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ACKNOWLEDGEMENTS

THANK YOU, MR. WOOD  
SENATOR PERCY - *disturbed House*  
BROOKS McCORMICK  
JOHN SWEARINGEN  
DISTINGUISHED GUESTS  
LADIES AND GENTLEMEN

THE PRESIDENT HAS SEEN....

REMARKS OF THE PRESIDENT

MID-AMERICA COMMITTEE FOR

INTERNATIONAL BUSINESS AND GOVERNMENT COOPERATION

FRIDAY, JULY 11, 1975

THIS HAS BEEN A MOST ENJOYABLE AND EDUCATIONAL  
EVENING WITH THE MID-AMERICA COMMITTEE. COMING FROM  
WASHINGTON, IT'S GOOD TO KNOW THERE IS AT LEAST ONE  
COMMITTEE THAT REALLY WORKS.

BETTY AND I THANK YOU MOST SINCERELY

FOR YOUR VERY KIND INVITATION.

IF IT IS TRUE THAT ALL ROADS TODAY LEAD TO AMERICA,  
AS THEY ONCE DID TO ROME, THEN IT IS ALSO TRUE THAT AMERICA'S  
ROADS LEAD EVERYWHERE. TIME, DISTANCE, LANGUAGE, AND  
OTHER BARRIERS AND BOUNDARIES OF THE PAST DISAPPEAR ALMOST  
DAILY. WE LIVE IN A COMPETITIVE WORLD OF SWIFT  
COMMUNICATION AND DYNAMIC CHANGE.

THIS EVENING, I WANT TO OFFER YOU A QUIETER --

A LONGER -- LOOK AT AMERICA AND THE WORLD -- NOT A STOP-

AND-GO, SHORT-TERM VIEW OF UNITED STATES' PROGRAMS AND

POLICIES -- NOT THE WORLD OF IMMEDIATE ANSWERS AND INSTANT

CURES -- BUT LONG-TERM OBSERVATIONS ON THE LONG-RANGE

FUTURE OF OUR COUNTRY.

AMERICA'S FIRST ORDER OF BUSINESS -- MY

FIRST ORDER OF BUSINESS -- IS FULL ECONOMIC RECOVERY.

1 THE DECLINE IN OUTPUT AND THE INCREASE IN UNEMPLOYMENT

HAVE STOPPED. ALL SIGNS POINT TO THIS FACT: WE ARE

ON THE ROAD TO ECONOMIC RECOVERY.

*However,*

1 WE MUST TAKE ALL

NECESSARY STEPS TO MAKE SURE THIS RECOVERY CONTINUES,

*avoiding some obvious pitfalls.*

THAT MEANS THREE THINGS: SUSTAINED ECONOMIC

GROWTH . . . CURBED INFLATION . . . AND JOB OPPORTUNITIES

FOR ALL AMERICANS -- THAT IS, INDIVIDUAL ECONOMIC

OPPORTUNITY AND FREEDOM. JOBS MEAN INDIVIDUAL DIGNITY

*will do my utmost*

AND I ~~MEAN~~ TO RESTORE THAT DIGNITY TO ALL AMERICAN

WORKERS.



THIS IS A DELICATE TIME, CALLING FOR CAREFULLY  
CONSIDERED, DELIBERATE DECISIONS, FOR <sup>carefully</sup> CAUTIOUSLY CONSTRUCTED  
LONG-RANGE ECONOMIC PLANNING. IF WE ARE TO HAVE SUSTAINED  
GROWTH, WE MUST GROW ~~WITHOUT INFLATION.~~ <sup>with inflation under control.</sup> AND IF WE ARE  
TO AVOID NEW, PERHAPS WORSE INFLATION THAN BEFORE, THEN  
OUR RECOVERY POLICIES MUST BE BASED ON FISCAL RESTRAINT.

