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OCTOBER 29, 1975
TODAY I WANT TO TALK TO YOU ABOUT A MATTER OF
CONCERN TO ALL AMERICANS.

NEW YORK CITY, WHERE ONE OUT OF EVERY 25 AMERICANS
LIVES, THROUGH WHOSE "GOLDEN DOOR" UNTOLD MILLIONS HAVE
ENTERED THIS LAND OF LIBERTY, FACES A FINANCIAL SHOWDOWN.
THE TIME HAS COME FOR STRAIGHT TALK -- TO THESE
EIGHT MILLION AMERICANS AND TO THE OTHER 206 MILLION
AMERICANS TO WHOM I OWE THE DUTY OF STATING MY CONVICTIONS
AND CONCLUSIONS, AND TO YOU, WHOSE JOB IT IS TO CARRY
THEM THROUGHOUT THE NATION AND AROUND THE WORLD.
THE TIME HAS COME TO SORT FACTS AND FIGURES FROM
FICTION AND FEAR-MONGERING IN THIS TERRIBLY COMPLEX
SITUATION. THE TIME HAS COME TO SAY WHAT SOLUTIONS
WILL WORK AND WHICH SHOULD BE CAST ASIDE.
AND THE TIME HAS COME FOR ALL AMERICANS TO

CONSIDER HOW THE PROBLEMS OF NEW YORK AND THE HARD DECISIONS THEY DEMAND, FORESHADOW AND FOCUS UPON POTENTIAL PROBLEMS FOR ALL GOVERNMENTS -- FEDERAL, STATE AND LOCAL -- PROBLEMS WHICH DEMAND EQUALLY HARD DECISIONS FROM THEM.
ONE WEEK AGO NEW YORK CITY TOTTERED UPON THE BRINK OF FINANCIAL DEFAULT WHICH WAS DEFERRED ONLY AT THE ELEVENTH HOUR.

THE NEXT DAY MAYOR BEAME TESTIFIED HERE IN WASHINGTON THAT THE FINANCIAL RESOURCES OF THE CITY AND STATE OF NEW YORK WERE EXHAUSTED. GOVERNOR CAREY AGREED.
THEY SAID, IT'S NOW UP TO WASHINGTON, AND

