The original documents are located in Box D34, folder "American Pharmaceutical Manufacturers Association, Boca Raton, FL, April 30, 1973" of the Ford Congressional Papers: Press Secretary and Speech File at the Gerald R. Ford Presidential Library.

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## AMERICAN PHARMACEUTICAL MANUFACTURERS ASSOCIATION, BOCA RATON, FLORIDA, 10 A.M. MONDAY, APRIL 30, 1973.

LADIES AND GENTLEMEN, IT IS A GREAT PLEASURE AND A DISTINCT PRIVILEGE TO APPEAR BEFORE YOU THIS MORNING.

YOU KNOW WHAT THE STANDARD FORMULA IS FOR A PUBLIC SPEECH. YOU TELL 'EM WHAT YOU ARE ABOUT TO TELL 'EM. THEN YOU GO AHEAD AND TELL IT. AND FINALLY YOU TELL 'EM WHAT YOU TOLD 'EM.

WELL, I AM NOT GOING TO FOLLOW
THAT FORMULA TODAY. I AM JUST GOING TO
CHAT WITH YOU A BIT. AND IN THE PROCESS
I HOPE TO IMPROVE MY IMAGE.

OH, YES, MY IMAGE NEEDS
IMPROVING. I THINK JUST ABOUT EVERY
POLITICIAN TODAY FEELS THAT WAY. YOU KNOW

HOW PEOPLE TALK. THEY SAY, "OH, HE'S JUST ANOTHER POLITICIAN."

MAYBE SOME OF YOU HAVE HEARD
THE STORY OF THE FOUR MEN WHO WERE FRIENDS
FROM BOYHOOD AND GOT TOGETHER IN THEIR
LATER YEARS. THEY WERE ALL WELL-ESTABLISHED
IN THEIR CAREERS, AND OVER A LEISURELY
LUNCH ONE DAY THEY BEGAN DISCUSSING THEIR
RESPECTIVE PROFESSIONS AND WHICH OF THE
PROFESSIONS WAS THE OLDEST.

"WELL," SAID THE DOCTOR, "EVE WAS CREATED FROM THE RIB OF ADAM, AND THAT REQUIRED A SURGICAL OPERATION, SO I WOULD SAY MEDICINE OR SURGERY IS THE OLDEST PROFESSION."

"AH, YES," SAID THE ARCHITECT AMONG THEM, "BUT BEFORE EVEN ADAM COULD BE CREATED THERE HAD TO BE A PLACE FOR

HIM TO LIVE, A WORLD, A UNIVERSE, AND
THAT REQUIRED ARCHITECTURAL PLANNING,
WHICH MAKES MINE THE OLDEST PROFESSION."
"OBJECTION!" CRIED THE LAWYER.

"BEFORE THE WORLD WAS CREATED THERE WAS CHAOS, AND BEFORE ANYTHING COULD BE BUILT SOMEONE HAD TO STRAIGHTEN OUT THE CHAOS...AND THAT'S A LAWYER'S JOB. SO I CLEARLY REPRESENT THE OLDEST PROFESSION."

"BUT GENTLEMEN," HE SAID, "WHO DO YOU THINK CREATED THE CHAOS?"

EVEN MY FRIENDS IN CONGRESS THINK
THAT'S A PRETTY GOOD JOKE. BUT
UNFORTUNATELY IT DESCRIBES ALL TOO
ACCURATELY THE FACT THAT CONGRESS IN
RECENT WEEKS HAS BEEN ENGAGED IN DOING

EXACTLY THAT -- CREATING CHAOS.

I REFER TO REPEATED ATTEMPTS TO SET UP CONFRONTATIONS WITH THE PRESIDENT OVER FEDERAL SPENDING.

I FIRMLY BELIEVE THE AMERICAN
PEOPLE ARE WITH THE PRESIDENT IN THE
CURRENT SERIES OF CONFRONTATIONS BETWEEN
HIM AND THE BIG SPENDERS IN CONGRESS.
THIS EVIDENCE OF PUBLIC SUPPORT HAS HELPED
TO PROMOTE THE REMARKABLE PARTY DISCIPLINE
EXHIBITED BY REPUBLICANS IN THE HOUSE AND
SENATE ALIKE ON THE ATTEMPTS MADE TO DATE
BY DEMOCRATIC LEADERS TO OVERRIDE
PRESIDENTIAL VETOES OF BUDGET-BUSTING
BILLS.

