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- THANK YOU, GOVERNOR BOWEN:

THE PRESIDENT HAS SEEN. ---

- IT IS GOOD TO SEE SO MANY OLD FRIENDS HERE

-- CONGRESSMEN JOHN MYERS AND BUD HOLLIS

-- MAYOR HUDNUT

-- AND YOUR NEXT U.S. SENATOR, DICK LUGAR

- ALSO, I UNDERSTAND WE HAVE SOME TOPNOTCH CONGRESSIONAL CANDIDATES HERE -- LARRY BUELL AND DAVID CRANE -- ELECT THEM --

I NEED THEIR HELP IN WASHINGTON. LET ME ALSO THANK

MR. McALLISTER FOR CHAIRING BUSINESSMEN FOR FORD AND

FORREST TUCKER FOR DOING A FINE JOB

AS MC.

JOE GRAGIOLA + EDITH  
GREEN ?

-1-

IT'S GREAT TO BE HERE IN INDIANAPOLIS, A CITY GROWING

STRONGER ON SOUND REPUBLICAN MANAGEMENT AND HOOSIER PRIDE --

A CITY WITH A TRADITION OF OUTSTANDING LEADERSHIP FROM SUCH

MEN AS DICK LUGAR AND BILL HUDNUT.

BEFORE BILL BECAME YOUR MAYOR, HE WAS A COLLEAGUE  
OF MINE IN THE HOUSE OF REPRESENTATIVES. THIS YEAR, IT'S  
DICK LUGAR'S TURN TO GO TO WASHINGTON AND ON NOVEMBER SECOND  
YOU'RE GOING TO SEND HIM THERE.

BILL HUDNUT AND DICK LUGAR ARE BOTH SO TALENTED THAT  
WE SHOULD AGREE TO SHARE THEM. YOU CAN KEEP ONE HERE,  
TO KEEP INDIANAPOLIS ON THE RIGHT TRACK. AS LONG AS  
WE CAN HAVE THE OTHER ONE IN WASHINGTON, TO GET CONGRESS BACK  
ON THE TRACK.

LET ME ALSO SAY A FEW WORDS ABOUT YOUR OUTSTANDING  
GOVERNOR.

WHEN DOC BOWEN CAME TO THE INDIANA STATE HOUSE FOUR YEARS  
AGO, THAT WAS ONE "HOUSE" CALL THAT HELPED OVER FIVE MILLION  
PEOPLE.

HIS WISDOM AND EXPERIENCE HAVE SERVED YOU WELL IN THE PAST  
FOUR YEARS.

WE HAVE LESS THAN A WEEK TO GO UNTIL ELECTION DAY. ONE  
OF THE MAJOR ISSUES OF THIS PRESIDENTIAL CAMPAIGN HAS BEEN THE  
STATE OF OUR NATIONAL ECONOMY.

OF ALL THE DIFFERENCES BETWEEN MR. CARTER AND ME -- NONE IS MORE IMPORTANT THAN OUR DIFFERENCES OVER ECONOMIC POLICY.

THOSE DIFFERENCES HAVE A LOT TO DO WITH OUR CONTRASTING VIEWS OF WHAT THE FUNDAMENTAL ROLE OF GOVERNMENT SHOULD BE IN THE UNITED STATES OF AMERICA.

I WAS INTERESTED TO READ ABOUT A RECENT SURVEY BY THE NATIONAL ASSOCIATION OF BUSINESS ECONOMISTS. SIXTY PERCENT OF THOSE PROFESSIONAL ECONOMISTS SURVEYED REPLIED THAT A FORD ADMINISTRATION WOULD BE MORE LIKELY TO PURSUE ECONOMIC POLICIES IN THE NATIONAL INTEREST.

ONLY FOURTEEN PERCENT GAVE SUCH A VOTE OF CONFIDENCE  
TO MR. CARTER.

THE FORD ADMINISTRATION HAS EARNED THE CONFIDENCE OF THE  
AMERICAN PEOPLE BY ADDRESSING OUR IMMEDIATE PROBLEMS WHILE  
MAINTAINING A LONG-TERM VIEW OF ECONOMIC POLICY.

WHEN I CAME TO OFFICE TWO YEARS AGO, THE ECONOMY WAS  
SUFFERING THE DISASTROUS CONSEQUENCES OF MANY YEARS  
OF SHORT-TERM AND SHORT-SIGHTED POLICIES.

WE HAD EXPERIENCED BUDGET DEFICITS IN FOURTEEN OF THE LAST  
FIFTEEN YEARS -- WAGE AND PRICE CONTROLS -- AND WERE  
BURDENED WITH A TAX STRUCTURE WHICH DID NOT ENCOURAGE  
SUFFICIENT CAPITAL FORMATION.