UNLESS THE FEDERAL GOVERNMENT INTERVenes, NEW YORK CITY

WITHIN A SHORT TIME WILL NO LONGER BE ABLE TO PAY ITS BILLS.
THE MESSAGE WAS CLEAR: RESPONSIBILITY FOR NEW YORK CITY'S FINANCIAL PROBLEMS IS BEING LEFT ON THE FRONT DOORSTEP OF THE FEDERAL GOVERNMENT -- UNWANTED AND ABANDONED BY ITS REAL PARENTS.
MANY EXPLANATIONS HAVE BEEN OFFERED ABOUT WHAT LED NEW YORK CITY DEEPER AND DEEPER INTO THIS QUAGMIRE.
SOME CONTEND IT WAS LONG-RANGE ECONOMIC FACTORS
SUCH AS THE FLIGHT TO THE SUBURBS OF THE CITY’S MORE
AFFLUENT CITIZENS, THE MIGRATION TO THE CITY OF POORER
PEOPLE, AND THE DEPARTURE OF INDUSTRY.
OTHERS ARGUE THAT THE BIG METROPOLITAN CITY HAS BECOME OBSOLETE, THAT DECAY AND POLLUTION HAVE BROUGHT A DETERIORATION IN THE QUALITY OF URBAN LIFE, AND THAT NEW YORK'S DOWNFALL COULD NOT BE PREVENTED.
LET'S FACE ONE SIMPLE FACT: MOST OTHER CITIES IN AMERICA HAVE FACED THESE SAME CHALLENGES, AND THEY ARE STILL FINANCIALLY HEALTHY TODAY. THEY HAVE NOT BEEN LUCKIER THAN NEW YORK; THEY SIMPLY HAVE BEEN BETTER MANAGED.
THERE IS AN OLD SAYING: "THE HARDER YOU TRY, THE LUCKIER YOU GET." I LIKE THAT DEFINITION OF "LUCK".
DURING THE LAST DECADE, THE OFFICIALS OF NEW YORK CITY HAVE ALLOWED ITS BUDGET TO TRIPLE. NO CITY CAN EXPECT TO REMAIN SOLVENT IF IT ALLOWS ITS EXPENSES TO INCREASE BY AN AVERAGE OF 12 PERCENT EVERY YEAR, WHILE ITS TAX REVENUES ARE INCREASING BY ONLY 4 TO 5 PERCENT A YEAR.
AS AL SMITH, A GREAT GOVERNOR WHO CAME FROM THE SIDEWALKS OF NEW YORK, USED TO SAY: "LET'S LOOK AT THE RECORD."
THE RECORD SHOWS THAT NEW YORK CITY'S WAGES AND SALARIES ARE THE HIGHEST IN THE UNITED STATES. A SANITATION WORKER WITH THREE YEARS EXPERIENCE NOW RECEIVES A BASE SALARY OF NEARLY 15,000 DOLLARS A YEAR.
FRINGE BENEFITS AND RETIREMENT COSTS AVERAGE MORE THAN 50 PERCENT OF BASE PAY. FOUR-WEEK PAID VACATIONS AND UNLIMITED SICK LEAVE AFTER ONLY ONE YEAR ON THE JOB.
THE RECORD SHOWS THAT IN MOST CITIES, MUNICIPAL EMPLOYEES HAVE TO PAY 50 PERCENT OR MORE OF THE COST OF THEIR PENSIONS. NEW YORK CITY IS THE ONLY MAJOR CITY IN THE COUNTRY THAT PICKS UP THE ENTIRE BURDEN.
THE RECORD SHOWS THAT WHEN NEW YORK'S MUNICIPAL EMPLOYEES RETIRE THEY OFTEN RETIRE MUCH EARLIER THAN IN MOST CITIES AND AT PENSIONS CONSIDERABLY HIGHER THAN SOUND RETIREMENT PLANS PERMIT.
THE RECORD SHOWS NEW YORK CITY HAS 18 MUNICIPAL HOSPITALS; YET, ON AN AVERAGE DAY, 25 PERCENT OF THE HOSPITAL BEDS ARE EMPTY. MEANWHILE, THE CITY SPENDS MILLIONS MORE TO PAY THE HOSPITAL EXPENSES OF THOSE WHO USE PRIVATE HOSPITALS.
THE RECORD SHOWS NEW YORK CITY OPERATES ONE OF THE LARGEST UNIVERSITIES IN THE WORLD, FREE OF TUITION FOR ANY HIGH SCHOOL GRADUATE, RICH OR POOR, WHO WANTS TO ATTEND.
AS FOR NEW YORK'S MUCH-DISCUSSED WELFARE BURDEN,

THE RECORD SHOWS MORE THAN ONE CURRENT WELFARE RECIPIENT

IN TEN MAY BE LEGALLY INELIGIBLE FOR WELFARE ASSISTANCE.
CERTAINLY I DO NOT BLAME ALL THE GOOD PEOPLE OF
NEW YORK CITY FOR THEIR GENEROUS INSTINCTS OR FOR THEIR
PRESENT PLIGHT. I DO BLAME THOSE WHO HAVE MISLED
THE PEOPLE OF NEW YORK CITY ABOUT THE INEVITABLE
CONSEQUENCES OF WHAT THEY WERE DOING OVER THE LAST 10 YEARS.
THE CONSEQUENCES HAVE BEEN:

--A STEADY STREAM OF UNBALANCED BUDGETS;

--MASSIVE GROWTH IN THE CITY'S DEBT;
-- EXTRAORDINARY INCREASES IN PUBLIC EMPLOYEE CONTRACTS;

-- AND TOTAL DISREGARD OF INDEPENDENT EXPERTS WHO WARNED AGAIN AND AGAIN THAT THE CITY WAS COURTING DISASTER.
THERE CAN BE NO DOUBT WHERE THE REAL RESPONSIBILITY LIES. AND WHEN NEW YORK CITY NOW ASKS THE REST OF THE COUNTRY TO GUARANTEE ITS BILLS, IT CAN BE NO SURPRISE THAT MANY OTHER AMERICANS ASK WHY.
WHY, THEY ASK, SHOULD THEY SUPPORT ADVANTAGES IN NEW YORK THAT THEY HAVE NOT BEEN ABLE TO AFFORD FOR THEIR OWN COMMUNITIES?

WHY, THEY ASK, SHOULD ALL THE WORKING PEOPLE OF THIS COUNTRY BE FORCED TO RESCUE THOSE WHO BANKROLLED NEW YORK CITY'S POLICIES FOR SO LONG -- THE LARGE INVESTORS AND BIG BANXS?
IN MY JUDGMENT, NO ONE HAS YET GIVEN THESE QUESTIONS A SATISFACTORY ANSWER.

