The original documents are located in Box 41, “10/28/76 - Remarks at the Scottish Rite Cathedral, Indianapolis, Indiana” of the President’s Speeches and Statements: Reading Copies at the Gerald R. Ford Presidential Library.

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THANK YOU, GOVERNOR BOWEN. THE PRESENT 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?

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.
-1A-

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.

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

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 LOOHOLES" 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 TEELS 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 IN SO FAR 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