BUT REPUBLICANS AND A NUMBER OF LIKE-MINDED DEMOCRATS HAVE STOOD UP TO THE CHALLENGE POSED BY THE BIG SPENDERS.

AND SO I PREDICT THERE WILL BE NO INCREASE IN FEDERAL INCOME TAXES THIS YEAR OR FOR THE NEXT THREE YEARS.

THERE WILL BE NO INCREASE IN FEDERAL INCOME TAXES IF THE AMERICAN PEOPLE CONTINUE TO SUPPORT THE PRESIDENT IN HIS EFFORTS TO HOLD BACK ON FEDERAL SPENDING.

IT HAS BEEN MIGHTY TOUGH FOR REPUBLICANS IN THE CONGRESS TO VOTE TO SUSTAIN PRESIDENTIAL REJECTION OF BILLS LIKE THE VOCATIONAL REHABILITATION ACT OF 1972 AND THE RURAL SEWER AND WATER ACT. BUT THEY HAVE SENSED THAT THE PEOPLE ARE BEHIND THEM, AND THAT GAVE THEM THE BACKBONE TO STAND UP FOR FISCAL SANITY.

THEY KNOW, TOO, THAT WE IN THE CONGRESS WHO BELIEVE IN FISCAL

RESPONSIBILITY HAVE TO STAND UP AGAINST THE WHOLE FLOOD OF BUDGET-BUSTING BILLS THE BIG SPENDERS ARE THROWING AT US OR THE DAM WILL BREAK AND ALL SEMBLANCE OF FISCAL ORDER WILL BE SWEPT AWAY.

THE STAKES ARE CLEAR. WHAT IS
AT ISSUE IS SIMPLY WHETHER WE WILL HOLD
THE LINE AGAINST A FEDERAL TAX INCREASE.
THE NEED IS FOR ENOUGH DISCIPLES OF FISCAL



RESPONSIBILITY IN THE CONGRESS TO MAKE
THE PRESIDENT'S SPENDING HOLDBACK STICK
AND THUS HOLD TAXES DOWN. THEY NEED YOUR
SUPPORT.

YOU KNOW WHAT THE SCORE IS. PEOPLE CAN ARGUE UNTIL THEY ARE BLUE IN THE FACE ABOUT THE RIGHT OF THE PRESIDENT TO IMPOUND FUNDS. BUT THE FACT REMAINS THAT IF THE PRESIDENT HAD NOT SLAPPED A \$250 BILLION CEILING ON FEDERAL OUTLAYS FOR FISCAL 1973, WE WOULD BE SPENDING \$11 BILLION MORE THAN THAT THIS FISCAL YEAR. INSTEAD OF AN ESTIMATED DEFICIT OF \$25 BILLION, WE WOULD HAVE A FISCAL 1973 DEFICIT OF \$36 BILLION. AND THEN THE WHEELS WOULD REALLY FLY OFF THE ECONOMIC BUGGY.

LET'S PROJECT THAT BUILT-IN
SPENDING A BIT. THE MOMENTUM OF IT WOULD
HAVE PUSHED FEDERAL OUTLAYS IN FISCAL 1974
TO \$19 BILLION ABOVE THE PRESIDENT'S
1974 REQUEST, AND IT WOULD HAVE SHOVED
FEDERAL SPENDING \$24 BILLION ABOVE THE
PRESIDENT'S PROPOSALS FOR FISCAL 1975.

THAT \$24 BILLION IS AN INTERESTING FIGURE, ESPECIALLY WHEN YOU LAY IT ALONGSIDE THE ESTIMATE THAT AMERICAN TAXPAYERS WILL RECEIVE FEDERAL INCOME TAX REFUNDS TOTALLING \$20 TO \$22 BILLION THIS YEAR. THINK OF IT! THE EXCESS OF SPENDING THAT THE BIG SPENDERS IN CONGRESS WANTED TO COMMIT US TO FOR FISCAL 1975 WOULD HAVE TOPPED THIS YEAR'S \$22 BILLION IN INCOME TAX REFUNDS.

I AM DEEPLY COMMITTED TO PROGRAMS

LIKE VOCATIONAL REHABILITATION. BUT I AM
JUST AS DEEPLY COMMITTED TO THE PRINCIPLE
THAT THESE PROGRAMS MUST BE CARRIED
FORWARD AT A FISCALLY RESPONSIBLE SPENDING
LEVEL. I BELIEVE WE SHOULD PRODUCE
100 CENTS WORTH OF HUMAN BENEFITS FOR
EVERY TAX DOLLAR WE SPEND.