WE ALL REMEMBER WHAT THE CONSEQUENCES WERE. INFLATION WAS GROWING -- CONFIDENCE WAS SHRINKING AMONG CONSUMERS AND BUSINESSMEN -- AND OUR ECONOMY WAS IN THE EARLY STAGES OF THE WORST RECESSION IN FORTY YEARS.

I FACED CONSIDERABLE PRESSURE -- FROM THE CONGRESS AND ELSEWHERE -- TO TRY THE SAME OLD SHORT TERM SOLUTIONS. THE ECONOMIC DOWNTURN SET OFF A CLAMOR FOR HUGE EMERGENCY FEDERAL SUBSIDIES FOR MORE AND BIGGER FEDERAL PROGRAMS AND HIGHER DEFICIT SPENDING.



I REJECTED THIS POLICY OF PANIC.        INSTEAD, I CHOSE  
POLICIES DESIGNED TO BUILD LONG-TERM, SUSTAINED ECONOMIC  
GROWTH WITHOUT INFLATION.

INSTEAD OF TRYING TO BUY OUR WAY OUT OF THE RECESSION  
BY THROWING OPEN THE DOORS OF THE FEDERAL TREASURY -- WE  
TOOK STEPS TO REVITALIZE AMERICAN BUSINESS AND INDUSTRY.

THE RESULT HAS BEEN A RECOVERY BUILT ON A SOLID  
FOUNDATION.

WE HAVE CUT INFLATION BY MORE THAN HALF. FROM THE  
FRIGHTENING ANNUAL RATE OF OVER TWELVE PERCENT, OUR LATEST  
MONTHLY FIGURES SHOW IT RUNNING AT 4.8 PERCENT.

EQUALLY IMPORTANT, MY ADMINISTRATION IS PUTTING  
AMERICA BACK TO WORK.

SINCE THE RECESSION LOW IN MARCH OF 1975, TOTAL EMPLOYMENT  
HAS INCREASED BY NEARLY FOUR MILLION.

WE HAVE MORE AMERICANS WORKING THIS YEAR THAN  
EVER BEFORE -- NEARLY 88 MILLION.

THE UNEMPLOYMENT RATE IS STILL TOO HIGH. LET ME  
POINT OUT, HOWEVER, THAT ITS FAILURE TO DROP MORE SHARPLY  
THIS YEAR IS THE RESULT OF AN UNPRECEDENTED INCREASE IN  
THE SIZE OF THE AMERICAN LABOR FORCE.

THAT GREAT INCREASE IN THE SIZE OF THE LABOR FORCE  
IS A SIGN OF RENEWED CONFIDENCE IN THE HEALTH OF THE  
ECONOMY, AND THE DRAMATIC INCREASE IN JOB OPPORTUNITIES.

I WON'T BE SATISFIED UNTIL EVERY AMERICAN WHO WANTS  
A JOB, CAN FIND A JOB.

BUT THOSE JOBS WON'T BE SECURE -- THOSE PAYCHECKS  
WON'T BE PROTECTED -- UNLESS WE CAN KEEP INFLATION UNDER  
CONTROL.

INFLATION HURTS ALL OF US -- ESPECIALLY OUR OLDER  
CITIZENS ON FIXED INCOMES. IT ROBS THEIR SAVINGS,  
THEIR PURCHASING POWER, AND EVERYBODY ELSE'S.

INFLATION NOT ONLY CUTS PURCHASING POWER, IT ULTIMATELY  
CUTS CONFIDENCE -- THE MOST BASIC ELEMENT IN A SUSTAINED  
RECOVERY.

CONSUMERS FEARFUL OF INFLATION HOLD BACK ON PURCHASES --  
INVENTORIES ACCUMULATE -- PRODUCTION SLOWS DOWN --  
BUSINESSMEN DEFER INVESTMENT IN PLANTS AND EQUIPMENT --  
AND JOBS ARE LOST.

-17A-

WE KNOW THIS SCENARIO ALL TOO WELL. WE HAVE SEEN  
IT HAPPEN BEFORE. WE MUST NOT LET IT HAPPEN AGAIN.

-18-

AMERICA'S CONFIDENCE IN ITS ECONOMY HAS BEEN RESTORED.  
WE HAVE SHOWN THAT INFLATION CAN BE CURBED. NOW WE MUST  
KEEP AMERICA'S CONFIDENCE BY CONTINUING TO HOLD THE LINE.