INSTEAD, AMERICANS ARE BEING TOLD THAT UNLESS THE REST OF THE COUNTRY BAILS OUT NEW YORK, THERE WILL BE CATASTROPHE FOR THE UNITED STATES AND PERHAPS FOR THE WORLD.
IS THIS SCARE STORY TRUE?

OF COURSE THERE ARE RISKS THAT DEFAULT COULD CAUSE TEMPORARY FLUCTUATIONS IN THE FINANCIAL MARKETS.

BUT THESE MARKETS HAVE ALREADY MADE A SUBSTANTIAL ADJUSTMENT IN ANTICIPATION OF A POSSIBLE DEFAULT BY NEW YORK CITY.
CLAIMS ALSO ARE MADE THAT BECAUSE OF NEW YORK CITY'S TROUBLES, OTHER MUNICIPALITIES WILL HAVE GRAVE DIFFICULTY SELLING THEIR BONDS. I KNOW THIS TROUBLES MANY THOUGHTFUL CITIZENS.
BUT, THE NEW YORK CITY RECORD OF BAD FINANCIAL MANAGEMENT IS UNIQUE AMONG MUNICIPALITIES. OTHER COMMUNITIES HAVE A SOLID REPUTATION FOR LIVING WITHIN THEIR MEANS. IN RECENT DAYS AND WEEKS, OTHER LOCAL GOVERNMENTS HAVE GONE TO INVESTORS WITH CLEAN RECORDS OF FISCAL RESPONSIBILITY AND HAVE HAD NO DIFFICULTY RAISING FUNDS.
THE GREATER RISK IS THAT ANY ATTEMPT TO PROVIDE

A FEDERAL BLANK CHECK FOR THE LEADERS OF NEW YORK CITY

WOULD ENSURE THAT NO LONG-RUN SOLUTION TO THE CITY'S

PROBLEMS WILL EVER OCCUR.
I CAN UNDERSTAND THE CONCERN OF MANY CITIZENS IN NEW YORK AND ELSEWHERE. I UNDERSTAND BECAUSE I AM ALSO CONCERNED.
WHAT I CANNOT UNDERSTAND -- AND WHAT NOBODY SHOULD CONDONE -- IS THE BLATANT ATTEMPT IN SOME QUARTERS TO FRIGHTEN THE AMERICAN PEOPLE AND THEIR REPRESENTATIVES IN CONGRESS INTO PANICKY SUPPORT OF PATENTLY BAD POLICY.
THE PEOPLE OF THIS COUNTRY WILL NOT BE STAMPEDED;

THEM WILL NOT PANIC WHEN A FEW DESPERATE NEW YORK OFFICIALS

AND BANKERS TRY TO SCARE NEW YORK'S MORTGAGE PAYMENTS

OUT OF THEM.
WE HAVE HEARD ENOUGH SCARE TALK.

WHAT WE NEED NOW IS A CALM, RATIONAL DECISION AS TO WHAT THE RIGHT SOLUTION IS — THE SOLUTION THAT IS BEST FOR THE PEOPLE OF NEW YORK AND BEST FOR ALL AMERICANS.
TO BE EFFECTIVE, THE RIGHT SOLUTION MUST MEET
THREE BASIC TESTS:

-- IT MUST MAINTAIN ESSENTIAL PUBLIC SERVICES
FOR THE PEOPLE OF NEW YORK CITY.
IT MUST PROTECT THE
INNOCENT VICTIMS OF THIS TRAGEDY.
THERE MUST BE
POLICEMEN ON THE BEAT, FIREMEN IN THE STATION, NURSES IN
THE EMERGENCY WARDS.
-- Second, the solution must assure that New York City can and will achieve and maintain a balanced budget in the years ahead.
-- AND THIRD, THE RIGHT SOLUTION MUST GUARANTEE