IN THAT CONNECTION, DON'T LET
ANYBODY TELL YOU THE PRESIDENT JUST BLINDLY
ORDERED CUTS IN FEDERAL PROGRAMS. HE
PROCEEDED ONLY AFTER THE OFFICE OF
MANAGEMENT AND BUDGET HAD CONDUCTED THE
MOST EXHAUSTIVE EVALUATION OF FEDERAL
PROGRAMS EVER UNDERTAKEN. AND DO YOU KNOW
WHAT THAT STUDY SHOWED? OF THE MORE THAN
1,000 FEDERAL GRANT PROGRAMS REVIEWED, 115
WERE FOUND TO BE RIDDLED WITH WASTE AND
INEFFICIENCY. THERE IS NO MONEY FOR SUCH

PROGRAMS IN PRESIDENT NIXON'S BUDGETS.

AS I SAID EARLIER, THE AMERICAN PEOPLE HAVE REPEATEDLY SHOWN THEY WANT TO HOLD THE LINE ON TAXES.

THE CURRENT DEBATE OVER FEDERAL SPENDING IS TRULY HISTORIC. IT IS HISTORIC NOT BECAUSE OF A CONSTITUTIONAL CRISIS, AS MANY ASERT, BUT BECAUSE THE OUTCOME IS SO IMPORTANT TO THE STRENGTH AND FUTURE OF THE UNITED STATES AS LEADER OF THE FREE WORLD.

DURING HIS FIRST TERM, PRESIDENT NIXON TOOK INITIATIVES IN THE AREA OF FOREIGN AFFAIRS WHICH HAVE REVITALIZED AMERICAN FOREIGN POLICY AND MADE IT REALISTIC AND VIABLE IN THE 1970'S. NOW, IN HIS SECOND TERM, THE PRESIDENT HAS PROPOSED BOLD STEPS IN THE DOMESTIC FIELD.

HE SEEKS TO REORGANIZE THE EXECUTIVE BRANCH TO MAKE GOVERNMENT MORE RESPONSIVE TO THE PEOPLE AND TO THE DEMANDS OF THE FUTURE.

HE SEEKS TO PHASE OUT THE TIRED, WASTEFUL AND INEFFECTIVE PROGRAMS OF THE 60'S -- AND TO REPLACE THOSE PROGRAMS WITH A STREAMLINED REVENUE SHARING APPROACH THAT SHIFTS POWER TO LEVELS OF GOVERNMENT WHERE THE PROBLEMS AND THE PEOPLE ARE.

THE PRESIDENT SEEKS ALSO TO BRING FEDERAL SPENDING MORE NEARLY IN LINE WITH FEDERAL REVENUES.

AS HE DID IN THE INTERNATIONAL FIELD, PRESIDENT NIXON IS PROVIDING BOLD AND IMAGINATIVE INITIATIVE ON THE DOMESTIC FRONT. AND CONGRESS IS CHALLENGED AS NEVER BEFORE -- NOT FOR POWER -- BUT TO

DEMONSTRATE AN EQUAL MEASURE OF RESPONSIBILITY.

AMERICAN TAXPAYERS ARE WATCHING CLOSELY TO SEE WHAT THE RESPONSE OF CONGRESS WILL BE.

IF THE SPEND AND ELECT PHILOSOPHY WAS GOOD POLITICS IN THE PAST, I SUGGEST TO THE POLITICAL PRAGMATISTS THAT A NEW DAY IS HERE. THE AMERICAN TAXPAYERS WHO ARE WATCHING CONGRESS KNOW THAT MASSIVE NEW FEDERAL SPENDING WILL MEAN HIGHER TAXES.

THOSE IN CONGRESS WHO FAIL TO RECOGNIZE THAT A NEW DAY IS AT HAND WILL NOT ONLY FAIL THEIR COUNTRY IN THIS HOUR OF NEED, BUT THEY MAY SOON BECOME PART OF THE POLITICAL PAST THEMSELVES.

THE IMPLICATIONS OF THE

BATTLE OF THE BUDGET GO FAR BEYOND THOSE OF US IN THIS HALL TODAY. THIS BATTLE TOUCHES THE LIVES OF THE NEW GENERATION --OUR YOUNG PEOPLE WHO DEMONSTRATED IN THE LAST ELECTION THAT THEY ARE NOT ABOUT TO GO TROOPING AFTER THE PIED PIPERS OF PACIFISM, PROTEST AND POT.