1974 - 12% +  
Now - 6%

WE MUST BE MODERATE IN OUR ECONOMIC PLANS AND  
EXPECTATIONS. WE MUST NOT ALLOW THE ECONOMY TO START  
. . . THEN STOP . . . THEN START AGAIN. WE MUST NOT PERMIT  
GOVERNMENT PUMP-PRIMING TO BREAK THE ECONOMIC DIKES.  
FALSE HOPES MUST NOT BE PARADED BEFORE THE AMERICAN PEOPLE  
-- THE PROMISE OF A QUICK FIX -- LEAVING THEM WITH EMPTY  
ILLUSIONS.

TO AVOID ALL THAT, I WILL CONTINUE TO STEER A FIRM AND  
STEADY COURSE IN ECONOMIC POLICY. I WILL CONTINUE TO VETO

UNNECESSARY SPENDING BY THE CONGRESS. AT THIS POINT,

LET ME ~~WARN YOU~~<sup>say</sup>, HOWEVER, THAT THE CONGRESS HAS BEEN

PLAYING WITH FIRE -- ATTEMPTING TO ADD HUGE AMOUNTS OF

SPENDING THAT WILL REKINDLE INFLATION -- AND THE VETO IS THE

PRESIDENT'S CONSTITUTIONAL MEANS TO ~~PUT OUT THE FLAMES.~~<sup>constructively seek</sup>

*moderation on the final answer.*

IN THE SHORT RUN, SOME OF MY VETOES MAY BE

UNPOPULAR.

IN THE LONG-RUN, I BELIEVE, THEY ~~ARE~~ <sup>will</sup>

be seen THE RIGHT ACTION TO <sup>have</sup> TAKEN. I WILL NOT SPEND THE

AMERICAN PEOPLE INTO MORE HEADACHES AND HEARTACHES FOR

A HOLLOW VICTORY -- A SHORT-TERM PERIOD OF ECONOMIC

RESURGENCE THAT MIGHT LAST A YEAR OR TWO.

*We have gone through too many peaks & valleys.*

I AM LOOKING LONGER RANGE. I AM NOT AIMING AT TOMORROW

OR NEXT MONTH. I AM AIMING AT RE-ESTABLISHING A STABLE,

SOLID FOUNDATION FOR THE YEARS AHEAD.

EXCESSIVE FEDERAL SPENDING HAS ALREADY INFLICTED A

TREMENDOUS TOLL IN TAXES, AND ECONOMIC DAMAGE TO THE PUBLIC.

*many years.*

THE ROOTS OF THE PROBLEM DATE BACK ~~ABOUT FORTY YEARS.~~

*Too many*  
^

*Some*  
^

POLITICIANS AND THEORISTS ADVOCATED MASSIVE SPENDING AS A

CURE FOR JUST ABOUT EVERYTHING THAT AILED US.

IN THE PAST FIFTEEN YEARS ALONE, ENORMOUS FEDERAL  
DEFICITS WERE USED TO FINANCE RECORD-BREAKING DOMESTIC  
SPENDING. TOO MANY OF THESE EXPENDITURES PRODUCED  
SHORT-TERM BENEFITS FOR SOME AMERICANS WHILE INFLECTING  
LONG-TERM DAMAGE ON ALL AMERICANS.

MANY OF THOSE WHOM THESE PROGRAMS SOUGHT TO HELP --  
THE POOR, \ THE ELDERLY, \ THE DISADVANTAGED -- ARE NOW TRYING  
TO COPE WITH THE INFLATIONARY CRUNCH OF UNCLE SAM'S  
SPENDING SPREES.

THIS PHRASE BECAME A TRADEMARK OF THE CONGRESS IN  
THE 1960'S AND BEYOND: "LEGISLATE FIRST; PERFECT LATER."  
BUT THE LAWMAKERS RARELY -- IF EVER -- GOT AROUND TO  
PERFECTION.