THAT NEITHER NEW YORK CITY NOR ANY OTHER AMERICAN CITY

EVER BECOMES A WARD OF THE FEDERAL GOVERNMENT.
LET ME DIGRESS A MINUTE TO REMIND YOU THAT UNDER OUR CONSTITUTIONAL SYSTEM, BOTH THE CITIES AND THE FEDERAL GOVERNMENT WERE THE CREATURES OF THE STATES.
THE STATES DELEGATED CERTAIN OF THEIR SOVEREIGN POWERS --
THE POWER TO TAX, POLICE POWERS AND THE LIKE -- TO LOCAL
UNITS OF SELF-GOVERNMENT. AND THEY CAN TAKE THESE POWERS
BACK IF THEY ARE ABUSED.
THE STATES ALSO RELINQUISHED CERTAIN SOVEREIGN POWERS TO THE FEDERAL GOVERNMENT -- SOME ALTOGETHER AND SOME TO BE SHARED. IN RETURN THE FEDERAL GOVERNMENT HAS CERTAIN OBLIGATIONS TO THE STATES.
I see a serious threat to the legal relationships among our federal, state and local governments in any congressional action which could lead to disruption of this traditional balance. Our largest city is no different in this respect than our smallest town.
IF MAYOR BEAME DOESN'T WANT GOVERNOR CAREY TO RUN HIS
CITY, DOES HE WANT THE PRESIDENT OF THE UNITED STATES TO
BE ACTING MAYOR OF NEW YORK?

WHAT IS THE SOLUTION TO NEW YORK'S
DILEMMA?
THERE ARE AT LEAST EIGHT DIFFERENT PROPOSALS UNDER

CONSIDERATION BY THE CONGRESS INTENDED TO PREVENT DEFAULT.

THEY ARE ALL VARIATIONS OF ONE BASIC THEME: THAT THE FEDERAL

GOVERNMENT WOULD GUARANTEE THE AVAILABILITY OF FUNDS TO

NEW YORK CITY.
I can tell you now that I am prepared to veto any bill that has as its purpose a federal bail-out of New York City to prevent a default.

I am fundamentally opposed to this so-called solution, and I will tell you why.
Basically, it is a mirage. By giving a federal guarantee we would be reducing rather than increasing the prospect that the city's budget will ever be balanced. New York City's officials have proved in the past that they will not face up to the city's massive network of pressure groups as long as any alternative is available.
IF THEY CAN SCARE THE WHOLE COUNTRY INTO PROVIDING THAT ALTERNATIVE NOW, WHY SHOULDN'T THEY BE CONFIDENT THEY CAN SCARE US AGAIN INTO PROVIDING IT THREE YEARS FROM NOW?

IN SHORT, IT ENCOURAGES THE CONTINUATION OF "POLITICS AS USUAL" IN NEW YORK — WHICH IS PRECISELY NOT THE WAY TO SOLVE THE PROBLEM.
SUCH A STEP WOULD SET A TERRIBLE PRECEDENT FOR

THE REST OF THE NATION. IT WOULD PROMISE IMMEDIATE

REWARDS AND EVENTUAL RESCUE TO EVERY OTHER CITY THAT Follows

THE TRAGIC EXAMPLE OF OUR LARGEST CITY.
WHAT RESTRAINT WOULD BE LEFT ON THE SPENDING OF OTHER LOCAL AND STATE GOVERNMENTS ONCE IT BECOMES CLEAR THAT THERE IS A FEDERAL RESCUE SQUAD THAT WILL ALWAYS ARRIVE IN THE NICK OF TIME?
FINALLY, WE MUST ALL RECOGNIZE WHO THE PRIMARY BENEFICIARIES OF A FEDERAL GUARANTEE PROGRAM WOULD BE.

THE BENEFICIARIES WOULD NOT BE THOSE WHO LIVE AND WORK IN NEW YORK CITY, BECAUSE THE REALLY ESSENTIAL PUBLIC SERVICES MUST AND WILL CONTINUE.
THE PRIMARY BENEFICIARIES WOULD BE THE NEW YORK OFFICIALS WHO WOULD THUS ESCAPE RESPONSIBILITY FOR THEIR PAST FOLLIES AND BE FURTHER EXCUSED FROM MAKING THE HARD DECISIONS REQUIRED NOW TO RESTORE THE CITY'S FISCAL INTEGRITY.
THE SECONDARY BENEFICIARIES WOULD BE THE LARGE INVESTORS AND FINANCIAL INSTITUTIONS WHO PURCHASED THESE SECURITIES ANTICIPATING A HIGH RATE OF TAX-FREE RETURN.
DOES THIS MEAN THERE IS NO SOLUTION?