THESE YOUNG PEOPLE ARE JUST GETTING STARTED IN LIFE. AND THEY ARE THE PEOPLE WHO WILL BUILD THE AMERICA OF THE FUTURE.

WHAT KIND OF HERITAGE ARE WE GOING TO HAND THEM? HOW BIG A DEBT ARE WE GOING TO PASS ALONG TO THEM? HOW SOUND WILL THE ECONOMY BE AS THEY MOVE INTO PARENTHOOD AND RAISE FAMILIES?

I DON'T KNOW HOW WELL WE WILL LIVE UP TO THE CHALLENGES FACING US BUT,

BELIEVE ME, WE HAVE A RESPONSIBILITY TO KEEP AMERICA STRONG AND GROWING AS THE NEW GENERATION BEGINS TO TAKE OVER.

MAKE NO MISTAKE, THE NEW
GENERATION OF AMERICANS IS GOING TO RUN
UP AGAINST TOUGH COMPETITION IN THIS
WORLD. EVEN IF WE ESCAPE THE CALAMITY OF
MAJOR WARS, AMERICA IS CERTAIN TO BE
CHALLENGED AS NEVER BEFORE.

CHINA, SEEING A TOTALLY DIFFERENT
CIVILIZATION AND POLITICAL SYSTEM, HIDDEN
FROM AMERICANS FOR A QUARTER CENTURY. IT
WAS A FASCINATING EXPERIENCE, AND IN SOME
WAYS A FRIGHTENING ONE. IMAGINE
800 MILLION PEOPLE, GROWING AT THE RATE
OF TWO NEW YORK CITIES PER YEAR, TRYING
WITH INCREDIBLE DEDICATION AND DISCIPLINE

TO CONSTRUCT A NEW KIND OF SOCIETY -- A SOCIETY THAT WORKS AND THINKS AND ACTS ACCORDING TO THE SAYINGS OF CHAIRMAN MAO.

THE CHINESE CALL THEIR GOAL COMMUNISM AND THEIR SYSTEM MARXIST, BUT IT IS VASTLY DIFFERENT FROM THE RUSSIAN AND EUROPEAN EXPERIMENTS WE HAVE SEEN EVOLVING. ONE OF CHINA'S MOST IMPRESSIVE ACCOMPLISHMENTS HAS BEEN IN THE FIELD OF PUBLIC HEALTH AND PHYSICAL FITNESS. CLEANLINESS IS A NATIONAL PASSION -- OLD CHINA HANDS SIMPLY CANNOT BELIEVE THAT IN TWO WEEKS AND THOUSANDS OF MILES OUR PARTY SAW ONLY TWO FLIES AND NO MOSQUITOES. THE CHINESE PEOPLE, PARTICULARLY THE YOUNGSTERS, APPEAR TO BE ADEQUATELY FED, HEALTHY, HARD-WORKING AND CONTENT.

THERE IS NO FREE COMPETITION IN

THE MARKETPLACE, OF COURSE, BUT THE CHINESE CAREFULLY CULTIVATE THE COMPETITIVE SPIRIT IN THEIR COLLECTIVE SYSTEM. TEAMS ON THE FARM AND IN THE FACTORIES COMPETE AGAINST ONE ANOTHER. AND AS THE WORLD KNOWS FROM THEIR PINGPONG PROWESS, CHINA'S LEADERS ARE PUSHING COMPETITIVE SPORTS IN EVERY CORNER OF THE LAND. NOT YET FOOTBALL. BUT WOULD YOU BELIEVE BASKETBALL? I SAW MORE BASKETBALL COURTS DRIVING THRU CHINA THAN ONE SEES IN AMERICA -- AND I SAW THREE-YEAR-OLD BOYS IN NURSERY SCHOOL PLAYING WITH MINATURE BASKETS AND A SMALLER BALL, PLAYING I MIGHT SAY WITH MORE SPIRIT THAN SKILL.

WHAT DOES ORIENTAL BASKETBALL
HAVE TO DO WITH US? JUST THIS. IF WE ARE
TO REALIZE A GENERATION OF PEACE,

AS WE PRAY, WE WILL STILL NEED TEAMWORK AND DISCIPLINE AND PHYSICAL STAMINA TO SURVIVE THE PEACEFUL COMPETITION OF THE FUTURE. NO SOFT, FLABBY, LUXURY-LOADED, LAZY, LICENTIOUS NATION HAS EVER SURVIVED.