WHAT HAPPENED IS THAT THE FEDERAL GOVERNMENT HAS BEEN  
LIVING AND DISPENSING THE NATION'S TREASURE BEYOND ITS MEANS  
FOR TOO LONG -- ENGULFING THE ECONOMY IN THE FLAMES OF  
INFLATION IN THE PROCESS. THE AMERICAN PEOPLE NOW REALIZE  
THAT BENEFITS CANNOT BE CREATED FOR SOME WITHOUT IMPOSING  
COSTS ON ALL.

MODERATION AND RESTRAINT -- THESE ARE NOT EXCITING

WORDS, BUT THEY ARE KEY WORDS IN MY ECONOMIC LEXICON.

THEY DON'T BLOW YOUR MIND. BUT NEITHER WILL THEY BLOW THE

SALARY AND SAVINGS YOU HAVE WORKED HARD FOR ALL YOUR LIFE.

I BELIEVE THE AMERICAN PEOPLE TODAY WANT TO KNOW WHERE THEY

STAND -- WHERE THE COUNTRY STANDS -- WHAT THE FACTS ARE.

I BELIEVE THE AMERICAN PEOPLE ARE TIRED OF SIREN SONGS AND

WOULD APPRECIATE SOME SIMPLE, STRAIGHT TALK.

I BELIEVE TODAY THERE IS A MAGNIFICENCE IN SIMPLE  
ECONOMIC TRUTH BECAUSE IT HAS BEEN SO ABUSED OVER THE YEARS.  
I BELIEVE THAT MUCH OF THE DISCOURAGEMENT AND DISILLUSIONMENT  
THAT WE HAVE SEEN IN THE PAST SEVERAL YEARS HAS BEEN CAUSED  
BY EXCESS -- IN WORD AND ACTION -- BY SOME IN OUR SOCIETY.

I BELIEVE THAT REAL STRENGTH, TRUE COURAGE IS FOUND IN LIFE'S  
LONG-DISTANCE RUNNERS -- AND THERE ARE MANY IN OUR NATION --  
WHO HAVE RUN THEIR BUSINESSES AND CAREERS WITH A CONTROLLED  
AND SOMETIMES PAINFULLY AGONIZING EFFORT. BUT PROGRESS  
HAS BEEN STEADY. THESE ARE THE QUALITIES OF GREATNESS --  
NOT THE INSTANT FIX OR THE SHORT-TERM BAND-AID.

WHAT ARE THE PRIORITIES TO ACHIEVE OUR ECONOMIC GOALS?

WE MUST INCREASE PRODUCTION IN OUR NATION.

WE MUST NOT ONLY RESTORE OLD JOBS BUT CREATE NEW ONES.

TO ACCOMPLISH THAT, WE MUST INCREASE THE AMOUNT OF CAPITAL

IN OUR SOCIETY. OUR ECONOMIC DIFFICULTIES OF THE PAST YEAR

MASK A VERY SERIOUS WEAKNESS IN OUR INDUSTRIAL CAPACITY.

MUCH OF OUR PRODUCTIVE MACHINERY IS OBSOLESCENT AND  
INADEQUATE TO MEET THE DEMANDS OF A DYNAMIC ECONOMY.

WE RUN THE RISK OF RUNNING OUT OF INDUSTRIAL CAPACITY BEFORE

WE RESTORE ALL THE JOBS OF OUR FELLOW AMERICANS. TO CREATE

A NEW JOB, IT COSTS AN AVERAGE OF ABOUT 40,000 DOLLARS

IN TODAY'S MARKETS.

I KNOW THAT AMERICAN INDUSTRY FACES GREAT CAPITAL

SHORTFALLS IN THE FUTURE. IN THE PAST DECADE, OUR INDUSTRY

RAISED AND INVESTED 1.5 TRILLION DOLLARS. THAT'S A LOT

OF MONEY -- AS A MATTER OF FACT, IT APPROXIMATES THE NATION'S

TOTAL OUTPUT FOR ONE YEAR AT THE CURRENT ANNUAL RATE.

