The original documents are located in Box C12, folder "Presidential Handwriting, 2/6/1975" of the Presidential Handwriting File at the Gerald R. Ford Presidential Library.

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THE WHITE HOUSE
WASHINGTON
February 2, 1975

TO: <u>Don Rumsf</u>eld

FROM: PAUL THEIS

Attached is a draft of proposed Presidential remarks for use before an Editors/Publishers Media breakfast in Atlanta Tuesday morning. Would you let us have your comments and suggestions on this by noon Monday... along with your initials on the attached clearance form?

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TO:		THE PRESIDENT
VIA	•	ROBERT HARTMANN
FRO	OM:	PAUL A. THEIS
SUE	BJECT:	Remarks for Editors/Publishers Media
		Breakfast
TIM	E, DATE A	ND PLACE OF PRESIDENTIAL USE:
7:30	a.m., Tue	sday, February 4, 1975, Atlanta, Georgia
SPE	ECHWRITE	R: Bird/Pullen
EDITED BY: Theis		
BAS	SIC RESEAR	CH/SPEECH MATERIAL SUPPLIED BY:
Advance Office		
,		
CLEARED BY (Please initial):		
(x)	OPERATIO	NS (Rumsfeld)
(X)	CONGRESSIONAL/PUBLIC LIAISON (Marsh)	
(x)	PRESS (Ne	ssen)
()	LEGAL (Bu	chen)
(X)	ECONOMIC POLICY BOARD (Seidman)	
	OFFICE OF MANAGEMENT AND BUDGET (Lynn)	
		COUNCIL (Cole)
		SECURITY COUNCIL (Scowcroft)
	RESEARCH (Waldron)	
	OTHER Alan Greenspan	

DRAFT PRESIDENTIAL REMARKS FOR NEWS MEDIA BREAKFAST, ATLANTA, GEORGIA, TUESDAY, FEBRUARY 4, 1975

Good morning.

I don't know which I'm enjoying more -- the opportunity to meet some of the people who've been talking about me in print and on the air -- or eating a breakfast I didn't have to make myself.

I think meetings like this are very important. When I took this job, I promised to be a listening President. And the news business helps me to listen and to learn. But it is also important for me to meet with you and to hear your views first-hand and to share my problems and hopes with you.

One essential difference between democratic and autocratic governments is the dialogue between citizens . . . and their elected leaders. Your organizations are among the most effective vehicles for that dialogue -- including the resounding "yes" or "no" that officials get on election days.

I have come to Atlanta to promote this dialogue, and to ask specific help from each of you. The problems we face today cannot be solved without the understanding of the American people.

The major story this year is the economy -- a story you deal with daily.

It is a story that requires your highest ability to communicate because it is

complex. It hits people where they live. It has no easy cures.

Yesterday, I sent my budget message to Congress.

The budget is big. It calls for spending \$349 billion for the fiscal year beginning next July 1. That's nearly \$1 billion a day!

It will result in a large deficit for fiscal 1976 -- \$52 billion -- or \$1 billion per week! Believe me when I say the size of this deficit is of the deepest concern to me.

But if the Congress cooperates -- if it rejects the "easy" so-called cures and acts, we will be able to make such deficits unnecessary in the future. That requires the restoration of a healthy, productive economy.

That is one of my most compelling long-range objectives.

Before we can end deficits, we must cope first with the recession -by providing financial assistance to the unemployed and by stimulating the
economy through tax rebates and reductions.

But the budget I propose also attacks our other two major problems . . . continuing inflation and our unacceptable dependence on imported oil.

My budget is part of an integrated <u>total</u> plan to restore the economy and achieve energy independence.

The need for action on recession and inflation is self-evident.

You know it first-hand, as do individuals in unemployment lines and housewives in supermarkets.

But the need for reaching energy independence, while not as easily oil visualized as during the/embargo, is just as real.

We must act on all three fronts, much as this Nation fought on simultaneous fronts in World War II.