THE WHOLE COURSE OF HISTORY IS ONE OF HUMAN SOCIETIES STRIVING TO FIND THE RIGHT MIX OF APPARENTLY CONTRADICTORY IDEALS -- ON THE ONE HAND, DISCIPLINE AND DEDICATION; ON THE OTHER, INDIVIDUALITY AND FREEDOM.

WHENEVER ANY SOCIETY GOES TOO FAR IN EITHER DIRECTION IT IS IN TROUBLE. TOO MUCH DISCIPLINE LEADS TO DESPOTISM AND THAT CORRUPTS AND CORRODES THE HUMAN SPIRIT. TOO MUCH INDIVIDUALITY AND FREEDOM BRINGS DISORDER AND ANARCHY AND CHAOS, FROM WHICH A STRONG MAN EVENTUALLY ARISES.

BOTH EXTREMES COME TO THE SAME END.

IF WE ARE TO MEET THE CHALLENGE
POSED BY SOCIETIES MORE DEDICATED AND
DISCIPLINED THAN OURS, WE MUST TOUGHEN
OURSELVES. WE MUST RECOVER SOME OF THE
TEAMWORK AND MUSCLE THAT TAMED THE
AMERICAN WILDERNESS. WE MUST REVITALIZE
OUR SENSE OF NATIONAL UNITY AND PURPOSE.
WE ARE CONFRONTED BY ENORMOUS

AND COMPLEX PROBLEMS AT HOME AND ABROAD.

BUT THE SPIRIT THAT HAS GUIDED
OUR NATION THROUGHOUT ITS HISTORY LIVES
ON AND INSPIRES US ALL TO OVERCOME THE
PROBLEMS WHICH FACE US TODAY AND TO MAKE
THIS COUNTRY -- WHICH IS THE GREATEST FREE
REPUBLIC IN THE HISTORY OF THE WORLD -EVEN GREATER.

AMERICA WILL ENDURE. IT WILL ENDURE BECAUSE ITS STRENGTH COMES NOT FROM MIGHTY POLITICAL FIGURES AND DRAMATIC FORCES BUT FROM THE SPIRIT OF FREEDOM, THE STEADY FORCE WHICH NEVER FAILS. IT IS THIS FORCE WHICH PROVIDES A NEVER-ENDING RESERVOIR OF POWER AND ENABLES US TO MEET THE CHALLENGES OF THE GREAT CAUSES FOR WHICH THIS NATION STANDS.

THIS IS THE ROCK ON WHICH TO BUILD -- THE SPIRIT OF FREEDOM -- THE SPIRIT IN WHICH THIS NATION WAS FOUNDED AND GREW TO GREATNESS. SO LET US BE WORTHY OF THE GLORIES OF OUR HERITAGE AND THE PROMISE OF OUR FUTURE.

20 capies of Mr. 7 only

REMARKS BY REP. GERALD R. FORD, R-MICH.
REPUBLICAN LEADER, U. S. HOUSE OF REPRESENTATIVES

BEFORE THE AMERICAN PHARMACEUTICAL MANUFACTURERS ASSOCIATION

BOCA RATON, FLORIDA
10 a.m. MONDAY, APRIL 30, 1973

## FOR RELEASE ON DELIVERY

Ladies and gentlemen, it is a great pleasure and a distinct privilege to appear before you this morning.

You know what the standard formula is for a public speech. You tell 'em what you are about to tell 'em. Then you go ahead and tell it. And finally you tell 'em what you told 'em.

Well, I am not going to follow that formula today. I am just going to chat with you a bit. And in the process I hope to improve my image.

Oh, yes, my image needs improving. I think just about every politician today feels that way. You know how people talk. They say, "Oh, he's just another politician."

Maybe some of you have heard the story of the four men who were friends from boyhood and got together in their later years. They were all well-established in their careers, and over a leisurely lunch one day they began discussing their respective professions and which of the professions was the oldest.

"Well," said the doctor, "Eve was created from the rib of Adam, and that required a surgical operation, so I would say medicine or surgery is the oldest profession."

"Ah, yes," said the architect among them, "but before even Adam could be created there had to be a place for him to live, a world, a universe, and that required architectural planning, which makes mine the oldest profession."

"Objection!" cried the lawyer. "Before the world was created there was chaos, and before anything could be built someone had to straighten out the chaos...and that's a lawyer's job. So I clearly represent the oldest profession."

Finally the politician spoke up. "But gentlemen," he said, "who do you think created the chaos?"

Even my friends in Congress think that's a pretty good joke. But unfortunately it describes all too accurately the fact that Congress in recent weeks has been engaged in doing exactly that -- creating chaos.