WE MUST KEEP RAISING AMERICA'S HIGH STANDARD OF  
LIVING. OUR ECONOMIC PROGRESS DEPENDS, AS ALWAYS,  
ON OUR ABILITY AS A NATION TO FOSTER CAPITAL INVESTMENT AND  
INCREASE THE PRODUCTIVITY OF OUR WORKERS.

I HAVE PROPOSED REFORMS TO THE CONGRESS TO STIMULATE  
WHAT SOME CALL CAPITAL FORMATION THROUGH TAX INCENTIVES --  
BUT I PREFER TO USE THE TERM "JOB CREATION" BECAUSE THAT  
IS WHAT THE PROPOSALS WOULD DO AS A PRACTICAL MATTER.

TO MEET OUR EMPLOYMENT GOALS -- TO CREATE  
TEN MILLION JOBS OVER THE NEXT FOUR YEARS -- WILL REQUIRE  
A SUBSTANTIAL INCREASE IN THE SHARE OF OUR GROSS NATIONAL  
PRODUCT COMMITTED TO PRIVATE SECTOR INVESTMENT.

SOME OF THE SO-CALLED 'TAX LOOPHOLES' CONDEMNED BY MY  
OPPONENT ARE IN FACT IMPORTANT TOOLS TO ENCOURAGE CAPITAL  
FORMATION. THEY ARE INCENTIVES FOR BUSINESS EXPANSION  
AND INVESTMENT -- SO OUR ECONOMY CAN EMPLOY MORE PEOPLE  
AND PRODUCE MORE GOODS AND SERVICES.



AMERICA'S GOVERNMENT MUST MAKE IT EASIER -- NOT  
HARDER -- FOR AMERICAN BUSINESS TO FIND THE CAPITAL THAT  
MAKES THE WHOLE SYSTEM GO.

AT OUR THIRD DEBATE LAST FRIDAY, MY OPPONENT WAS ASKED  
ABOUT THE REASONS BEHIND HIS SLIPPAGE IN THE POLLS.

IN MY VIEW, ONE VERY IMPORTANT REASON FOR HIS DECLINING  
POPULARITY IS THAT SINCE HIS PARTY'S CONVENTION, HE HAS  
RELIED HEAVILY ON THE DISCREDITED OLD FORMULA OF MORE  
PROMISES, MORE PROGRAMS AND MORE SPENDING.

THE AMERICAN PEOPLE ARE IN A REALISTIC FRAME OF MIND  
THIS YEAR -- THEY KNOW THAT EVERY PROMISE HAS ITS PRICE.  
THE PRICE IN GOVERNOR CARTER'S CASE WOULD BE  
100 BILLION DOLLARS TO 200 BILLION DOLLARS EVERY YEAR --  
THAT'S THE PRICE OF THE NEW SPENDING PROGRAMS HE ENDORSES.

YOU KNOW AND I KNOW THERE ARE ONLY TWO  
ALTERNATIVES. THE FEDERAL GOVERNMENT CAN PAY FOR  
THOSE PROGRAMS BY INCREASING TAXES.

OR IT CAN BORROW THE MONEY TO PAY FOR THEM -- PUTTING  
MORE PRESSURE ON THE CREDIT MARKETS, MAKING IT HARDER FOR  
BUSINESS AND INDUSTRY TO FIND THE MONEY THEY NEED -- ADDING  
TO THE DEFICIT AND FUELING THE FIRES OF INFLATION.

THAT IS THE WRONG APPROACH ALTOGETHER. WE NEED  
TO HOLD DOWN THE RATE OF GROWTH IN FEDERAL SPENDING --  
AS I HAVE BEEN DOING WITH MY BUDGETS AND MY VETOES.  
THAT WAY WE CAN REDUCE TAXES ON PRIVATE INDIVIDUALS  
AND ON CORPORATIONS AS WELL.

I HAVE PROPOSED INCREASING THE PERSONAL EXEMPTION BY ONE-THIRD, FROM 750 DOLLARS TO 1,000 DOLLARS, AND TRIMMING THE CORPORATE INCOME TAX RATE. THE MOST

NECESSARY TAX REFORM TODAY IS TAX RELIEF FOR MIDDLE-INCOME AMERICANS.

WE SHOULD GIVE AMERICANS THE CHANCE TO SPEND MORE OF THEIR OWN HARD-EARNED MONEY, INSTEAD OF HAVING THE GOVERNMENT SPEND IT FOR THEM.

I PROPOSE TODAY THAT THE FIRST ORDER OF BUSINESS IN WASHINGTON NEXT JANUARY SHOULD BE AN ADDITIONAL TAX CUT OF 10 BILLION DOLLARS.