NOT AT ALL. THERE IS A FAIR AND SENSIBLE WAY TO RESOLVE THIS ISSUE, AND THIS IS THE WAY TO DO IT:
IF THE CITY IS UNABLE TO ACT TO PROVIDE A MEANS OF MEETING ITS OBLIGATIONS, A NEW LAW IS REQUIRED TO ASSURE AN ORDERLY AND FAIR MEANS OF HANDLING THE SITUATION.
AS YOU KNOW, THE CONSTITUTION EMPOWERS THE CONGRESS TO ENACT UNIFORM BANKRUPTCY LAWS. THEREFORE,

I WILL SUBMIT TO THE CONGRESS SPECIAL LEGISLATION PROVIDING THE FEDERAL COURTS WITH SUFFICIENT AUTHORITY TO PRESIDE OVER AN ORDERLY REORGANIZATION OF NEW YORK CITY'S FINANCIAL AFFAIRS -- SHOULD THAT BECOME NECESSARY.
HOW WOULD THIS WORK? WITH STATE APPROVAL, THE CITY WOULD FILE A PETITION WITH THE FEDERAL DISTRICT COURT IN NEW YORK UNDER A PROPOSED NEW CHAPTER XVI OF THE BANKRUPTCY ACT.
THE PETITION WOULD STATE THAT NEW YORK CITY IS UNABLE TO PAY ITS DEBTS AS THEY MATURE AND WOULD BE ACCOMPANIED BY A PROPOSED WAY TO WORK OUT AN ADJUSTMENT OF ITS DEBTS WITH ITS CREDITORS.
THE FEDERAL COURT WOULD THEN BE AUTHORIZED TO ACCEPT JURISDICTION OF THE CASE. THEN THERE WOULD BE AN AUTOMATIC STAY OF SUITS BY CREDITORS SO THAT THE ESSENTIAL FUNCTIONS OF NEW YORK CITY WOULD NOT BE DISRUPTED.
THIS WOULD ENABLE AN ORDERLY PLAN TO BE DEVELOPED
SO THAT THE CITY COULD WORK OUT ARRANGEMENTS WITH ITS CREDITORS.
WHILE NEW YORK CITY WORKS OUT A COMPROMISE WITH ITS CREDITORS THE ESSENTIAL GOVERNMENTAL FUNCTIONS OF THE CITY WOULD CONTINUE.
IN THE EVENT OF DEFAULT, THE FEDERAL GOVERNMENT WILL WORK WITH THE COURT TO ASSURE THAT POLICE, FIRE AND OTHER ESSENTIAL SERVICES FOR THE PROTECTION OF LIFE AND PROPERTY IN NEW YORK ARE MAINTAINED.
THE PROPOSED LEGISLATION WILL INCLUDE PROVISION

THAT AS A CONDITION OF NEW YORK CITY PETITIONING THE COURT,

THE CITY MUST NOT ONLY FILE A GOOD FAITH PLAN FOR PAYMENTS

TO ITS CREDITORS BUT MUST ALSO PRESENT A PROGRAM FOR

PLACING THE FISCAL AFFAIRS OF THE CITY ON A SOUND BASIS.
IN ORDER TO MEET THE SHORT TERM NEEDS OF NEW YORK CITY THE COURT WOULD BE EMPOWERED TO AUTHORIZE DEBT CERTIFICATES COVERING NEW LOANS TO THE CITY WHICH WOULD BE PAID OUT OF FUTURE REVENUES AHEAD OF OTHER CREDITORS.
THUS, THE LEGISLATION I AM PROPOSING WILL DO THREE ESSENTIAL THINGS.

FIRST, IT WILL PREVENT, IN THE EVENT OF A DEFAULT, ALL NEW YORK CITY FUNDS FROM BEING TIED UP BY LAWSUITS.
SECOND, IT WILL PROVIDE THE CONDITIONS FOR AN ORDERLY PLAN TO BE DEVELOPED FOR PAYMENTS TO NEW YORK'S CREDITORS OVER THE LONG TERM.

THIRD, IT WILL PROVIDE A WAY FOR NEW BORROWING TO BE SECURED BY PLEDGING FUTURE REVENUES.
I DON'T WANT ANYBODY MISLED. THIS PROPOSED

