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THE WHITE HOUSETEXT OF REMARKS BY THE PRESIDENT  
TO BE DELIVERED TO THE  
ECONOMIC CLUB OF DETROIT

BLOOMFIELD, MICHIGAN

If my memory is correct, this is my tenth trip home to Michigan since I became President and my fourth to Detroit. I'm grateful for your warm welcome. It's always good to come home. It's especially gratifying to have the chance to participate in this distinguished forum with so many old friends. I know from our previous meeting of the breadth of interest and wealth of ability represented here.

I know you want in-depth understanding of various viewpoints on the complex issues affecting this great metropolitan area, our state and our country. I know you share my concern for America's security, our commerce, our responsible role in leadership of the free world.

I know, too, that you are doers -- the kind of people who pay more attention to how somebody does his job than how deftly he criticizes his competitors, who value performance over glowing prospectus. So at the risk of some immodesty, I'm going to talk a little about the job I have been doing for almost two years. I want to answer as many of your questions as I can, but first let me answer a very pointed but proper question I have often asked myself: "Jerry Ford, why are you asking your fellow Americans and your fellow Michiganders to let you go on being President for the next four years?"

And my answer is: "Because I've done a good job. Because I've turned a lot of things around and we're going in the right direction. Because I want a mandate from Michigan and the American people to finish the job." Much as I like to see new car sales going up, I just don't think this is the time to trade in your reliable Ford for a flashier model.

That's why I'm heading into the second quarter of a campaign which will determine the direction our country will take in the next four years and for the future. I want to talk about that future -- America's economic future in particular.

But, before looking ahead, consider for a moment, where we were in the first months of my Presidency. Then, some well known economists, labor and political leaders were predicting that we were headed into a deep depression, that unemployment would soon exceed ten percent, and that only massive action by the Federal Government could avert calamity.

Inflation had soared to an annual rate of over twelve percent. Interest rates had climbed steadily upward. And, most importantly, far too many Americans were laid off, and could not find new jobs.

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Just about a year ago we hit the bottom of our worst recession in 40 years. Many, in Congress and elsewhere, were urging that we push the panic button. In the Congress, the economic downturn set off a clamor for emergency federal subsidies, for bigger government programs and higher government spending. But, the prophets of doom were wrong and I knew they were wrong. We did not panic. We resisted big spending schemes that would have caused larger federal deficits and even more destructive inflation. We rejected the disproven techniques of the old politics.

Instead, we pursued a calm, steady policy to ensure America's economic health not for a month or six months, but for the long term. We had faith that the American system of private enterprise would regain its strength, and as a result, we meet today--not in the gloom of a recession--but in the full surge of economic recovery. Everything that is supposed to be going up is going up, and everything that should be coming down is coming down. Our system is working. Look at the indicators. The gross national product rose during the first quarter of this year at an annual rate of seven and a half percent. Total industrial production for March of this year was up 9.9 percent in real terms over the same month a year ago. The index of consumer confidence is double what it was a year ago. Consumer prices during the first quarter increased at the slowest rate in three and a half years. During 1974 the annual rate of inflation stood at twelve percent. We've cut that by well over 50 percent. Total employment has increased by 3.3 million since the recession low of last year, and now stands at an all-time high of 87.4 million, an increase of some 710 thousand jobs in the past month alone.

Unemployment is still far too high, particularly here in Michigan. But, the most recent state unemployment insurance figures show that unemployment in Michigan is dropping faster than it is in the rest of the nation--a 57 percent drop since February 1975. Nationally, the latest figures place unemployment at seven and one-half percent, considerably below the almost nine percent rate of last year's peak and proof that we're moving in the right direction. And finally, as you know, domestic automobile production is up by 51 percent over the comparable period last year--one million more new cars. Sales are up, and Americans are buying American made cars again. That means more American jobs and that's good news for Michigan and the whole economy. Our economic recovery was no accident. It didn't just happen. You made it happen and the policies of my Administration made it happen.

From the start, I forced the Congress to abandon or severely cut back reckless federal spending programs. One of my most important weapons is the veto. I have vetoed 49 bills sent to me by this Congress and 42 of my vetoes have been sustained, saving the American taxpayers some 13 billion dollars. That averages out to almost 200 dollars for every household which my vetoes have saved. And there are plenty more vetoes where those came from. We are now engaged in a great national debate, between our two great political parties, and within them, over the role of government in the lives of individuals, how much government can or should do for the people and how best to go about it. The federal government can create the economic climate and the incentives to ensure continued recovery, through changes in tax policies and other programs which encourage the creation of productive, permanent jobs in private industry. This is what I have done.

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Or, the Congress can vote more and more money for the Federal Government to create jobs itself. This is what the opposition proposes. Such programs as public works projects are throwbacks to the great depression and, of course, add substantially to our Federal deficit and increase the inflationary load all of us must bear.

The best place to examine this issue, of course, is in the Federal budgets for Fiscal Year 1977, which begins next October first, as proposed by the President and by the Congress.

This year for the first time there is not one Federal budget recommendation but two -- mine as President and the Congressional budget to be adopted by the House and Senate. The differences in the two budgets tell the story: They want to spend 413 billion dollars next year. I propose 395 billion dollars, saving 18 billion dollars in unneeded Federal expenditures.

