stamp program. Every Congressman, Democratic as well as Republican, knows the abuses of the food stamp program are notorious.

Congress has no excuse whatsoever not to begin the \$28 billion reduction right here in this program. Congress can save taxpayers more than \$1 billion in 12 months by passing my proposed food stamp reform program.

This Democratic Congress knows as well as I do that approximately one--unbelievably--one out of every five Americans has now become eligible for food stamps. Congress knows that 57 percent of those eligible for food stamps are above the nationally defined poverty level -- 57 percent.

The Secretary of the Treasury, Bill Simon, who was here just a few days ago, he and his department have calculated that 43,000 American families with annual incomes above \$18,000 per year received food stamps last year. Forty-three thousand families. Why? You tell me why.

Why does a family earning \$18,000 a year need food stamps? Better still, tell your Congressmen and your Senators.

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Since 1965, the cost of this experiment has increased from \$34 million annually to nearly \$6 billion for every 12 months. Twenty-one million people, 41 times more than recipients in 1965, are now getting food stamps. It is unbelievable.

My policy in food stamps is simple, fair. The Federal Government should, within the limits of its resources, help Americans in need who cannot help themselves.

We should not give Federal assistance -- and I emphasize we should not give Federal assistance -- to able-bodied adults without dependents who do not choose to work.

I simply don't understand the logic of this Democratic-controlled Congress. If every housewife can revise her budget and every businessman can cut the frills out of his office, or industrial activity on spending, why can't the free spending Congressional Democrats do the same.

I say, in all sincerity, I will work with the Congress to insure that those who deserve the help of our Nation will continue to get it. The elderly, the poor, the men and women who have borne our Nation's arms, the Federal Government must and will meet these legitimate obligations, but we must not pay one more cent of tribute to interest groups with frills who can afford to work and we cannot afford to support.

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I will also keep faith with those who innovate and invest, those who work, those who pay their taxes, those who obey the law and those who save for their children's future. I speak to you in these very frank and categorical terms tonight to underscore my deep conviction and greatest concern, that a Government big enough to give us everything we want is a Government big enough to take from us everything we have.

While serving in the Congress, I won five watchdog of the Treasury in the White House now and in the future.

You know some of my friends told me I shouldn't come to California again -- (Laughter) -- they say there is nothing a President can learn by leaving Washington and meeting Americans face-to-face. Apparently only Congressmen, columnists and pollsters should talk to people. Well, I kind of prefer to get my information first-hand and speak to all of you face-to-face.

As President, I can advance programs, I can prod the Congress, but I need your voices, loud, clear, telling me where you stand and where you want to go individually and collectively.

Tonight, as I conclude, I will tell you where I stand. Your President will not cave in to the big spenders and the budget busters in the Congress.

Your President will not fling open the U.S. Treasury to every city with a hole in its pocket.

Your President will not let a massive bureaucracy dominate your State, your cities, your business, and, more importantly, your lives.

Your President will not play dead while the foreign oil cartel drains off \$25 billion plus a year from our economy.

And your President will never stand idly by while the Congress down-grades America's defenses and dismantles America's intelligence-gathering capability.

I believe America wants a President who is a fighter, not a patsy. And as President, I will join with you in the fight for the enduring principles of the Republican Party, those principles for which we have always stood: fiscal responsibility in Government, local control over local affairs, the freeing of the free enterprise system, a national defense second to none, and the realization of individual freedom for each and every one of us in 214 million other Americans.

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With your talent, with your enthusiasm, with your help, and, yes, appreciatively with your dollars, we can make 1976 a year for all Republicans and independents a year that they will remember fondly, constructively and wholesomely and a year the Democrats may never forget.

Thank you and good night.

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(AT 10:29 P.M. PST)