

FOR IMMEDIATE RELEASE

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THE WHITE HOUSE

ADDRESS OF THE PRESIDENT  
AT THE  
CONFERENCE ON INFLATION  
LIVE ON NATIONWIDE RADIO AND TELEVISION

THE WASHINGTON HILTON

12:37 P.M. EDT

Ladies and gentlemen, **companions** in 24 conferences and my fellow Americans:

Just one personal note, if I might. I just returned from the hospital where I saw Betty as she came from the operating room. Dr. Lukash has assured me that she came through the operation all right.

It has been a difficult 36 hours. Our faith will sustain us and Betty would expect me to be here.

I thank each and every one of you for your contributions to this summit. For most summits, there is no way to go except down. From this summit, we are going to start going up.

This is not the end, but it is the beginning of a battle against inflation and waste which will not end until it is won.

I have vowed and asked all of you to resolve here that we will celebrate our Nation's 200th birthday with our economy healthy and strong, with prosperity as well as peace that brings the solid realities of a great Republic.

Thousands and thousands of dedicated men and women have come together in this series of inflation conferences to map the strategies and the tactics of our all out war against America's domestic enemy number one.

All of you will be the Founding Fathers, if we succeed. If we fail, then certainly we will all hang separately.

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General George Washington's words at the start of our Nation are equally appropriate at this time, and I quote: "Let us raise the standard to which the wise and honest can repair, the rest is in the hands of God."

And God helps those who help themselves. On this principle, Americans in two centuries have astonished the world and time and time again have confounded the pessimists and the cynics who said it couldn't be done.

You have discussed many ideas. You have spoken candidly, and as a result, I, along with other Americans, have gained a far better understanding of our economic problems. Perhaps we have caught glimpses of the political problems, and we understand those, but even in our controversies, we have all developed a super sense of direction.

You have done your homework well; now it is my turn.

In the days immediately ahead, I will offer to the American people and to the Congress a program of action which will help bring balance and vitality to our economy. This program could not be formulated without your participation and without the support of millions of other Americans who have given us their ideas.

I think all agree on one point: Inflation must be stopped. But this Administration will respond not with words but with action and with programs. As your President, the only special interest I have, the only special interest I represent is the American people -- housewives struggling with rising grocery prices, workers whose real purchasing power has eroded because of inflation, businessmen trying to control rising costs, families needing new homes, but unable to find mortgage money to buy them, those thousands of unemployed who want work, the elderly locked into pension programs earned years ago, indeed all 213 million Americans.

I pledge to you that I will not shrink from the hard decisions needed to meet the problems facing each and every one of us. This is a critical hour in America's history. It requires that Americans once again rise above petty partisanship or factual interests in any segment of our society. The very future of our political and economic institutions, indeed our whole way of life, is literally at stake.

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A fundamental fact of human history is precisely this: Nations which cannot impose upon themselves a disciplined management of their fiscal and monetary affairs are doomed to economic disorder and widespread inflation.

Such discipline is imperative. It is urgent if we are to achieve a stable and expanding economy. The American people have repeatedly demonstrated their ability to submerge personal and group interests to the general welfare. When they know the chips are down, they are really down--and they have done it in the past and they will do it again--they will respond as they always have.

As part of the demanded discipline, I will send to the Congress a plan of action to keep Federal outlays for fiscal year 1975 at or under \$300 million. Every dollar the Federal Treasury must borrow is a dollar not available to the home buyer or the businessman trying to expand or other citizens who may be borrowers for good and sufficient reasons.

A coherent national policy on energy is essential for economic stability. It must encourage prudent use of available energy. There must be an assured future energy supply to enable consumers and businessmen to plan in a confident and orderly way.

I will soon propose a national energy program aimed at assuring adequate internal supplies while reducing dependence on external sources.

At this very minute, Secretaries Kissinger and Simon are exploring with their counterparts from four major industrial nations a coordinated plan to cope with a world energy crisis and world economic dislocations.

Today, I can announce three actions I have just taken:

First, I have directed the consolidation by Executive Order of all the Federal Government economic efforts, domestic and international, under a new Economic Policy Board. The Secretary of the Treasury, Bill Simon, will serve as chairman of this board and as my principal spokesman on matters of economic policy.

I have appointed Bill Seidman, who has done so well with this conference, to serve as my assistant for the coordination and the implementation of economic affairs and also as Executive Director of the new Economic Policy Board.