Their budget, being voted on today in the House, authorizes 454 billion, two hundred million dollars in new, long-term spending. Mine would hold this commitment to 431 billion dollars, saving 23 billion dollars. Simply stated, my goal is the full restoration of the United States' economy as the world's most reliable engine for producing an ever-increasing standard of living and an economic climate in which every American who wants to work can find a good job.

But putting America to work is not a job for the President alone, or for the Congress alone -- though sometimes Senators and Congressmen seem to think they can abolish unemployment by passing new laws, such as the deceptive and dangerous Humphrey-Hawkins bill now pending.

This bill is a classic example of the way the misguided majority in recent Congresses has tried to apply discredited remedies to the economy. The Humphrey-Hawkins boondoggle would decree that unemployment must be no higher than three percent by the end of four years. If not enough private jobs are available, the Federal Government will make work. How much all of this would cost, how long such public payroll jobs would continue, what the added inflationary impact would be, really defies rational calculation. Never mind, the law would get the Federal Government deeper and deeper into economic planning on a national scale unprecedented in our history.

I am against Humphrey-Hawkins and all of the other schemes to give Washington more and more control over our lives. Instead, I have proposed tax reductions and other tax reforms to create more and better jobs in private industry. Some were enacted last year and are obviously working. But others, such as tax incentives to stimulate investment in new plants and equipment, are stalled in the Congress and should be acted upon quickly to help the job situation in hard-hit areas such as Michigan.

I have also recommended to the Congress that starting July 1 of this year we get an additional 10 billion dollar tax cut, 75 percent of it going to individuals and 25 percent going to business to provide employment. As part of this tax reform package, I want the personal exemption raised from 750 dollars to 1,000 dollars. This will give the middle income taxpayers, who have been shortchanged in recent years, the kind of tax relief they both need and deserve.

As we work to ensure prosperity, it is essential to remember that the American people want and demand the finest Army, Navy, Air Force and Marine Corps money can buy and they don't want our unsurpassed power for peace to become a political football this year.

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In providing funds for new military weapons and national security needs, an area of the Federal budget that Congresses have systematically gutted by some 50 billion dollars over the past decade, I am happy to report that the preliminary Congressional figures are roughly the same as the record 114 billion dollar Defense budget I submitted in January. In this area, at least, Congress seems to be getting the message. In fact, if progress in some areas has been slower than it should have been since I became President, those who are critical should focus on the right target -- Congress.

When I say Congress, I mean of course, the controlling majority of this Congress -- not the responsible minority, which includes members of both parties - who have stood with me for the principles of national security and deficit restraint. It is not Washington that is the problem but the wrong people in Washington who are the problem. The majority in the present Congress are the problem in the economic field. By their own budget decisions, they have said that they want to spend 18 billion dollars more next year than I do. They have said that the American people cannot have instead the additional 10 billion dollar tax cut I want to give them on July 1.

This Congressional majority has decided that they know much better how taxpayers money should be spent to help the economy than the people who earned it. They are the problem; I have been holding them back, but the American people in this election will have to help.

The same Congressional majority, for almost a decade before I became President, had been hacking away each year at the Defense budget to pay for their favorite social programs. They went on cutting another 7 billion dollars from the first Defense budget I submitted. It looks like I have them turned around this year. They are the problem; I am converting them, but the American people in this election will have to help.

That is why I am in this race, why I want a mandate from the American people in 1976, why I want to be your President for the next four years. I seek election to the Presidency not for myself but as the only way to ensure the continuity of realistic, responsible policies that are right for America, and what is more, are being proven right every passing day.

I want to maintain the peace that we now enjoy, advance the prospects for peace among all nations, secure that peace through strength and perseverance, and make certain that legacy of peace continues for our children and our grandchildren. I want to continue the policies of reliance on the private economy, reduction of taxes, cutting back bureaucracy and useless regulation, and budgetary and spending restraint that have brought us from the depths of recession to a sustained recovery, and to make certain that runaway inflation never again robs us or our loved ones of the rewards of honest work and lifetime savings.

Finally, I want to finish the most important job I have begun, the restoration of faith and trust in the Presidency itself. As I did not seek this office, neither shall I shirk it. I have always believed that truth is the glue that holds Government together. I will tell the truth to the American people as I see it, promising no more than I can deliver and delivering everything that I promise. The executive branch of the Government will be as honest, as open and as candid as I can make it, and so will my campaign for the high office I hold.

I run for President as I ran successfully 13 times in Michigan -- on my record of performance. Peace, prosperity and trust are my record of performance in the nearly two years since I became President. The reason I am in this race to stay is to ensure peace, prosperity and trust for the future.

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The future really doesn't belong to us. It belongs to those who come after us. As we look back on our 200 years as a Nation, there is one thread that runs all the way through our history. We Americans come from many lands, many races, many religions. Our ancestors came here or we came here to find freedom and justice, to escape oppression, to make new lives. What do we all have in common?

We know this: Life will be better for our children than it was for us. Why do we know this? Because life for us has been better than it was for our parents. That has been true for every generation of Americans and it will continue to be true as long as we make it true.

I see an America, once again tested in adversity, more sure of what we want to be and what we want our Nation to become. I see an America certain once again that life will be better for our children than it is for us -- and our children also certain that their heads and hands and hearts can help make it so.

I see a strong and confident America, secure in a strength that cannot alone be counted in megatons and rejoicing in riches that cannot be eroded by inflation or taxation. I see an American where life is valued for its quality as well as its comfort, where the individual is inviolate in his constitutional rights, and where the Government serves and the people rule.

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