I refer to repeated attempts to set up confrontations with the President over Federal spending.

I firmly believe the American people are with the President in the current series of confrontations between him and the big spenders in Congress. This evidence of public support has helped to promote the remarkable party discipline exhibited by Republicans in the House and Senate alike on the attempts made to date by Democratic leaders to override Presidential vetoes of budget-busting bills.

But Republicans and a number of like-minded Democrats have stood up to the challenge posed by the big spenders. And so I predict there will be no increase in Federal income taxes this year or for the next three years.

There will be no increase in Federal income taxes if the American people continue to support the President in his efforts to hold back on Federal spending.

It has been mighty tough for Republicans in the Congress to vote to sustain Presidential rejection of bills like the Vocational Rehabilitation Act of 1972 and the Rural Sewer and Water Act. But they have sensed that the people are behind them, and that gave them the backbone to stand up for fiscal sanity.

They know, too, that we in the Congress who believe in fiscal responsibility have to stand up against the whole flood of budget-busting bills the big spenders are throwing at us or the dam will break and all semblance of fiscal order will be swept away.

The stakes are clear. What is at issue is simply whether we will hold the line against a Federal tax increase. The need is for enough disciples of fiscal responsibility in the Congress to make the President's spending holdback stick and thus hold taxes down. They need your support.

You know what the score is. People can argue until they are blue in the face about the right of the President to impound funds. But the fact remains that if the President had not slapped a \$250 billion

ceiling on Federal outlays for fiscal 1973, we would be spending \$11 billion more than that this fiscal year. Instead of an estimated deficit of \$25 billion, we would have a fiscal 1973 deficit of \$36 billion. And then the wheels would really fly off the economic buggy.

Let's project that built-in spending a bit. The momentum of it would have pushed Federal outlays in fiscal 1974 to \$19 billion above the President's 1974 request, and it would have shoved Federal spending \$24 billion above the President's proposals for fiscal 1975.

That \$24 billion is an interesting figure, especially when you lay it alongside the estimate that American taxpayers will receive Federal income tax refunds totalling \$20 to \$22 billion this year. Think of it! The excess of spending that the big spenders in Congress wanted to commit us to for fiscal 1975 would have topped this year's \$22 billion in income tax refunds.

I am deeply committed to programs like vocational rehabilitation. But I am just as deeply committed to the principle that these programs must be carried forward at a fiscally responsible spending level. I believe we should produce 100 cents worth of human benefits for every tax dollar we spend.

In that connection, don't let anybody tell you the President just blindly ordered cuts in Federal programs. He proceeded only after the Office of Management and Budget had conducted the most exhaustive evaluation of Federal programs ever undertaken. And do you know what that study showed? Of the more than 1,000 Federal grant programs reviewed, 115 were found to be riddled with waste and inefficiency. There is no money for such programs in President Nixon's budgets.

As I said earlier, the American people have repeatedly shown they want to hold the line on taxes.

The current debate over federal spending is truly historic. It is historic not because of a Constitutional crisis, as many assert, but because the outcome is so important to the strength and future of the United States as leader of the free world.

During his first term, President Nixon took initiatives in the area of foreign affairs which have revitalized American foreign policy and made it realistic and viable in the 1970's. Now, in his second term, the President has proposed bold steps in the domestic field.

He seeks to reorganize the executive branch to make government more responsive to the people and to the demands of the future.

He seeks to phase out the tired, wasteful and ineffective programs of the 60's -- and to replace those programs with a stream-lined revenue sharing approach that shifts power to levels of government where the problems and the people are.

The President seeks also to bring federal spending more nearly in line with federal revenues.

As he did in the international field, President Nixon is providing bold and imaginative initiative on the domestic front. And Congress is challenged as never before -- not for power -- but to demonstrate an equal measure of responsibility.

American taxpayers are watching closely to see what the response of Congress will be.

If the spend and elect philosophy was good politics in the past, I suggest to the political pragmatists that a new day is here. The American taxpayers who are watching Congress know that massive new federal spending will mean higher taxes.

Those in Congress who fail to recognize that a new day is at hand will not only fail their country in this hour of need, but they may soon become part of the political past themselves.

The implications of the Battle of the Budget go far beyond those of us in this hall today. This battle touches the lives of the new generation -- our young people who demonstrated in the last election that they are not about to go trooping after the Pied Pipers of pacifism, protest and pot.

These young people are just getting started in life. And they are the people who will build the America of the future.