LOOKING AT THE NEXT DECADE, HOWEVER, OUR INVESTMENT NEEDS

SEEM STUPENDOUS -- SOME ESTIMATE 4.5 TRILLION DOLLARS.

INVESTMENT MEANS JOBS.

TO CREATE MORE JOBS, THIS ADMINISTRATION BELIEVES

A NUMBER OF TAX CHANGES AND OTHER MEASURES ARE NECESSARY

TO PROMOTE INVESTMENT AND CAPITAL FORMATION. WE MUST PUT

SOME MUSCLE INTO OUR PRODUCTIVITY IF THE ECONOMY IS GOING

TO MAKE THE STEADY, SURE PROGRESS NEEDED FOR FULL ECONOMIC

RECOVERY.



THE PRESIDENT'S LABOR-MANAGEMENT COMMITTEE

RECOMMENDED A NUMBER OF TAX CHANGES TO SPEED UTILITY  
CONSTRUCTION WHICH I HAVE ENDORSED WHOLEHEARTEDLY.

SPECIAL ACTION FOR THIS INDUSTRY IS NEEDED FOR TWO REASONS:

FIRST, ADEQUATE ENERGY IS KEY TO ECONOMIC GROWTH.

WE MUST START NOW TO ASSURE SUFFICIENT ENERGY TO SUPPORT  
ECONOMIC GROWTH INTO THE 1980'S.

SECOND, ACCELERATING CONSTRUCTION IN THIS  
VITALLY NEEDED INDUSTRY -- ONE OF OUR LARGEST CAPITAL-USING  
INDUSTRIES -- MEANS JOBS NOW. IF WE REALLY WANT TO  
PUT AMERICANS BACK TO WORK QUICKLY, THIS IS A PLACE TO ACT.

ONE OF THE ANSWERS TO OUR INCREASED CAPITAL NEEDS  
IS GREATER INVOLVEMENT OF AMERICA'S MIDDLE INCOME GROUP  
IN SAVINGS -- AND IN INVESTMENT. I LOOK NOT ONLY TO  
MID-AMERICA FOR PROGRESS BUT ALSO TO MIDDLE AMERICANS.

THERE ARE TWO OTHER AREAS IN MY LONG-RANGE PLAN  
FOR FULL ECONOMIC RECOVERY AND FUTURE GROWTH: WE MUST REFORM  
THE GOVERNMENT'S REGULATORY PROCESS WHICH THREATENS TO CHOKE  
THE LIFE OUT OF THE PRIVATE SECTOR. AND WE MUST ASSURE  
OUR ENERGY FUTURE WITH A CLEAR, LONG-RANGE COMMITMENT  
TO ENERGY INDEPENDENCE.

GOVERNMENT RED TAPE HAS BECOME EXTREMELY EXPENSIVE  
AND TIME CONSUMING -- FLOODING BUSINESS AND INDUSTRY  
AS WELL AS THE GENERAL PUBLIC WITH PAPERWORK. REGULATORY  
AGENCIES HAVE BECOME OVERLY PROTECTIVE OF THE INEFFICIENCIES  
THAT HAVE ACCUMULATED IN THE INDUSTRIES THEY REGULATE.

THEIR COUNTER-PRODUCTIVE RULES, THE INCREASING COST TO  
THE CONSUMER, THE CURTAILING OF COMPETITION -- ALL OF THIS  
MUST BE CURBED. PRIVATE INITIATIVE MUST BE ALLOWED TO  
FUNCTION MORE FREELY SO THE ECONOMY CAN REACH ITS FULL POTENTIAL.  
WE MUST GIVE THE AMERICAN BUSINESSMAN BACK HIS BUSINESS.