LEGISLATION WILL NOT, BY ITSELF, PUT THE AFFAIRS OF

NEW YORK CITY IN ORDER. SOME HARD MEASURES MUST BE

TAKEN BY THE OFFICIALS OF NEW YORK CITY AND NEW YORK STATE.
THEY MUST EITHER INCREASE REVENUES OR CUT EXPENDITURES OR DEVISE SOME COMBINATION THAT WILL BRING THEM TO A SOUND FINANCIAL POSITION. CAREFUL EXAMINATION HAS CONVINCED ME THAT THOSE MEASURES ARE NEITHER BEYOND THE REALM OF POSSIBILITY NOR BEYOND THE DEMANDS OF REASON.
IF THEY ARE TAKEN, NEW YORK CITY WILL, WITH THE ASSISTANCE
OF THE LEGISLATION I AM PROPOSING, BE ABLE TO RESTORE
ITSELF AS A FULLY SOLVENT OPERATION.
TO SUMMARIZE, THE APPROACH I AM RECOMMENDING IS THIS: IF NEW YORK FAILS TO ACT IN ITS OWN BEHALF, ORDERLY PROCEEDINGS WOULD THEN BE SUPERVISED BY A FEDERAL COURT.
THE ONES WHO WOULD BE MOST AFFECTED BY THIS COURSE WOULD BE THOSE WHO ARE NOW FIGHTING TOOTH AND NAIL TO PROTECT THEIR AUTHORITY AND THEIR INVESTMENTS:

NEW YORK OFFICIALS AND THE CITY'S CREDITORS.
THE CREDITORS WILL NOT BE WIPED OUT; HOW MUCH THEY WILL BE HURT WILL DEPEND UPON THE FUTURE CONDUCT OF THE CITY'S LEADERS.
FOR THE PEOPLE OF NEW YORK, THIS PLAN WILL MEAN THAT ESSENTIAL SERVICES WILL CONTINUE. THERE MAY BE SOME TEMPORARY INCONVENIENCES, BUT THAT WILL BE TRUE OF ANY SOLUTION THAT IS ADOPTED.
FOR THE FINANCIAL COMMUNITY, THE DEFAULT MAY BRING SOME TEMPORARY DIFFICULTIES BUT THE REPERCUSSIONS SHOULD NOT BE LARGE OR LONG-LASTING.
FINALLY, FOR THE PEOPLE OF THE UNITED STATES,

THIS MEANS THAT THEY WILL NOT BE ASKED TO ASSUME A BURDEN
THAT IS NOT OF THEIR OWN MAKING AND SHOULD NOT BECOME THEIR
RESPONSIBILITY. THIS IS A FAIR AND SENSIBLE WAY TO PROCEED.
THERE IS A PROFOUND LESSON FOR ALL AMERICANS IN THE FINANCIAL EXPERIENCE OF OUR BIGGEST AND RICHEST CITY.

THOUGH WE ARE THE RICHEST NATION IN THE WORLD, THERE IS A PRACTICAL LIMIT TO OUR PUBLIC BOUNTY, JUST AS THERE IS TO NEW YORK'S.
OTHER CITIES, OTHER STATES AS WELL AS THE FEDERAL GOVERNMENT ARE NOT IMMUNE TO THE INSIDIOUS DISEASE FROM WHICH NEW YORK IS SUFFERING.
THIS SICKNESS IS BROUGHT ON BY YEARS AND YEARS OF HIGHER
SPENDING, HIGHER DEFICITS, MORE INFLATION AND MORE
BORROWING TO PAY FOR HIGHER SPENDING, HIGHER DEFICITS
AND ON AND ON.
IT IS A PROGRESSIVE DISEASE AND THERE IS NO
PAINLESS CURE.

THOSE WHO HAVE BEEN TREATING NEW YORK'S FINANCIAL
SICKNESS HAVE BEEN PRESCRIBING LARGER AND LARGER DOSES
OF THE SAME POLITICAL STIMULANT THAT HAS PROVED SO
POPULAR AND SUCCESSFUL IN WASHINGTON FOR SO MANY YEARS.
NONE OF US CAN POINT A COMPLETELY GUILTLESS FINGER AT NEW YORK. NONE OF US SHOULD NOW DERIVE COMFORT OR PLEASURE FROM NEW YORK'S ANGUISH.
BUT NEITHER CAN WE LET THE CONTAGION SPREAD.

AS WE WORK WITH THE WONDERFUL PEOPLE OF NEW YORK

TO OVERCOME THEIR DIFFICULTIES -- AND THEY WILL -- WE MUST

NEVER FORGET WHAT BROUGHT THIS GREAT CENTER OF HUMAN

CIVILIZATION TO THE BRINK.
IF WE GO ON SPENDING MORE THAN WE HAVE,

PROVIDING MORE BENEFITS AND SERVICES THAN WE CAN PAY FOR,

THEN A DAY OF RECKONING WILL COME TO WASHINGTON AND THE WHOLE COUNTRY JUST AS IT HAS TO NEW YORK.
Let me conclude with one question of my own:

When that day of reckoning comes, who will bail out the United States of America?

Thank you.

End of text