What kind of heritage are we going to hand them? How big a debt are we going to pass along to them? How sound will the economy be as they move into parenthood and raise families?

I don't know how well we will live up to the challenges facing us but, believe me, we have a responsibility to keep America strong and growing as the new generation begins to take over.

Make no mistake, the new generation of Americans is going to run up against tough competition in this world. Even if we escape the calamity of major wars, America is certain to be challenged as never before.

Last summer I visited Mainland China, seeing a totally different civilization and political system, hidden from Americans for a quarter century. It was a fascinating experience, and in some ways a frightening one. Imagine 800 million people, growing at the rate of two New York Cities per year, trying with incredible dedication and discipline to construct a new kind of society -- a society that works and thinks and acts according to the sayings of Chairman Mao.

The Chinese call their goal communism and their system Marxist, but it is vastly different from the Russian and European experiments we have seen evolving. One of China's most impressive accomplishments has been in the field of public health and physical fitness. Cleanliness is a national passion — old China hands simply cannot believe that in two weeks and thousands of miles our party saw only two flies and no mosquitoes. The Chinese people, particularly the youngsters, appear to be adequately fed, healthy, hard-working and content.

There is no free competition in the marketplace, of course, but the Chinese carefully cultivate the competitive spirit in their collective system. Teams on the farm and in the factories compete against one another. And as the world knows from their pingpong prowess, China's leaders are pushing competitive sports in every corner of the land. Not yet football. But would you believe basketball? I saw more basketball courts driving thru China than one sees in America — and I saw three-year-old boys in nursery school playing with minature baskets and a smaller ball, playing I might say with more spirit than skill.

What does Oriental basketball have to do with us? Just this. If we are to realize a generation of peace, as we pray, we will still need teamwork and discipline and physical stamina to survive the peaceful competition of the future. No soft, flabby, luxury-loaded, lazy, licentious nation has ever survived.

The whole course of history is one of human societies striving to find the right mix of apparently contradictory ideals -- on the one hand, discipline and dedication; on the other, individuality and freedom.

Whenever any society goes too far in either direction it is in trouble. Too much discipline leads to despotism that corrupts and corrodes the human spirit. Too much individuality and freedom brings disorder and anarchy and chaos, from which a strong man eventually arises. Both extremes come to the same end.

If we are to meet the challenge posed by societies more dedicated and disciplined than ours, we must toughen ourselves. We must recover some of the teamwork and muscle that tamed the American wilderness. We must revitalize our sense of national unity and purpose.

We are confronted by enormous and complex problems at home and abroad.

But the spirit that has guided our Nation throughout its history lives on and inspires us all to overcome the problems which face us today and to make this country -- which is the greatest free republic in the history of the world -- even greater.

America will endure. It will endure because its strength comes not from mighty political figures and dramatic forces but from the spirit of freedom, the steady force which never fails. It is this force which provides a never-ending reservoir of power and enables us to meet the challenges of the great causes for which this Nation stands.

This is the rock on which to build -- the spirit of freedom -- the spirit in which this Nation was founded and grew to greatness. So let us be worthy of the glories of our heritage and the promise of our future.

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REMARKS BY REP. GERALD R. FORD, R-MICH.
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Let's project that built-in spending a bit. The momentum of it would have pushed Federal outlays in fiscal 1974 to \$19 billion above the President's 1974 request, and it would have shoved Federal spending \$24 billion above the President's proposals for fiscal 1975.

That \$24 billion is an interesting figure, especially when you lay it alongside the estimate that American taxpayers will receive Federal income tax refunds totalling \$20 to \$22 billion this year. Think of it! The excess of spending that the big spenders in Congress wanted to commit us to for fiscal 1975 would have topped this year's \$22 billion in income tax refunds.

I am deeply committed to programs like vocational rehabilitation. But I am just as deeply committed to the principle that these programs must be carried forward at a fiscally responsible spending level. I believe we should produce 100 cents worth of human benefits for every tax dollar we spend.

In that connection, don't let anybody tell you the President just blindly ordered cuts in Federal programs. He proceeded only after the Office of Management and Budget had conducted the most exhaustive evaluation of Federal programs ever undertaken. And do you know what that study showed? Of the more than 1,000 Federal grant programs reviewed, 115 were found to be riddled with waste and inefficiency. There is no money for such programs in President Nixon's budgets.

As I said earlier, the American people have repeatedly shown they want to hold the line on taxes.

The current debate over federal spending is truly historic. It is historic not because of a Constitutional crisis, as many assert, but because the outcome is so important to the strength and future of the United States as leader of the free world.