FINALLY, SOUND ECONOMIC RECOVERY REQUIRES A  
COMMITMENT TO ENERGY INDEPENDENCE. NO LONG-TERM ECONOMIC  
GROWTH PATTERN CAN DEVELOP WITHOUT AN ADEQUATE AND SECURE  
ENERGY BASE. WE CAN NO LONGER COUNT ON ABUNDANT DOMESTIC  
OIL AND GAS FOR CONTINUED ECONOMIC GROWTH. ALTERNATIVE  
ENERGY SOURCES MUST BE DEVELOPED FROM COAL, THE ATOM, AND  
NEW, AS YET UNPROVED ALTERNATIVES SUCH AS SOLAR POWER.

I BELIEVE THE FREE ENTERPRISE SYSTEM IS OUR BEST HOPE  
FOR FREEING US FROM DEPENDENCE ON OTHERS FOR OUR ENERGY.  
THAT IS WHY I HAVE ASKED THE CONGRESS TO APPROVE LEGISLATION --  
FOR EXAMPLE -- THAT WOULD ALLOW PRIVATE ENTERPRISE FOR THE  
FIRST TIME TO ENTER THE BUSINESS OF ENRICHING URANIUM.



IN SPEAKING THIS EVENING, I HAVE USED TERMS LIKE  
MODERATION ... RESTRAINT ... REASON ... SAVINGS ... INVESTMENT ...  
AND LONG-TERM. THESE ARE NOT NEW IDEAS OR NEW VIRTUES.  
THEY ARE AS OLD AS CIVILIZATION. THEY ARE SOUND.  
THEY ARE PROVEN. AND I AM CONVINCED THEY ARE ESSENTIAL  
TO OUR FULL ECONOMIC RECOVERY.

I BELIEVE THAT OLD VALUES ARE AS NEW AS THEIR NEED.

I BELIEVE THE GREAT SCIENTIFIC DISCOVERIES OF THIS CENTURY HAVE  
CHANGED THE WORLD BUT I ALSO BELIEVE THAT BASIC PRINCIPLES --  
SUCH AS HONOR, TRUTH, HARD WORK -- HAVE GIVEN IT STABILITY.

I BELIEVE THAT THE WISDOM WHICH MANKIND HAS LEARNED OVER TIME  
IS IMPERISHABLE AND WE IGNORE IT AT OUR OWN RISK.

AND THAT IS WHY I BELIEVE IN SO-CALLED OLD-FASHIONED INDIVIDUAL  
RESPONSIBILITY.

RESPONSIBILITY IS THE PRICE OF INDEPENDENCE.

IT IS THE COST OF FREEDOM -- BE IT ECONOMIC FREEDOM,

POLITICAL FREEDOM OR PERSONAL FREEDOM.

WE BELIEVE IN THE BROTHERHOOD OF MAN BECAUSE

WE RECOGNIZE THE WORTHINESS OF EACH INDIVIDUAL.

I BELIEVE WE DO WELL TO HONOR HISTORY -- TO CONSIDER  
CAREFULLY OUR PAST BEFORE DECIDING OUR FUTURE. AMERICA TODAY  
TURNS BACK 200 YEARS TO REDISCOVER ITS BIRTH AND YOUTH.  
WE FIND THAT OUR FIRST CITIZENS WERE INDEED A PEOPLE OF PRINCIPLE  
AND TRULY REMARKABLE PERSEVERANCE. THESE PRINCIPLES AND  
THAT PERSEVERANCE LIVE IN OUR COUNTRY STILL.

IT IS OUR RESPONSIBILITY -- YOURS AND MINE -- TO PRESERVE  
AND PROTECT THE INHERITANCE OF THE PAST TWO CENTURIES.

LET US THIS EVENING PLEDGE TO BE WORTHY OF THAT  
INHERITANCE. LET US, THE PIONEERS OF OUR NATION'S  
THIRD CENTURY, CARRY ON THESE NOBLE IDEALS AND TRADITIONS  
THAT REFLECT NOT ONLY THE ACCOMPLISHMENTS OF OUR PAST BUT  
THE PROMISE OF OUR FUTURE.

THANK YOU.

END OF TEXT