AS SOON AS THE NEW CONGRESS IS ORGANIZED, I INTEND TO MEET WITH ITS LEADERSHIP SO THAT WE CAN PUT A TAX CUT AT THE TOP OF THE AGENDA FOR 1977.

IN THE MEANTIME; I BELIEVE THAT EVERY CANDIDATE FOR FEDERAL OFFICE -- FROM THE WHITE HOUSE TO THE HOUSE OF REPRESENTATIVES -- HAS AN OBLIGATION IN THE CLOSING DAYS OF THIS CAMPAIGN TO SAY PRECISELY WHERE HE STANDS ON TAX CUTS.

SPECIFICALLY, I CALL UPON ALL CANDIDATES FOR THE CONGRESS TO TELL THEIR PROSPECTIVE CONSTITUENTS -- BEFORE THE ELECTION, NOT AFTER THE ELECTION -- WHETHER THEY WILL SUPPORT THE ADDITIONAL TAX CUTS I HAVE PROPOSED.

I PLEDGE TO THE AMERICAN PEOPLE THAT I WILL SEEK TAX CUTS  
AS THE NUMBER ONE PRIORITY IN THE NEXT FORD ADMINISTRATION,  
AND I ASK FOR THE HELP OF THE VOTERS IN ELECTING A CONGRESS THAT  
WILL WORK WITH ME TOWARD THAT END.

MY VIEW IS THAT OUR GOVERNMENT SHOULD RETURN MORE  
MONEY AND MORE POWER TO THE AMERICAN PEOPLE, AND TO THE  
STATE AND LOCAL AUTHORITIES CLOSEST TO THE AMERICAN PEOPLE.

IN RECENT YEARS WE HAVE SEEN A TREND TOWARD GREATER  
CENTRALIZATION, GREATER POWER IN WASHINGTON AND LESS IN  
STATE AND LOCAL COMMUNITIES. THIS TREND HAS NOT ONLY  
HURT THE AMERICAN ECONOMY -- IT HAS SAPPED THE AMERICAN  
SPIRIT.

THE CONTINUING ECONOMIC CRISIS IN GREAT BRITAIN TELLS  
US ALL WE NEED TO KNOW ABOUT THE DANGERS OF TOO MUCH  
GOVERNMENT, TOO MUCH SPENDING ON BORROWED MONEY.  
JUST A FEW DAYS AGO, THE VALUE OF THE BRITISH POUND  
DROPPED TO A NEW ALL-TIME LOW.



INFLATION HAS BEEN RUNNING AT 25 PERCENT. GOVERNMENT  
SPENDING IN GREAT BRITAIN NOW ACCOUNTS FOR 60 PERCENT  
OF THE ENTIRE BRITISH ECONOMY.

THE COURAGEOUS PRIME MINISTER OF THAT TROUBLED NATION  
HAS GONE TO THE HEART OF THE PROBLEM. LISTEN TO WHAT HE  
SAID JUST A FEW WEEKS AGO TO HIS OWN LABOR PARTY -- THE  
PARTY THAT PLAYED AN IMPORTANT ROLE IN HELPING TO CREATE  
THE PROBLEM.

PRIME MINISTER CALLAGHAN SAID: "WE USED TO THINK THAT YOU COULD JUST SPEND YOUR WAY OUT OF A RECESSION AND INCREASE EMPLOYMENT BY CUTTING TAXES AND BOOSTING GOVERNMENT SPENDING.

"I WILL TELL YOU IN ALL CANDOR THAT OPTION NO LONGER EXISTS AND THAT INsofar AS IT EVER DID EXIST, IT WORKED BY INJECTING INFLATION INTO THE ECONOMY -- AND EACH TIME THAT HAS HAPPENED THE AVERAGE LEVEL OF UNEMPLOYMENT HAS RISEN.

"HIGHER INFLATION FOLLOWED BY HIGHER UNEMPLOYMENT --  
THAT IS THE HISTORY OF THE LAST 20 YEARS IN GREAT BRITAIN."

WE MUST NOT LET THAT BE THE HISTORY OF THE UNITED STATES  
IN THE NEXT FOUR YEARS.

WE CAN AVOID IT -- AND AS LONG AS I AM PRESIDENT,  
WE WILL AVOID IT.

THAT IS BUT ONE OF MANY IMPORTANT REASONS I AM  
A CANDIDATE FOR THE PRESIDENCY IN 1976. I NEED YOUR HELP.  
I NEED YOUR SUPPORT. I NEED YOUR VOTE ON NOVEMBER SECOND.

YOU KNOW WHERE I STAND. I PROMISE YOU -- I WILL  
NOT LET YOU DOWN.

THANK YOU VERY MUCH.

END OF TEXT