During his first term, President Nixon took initiatives in the area of foreign affairs which have revitalized American foreign policy and made it realistic and viable in the 1970's. Now, in his second term, the President has proposed bold steps in the domestic field.

He seeks to reorganize the executive branch to make government more responsive to the people and to the demands of the future.

He seeks to phase out the tired, wasteful and ineffective programs of the 60's -- and to replace those programs with a stream-lined revenue sharing approach that shifts power to levels of government where the problems and the people are.

The President seeks also to bring federal spending more nearly in line with federal revenues.

As he did in the international field, President Nixon is providing bold and imaginative initiative on the domestic front. And Congress is challenged as never before -- not for power -- but to demonstrate an equal measure of responsibility.

American taxpayers are watching closely to see what the response of Congress will be.

If the spend and elect philosophy was good politics in the past, I suggest to the political pragmatists that a new day is here. The American taxpayers who are watching Congress know that massive new federal spending will mean higher taxes.

Those in Congress who fail to recognize that a new day is at hand will not only fail their country in this hour of need, but they may soon become part of the political past themselves.

The implications of the Battle of the Budget go far beyond those of us in this hall today. This battle touches the lives of the new generation -- our young people who demonstrated in the last election that they are not about to go trooping after the Pied Pipers of pacifism, protest and pot.

These young people are just getting started in life. And they are the people who will build the America of the future.

What kind of heritage are we going to hand them? How big a debt are we going to pass along to them? How sound will the economy be as they move into parenthood and raise families?

I don't know how well we will live up to the challenges facing us but, believe me, we have a responsibility to keep America strong and growing as the new generation begins to take over.

Make no mistake, the new generation of Americans is going to run up against tough competition in this world. Even if we escape the calamity of major wars, America is certain to be challenged as never before.

Last summer I visited Mainland China, seeing a totally different civilization and political system, hidden from Americans for a quarter century. It was a fascinating experience, and in some ways a frightening one. Imagine 800 million people, growing at the rate of two New York Cities per year, trying with incredible dedication and discipline to construct a new kind of society -- a society that works and thinks and acts according to the sayings of Chairman Mao.

The Chinese call their goal communism and their system Marxist, but it is vastly different from the Russian and European experiments we have seen evolving. One of China's most impressive accomplishments has been in the field of public health and physical fitness. Cleanliness is a national passion — old China hands simply cannot believe that in two weeks and thousands of miles our party saw only two flies and no mosquitoes. The Chinese people, particularly the youngsters, appear to be adequately fed, healthy, hard-working and content.

There is no free competition in the marketplace, of course, but the Chinese carefully cultivate the competitive spirit in their collective system. Teams on the farm and in the factories compete against one another. And as the world knows from their pingpong prowess, China's leaders are pushing competitive sports in every corner of the land. Not yet football. But would you believe basketball? I saw more basketball courts driving thru China than one sees in America -- and I saw three-year-old boys in nursery school playing with minature baskets and a smaller ball, playing I might say with more spirit than skill.

What does Oriental basketball have to do with us? Just this. If we are to realize a generation of peace, as we pray, we will still need teamwork and discipline and physical stamina to survive the peaceful competition of the future. No soft, flabby, luxury-loaded, lazy, licentious nation has ever survived.

The whole course of history is one of human societies striving to find the right mix of apparently contradictory ideals -- on the one hand, discipline and dedication; on the other, individuality and freedom.

Whenever any society goes too far in either direction it is in trouble. Too much discipline leads to despotism that corrupts and corrodes the human spirit. Too much individuality and freedom brings disorder and anarchy and chaos, from which a strong man eventually arises. Both extremes come to the same end.

If we are to meet the challenge posed by societies more dedicated and disciplined than ours, we must toughen ourselves. We must recover some of the teamwork and muscle that tamed the American wilderness. We must revitalize our sense of national unity and purpose.

We are confronted by enormous and complex problems at home and abroad.

But the spirit that has guided our Nation throughout its history lives on and inspires us all to overcome the problems which face us today and to make this country -- which is the greatest free republic in the history of the world -- even greater.

America will endure. It will endure because its strength comes not from mighty political figures and dramatic forces but from the spirit of freedom, the steady force which never fails. It is this force which provides a never-ending reservoir of power and enables us to meet the challenges of the great causes for which this Nation stands.

This is the rock on which to build -- the spirit of freedom -- the spirit in which this Nation was founded and grew to greatness. So let us be worthy of the glories of our heritage and the promise of our future.