It is essential that in the drive to end the recession we not add to the fires of inflation. Therefore, when I examined the programs of the executive departments in preparing the current budget proposals, I decided the Nation cannot afford any new spending programs, except for energy.

None is proposed. And I repeat to you what I told the Congress:

I will veto any new spending programs which are sent to me.

As businessmen and realists, I believe you will share my rejection of the idea that certain programs cannot be cut. No program that costs the taxpayers too much and cripples our ability to manage our financial affairs is sacred.

I have proposed curbs on programs that some political realists consider untouchable -- including welfare, government salaries, subsidized housing and some types of public assistance -- programs that account for \$165 billion in the 1976 budget, or almost half of the total.

I consider it unthinkable to block out half of the budget as untouchable.

Just as other programs in the budget must be examined for reductions, so

must those in this huge and ever-expanding category.

The opposing political arguments are obvious. Cuts of these so-called
will
"transfer payments"/hurt some people. But the reality is this. Not
controlling our spending hurts all people.

Consider this: Various forms of payments to individuals have soared from almost \$42 billion in 1967 to \$165 billion in the proposed budget.

Unless this growth rate is checked, within two decades these expenditures could gobble up more than half of our entire gross national product.

A much maligned President, Calvin Coolidge, put the matter straight for all of us. He said: "I favor the policy of economy, not because I wish to save money, but because I wish to save people. The men and women of the country who toil are the ones who bear the cost of government."

We all know that far too many officials act as if someone other than the American people foots the bill for Government spending. A dangerous myth has grown up that it will be possible to solve our economic woes without some sacrifices by the American people.

Some people are now trying to use the same myth to solve the energy crisis.

This nation cannot deal with its economic problems and achieve energy independence without paying a price. We had a long and nearly fee ride in energy. But the free ride is over and we must fact the truth and respond with truth.

If we let the energy situation slide along without forceful action, we will find ourselves in the same terrible bind we now face with the budget and the \$52 billion deficit.

By 1985, if the present trend is not stopped, the United States will be importing more than half of its oil. That must now happen. The \$24 billion we paid last year alone for foreign oil was a terrible drain on our economy.

And the current level of oil imports is a serious threat to our national security.

We must promote domestic production. We must reduce wasteful consumption. We must encourage more efficient use of energy, and we must find new energy sources.

Doing all of these things -- and reviving the economy -- will not be easy.

It requires honesty, it requires dollars, and it requires patience and forebearance from every American involved in the dialogue of free people.

Earlier, I said I was going to ask specific help from you.

I don't ask you to back the policies of this Administration blindly.

Such editorial subservence would drive your customers away in a few weeks.

But when you and your analysts have taken a deep look at the proposals

I have made to turn this country around, I hope you will use your considerable

skills as communicators to spread the news -- good and bad -- as you see it.

Whether you agree or disagree with the programs I proposed, I intend to keep on listening to what you have to say. I want to know your views.

Lyndon Johnson once said that the job of President isn't so much doing what's right -- as knowing what's right to do.

I need your help. Perhaps more than in any other jobs in this country, both yours and mine require us to keep abreast of the thinking of the American people. And from my experience so far, I know this: The American people want their problems solved. They want action now.

I have charted the direction. Now, it's up to the Congress. This one can write itself into history as the action-oriented 94th or into oblivion as another "do-nothing" Congress.

Through your publications and stations, you can help to make Members of the Congress alert to their opportunity and aware of their responsibility.

Thank you.

THE WHITE HOUSE

WASHINGTON

February 6, 1975

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR:

PAUL THEIS

FROM:

JERRY H.

The attached was returned in the President's outbox with the following notation:

-- Why do I need a prepared text for editors, etc?

While this question is no longer relevant, you may want to respond to the President's inquiry. Please submit your response to the Office of the Staff Secretary.

.Thank you.

cc: Don Rumsfeld