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In addition to Secretary Simon and Bill Seidman, I have appointed eight Cabinet officers as members of this board. They include Henry Kissinger, **Roge** Morton, Earl Butz, Fred Dent, Pete Brennan, Caspar Weinberger, Jim Lynn and Claude Brinegar.

In addition, membership includes the Director of the Office of Management and Budget, Roy Ash; the Chairman of the Council of Economic Advisers, Alan Greenspan, and the Executive Director of the Council on International Economic Policy, William Eberle.

Dr. Arthur Burns, Chairman of the Board of Governors of the Federal Reserve System, will attend meetings of this board, which will start work immediately.

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**Second**, I have established by Executive Order a White House Labor-Management Committee whose counsel and recommendations will not only be sought by me but given to me man-to-man and face-to-face.

Eight distinguished labor leaders and eight distinguished business executives comprise its membership. The objective of this committee is not only to serve as advisers to me on major economic policies, but to help assure effective collective bargaining, promote sound wage and price policies, develop higher standards of living, boost productivity and establish more effective manpower policies.

Dr. John T. Dunlop, a dedicated public servant and professor of economics at Harvard University, has agreed, and we are very thankful, to serve as coordinator of this committee.

Representing labor on this committee will be President George Meany of the AFL-CIO, Secretary-Treasurer Lane Kirkland of the AFL-CIO, President I. W. Abel of the United Steel Workers of America, President Murray H. Finley of the Amalgamated Clothing Workers of America, President Paul Hall of the Seafarers International Union of North America, President Frank Fitzsimmons of the Teamsters International Union, and President Leonard Woodcock of the United Auto Workers and President Arnold Miller of the United Mine Workers.

Representing management on the committee will be John Harper of the Aluminum Company of America, Reginald H. Jones of General Electric, Steve Bechtel of the Bechtel group, Richard Gerstenberg of General Motors, Rawleigh Warner of the Mobil Oil Company, Walter Wriston of the First National City Bank, Arthur Wood of Sears, Roebuck and Company, and R. Heath Larry of U.S. Steel.

I am proud to announce this group of 16 distinguished, outstanding Americans.

A third announcement: The Council on Wage and Price Stability recently established by Congress at my request and with my deep appreciation is another arm I will use in the fight on inflation. I have asked Dr. Albert Rees, a distinguished economist and professor of economics at Princeton, to direct the Council's work.

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We are fortunate to have Dr. Rees with us.

And may I express to all the people, those that I have mentioned and others that will help, their willingness to step in and help the country and 213 million people. But nobody knows better than I that councils and committees cannot win this war.

The most important weapon in the fight against inflation is the spirit of the American people. This spirit is no secret weapon. It is renowned all over the world, and I call on each of you in this room, but more urgently, on each of you at home watching on television, and all the other Americans across this vast land who either hear or read my words, I urge them as I know they will, to join with all of us in a great effort to become inflation fighters and energy savers.

I know all across our country the question everyone asks me is, "What can I do to help?"

I will tell you how we can start. Right now, make a list of some ten ways you can save energy and you can fight inflation. Little things that become habits -- they do become habits. They don't really affect in some instances your health and happiness. They are habits that you can abandon if we are all faced with this emergency.

I suggest that each person exchange your family's list with your neighbors and I urge you and ask you to send me a copy.

Some of the best ideas come from your home rather than from the White House. The success or failure of our fight against inflation rests with every individual American. Our country is above all a union. And you and I can make it a more perfect union as our fathers did.

One of our delegates yesterday, Sylvia Porter, the well-known newspaper columnist on economics, has kindly consented to help me get this voluntary citizens' program organized and underway, and I thank you very, very much, Sylvia.

It was dramatically pointed out here yesterday that inflation strikes our society very unevenly. Government must concern itself with those on whom the burden falls excessively.

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For instance, we must provide productive work for those without jobs. We must adjust our tax system to encourage savings, stimulate productivity, discourage excessive debt, and to correct inflation-caused inequities.

And I can assure the American people that the Executive Branch and the Congress working together will effectuate and implement such a program.

May I add a very special word to our distinguished foreign guests. What you heard here yesterday and today may remind each of you of the current problems of your own country's economy. The problems of people are not very different in these days wherever they live and work.

The whole world suffers from inflation.

I assure you the United States is seeking honest solutions that will help, not hinder, other nations' efforts to advance or restore their economic health.

I will have extensive consultations with leaders of other governments aimed at strengthening international institutions and to assure that we never again experience world-wide and interacting inflations and deflations.

There are more difficult decisions ahead for me and for the Congress. From the many alternative policies which we have heard here given in good faith, listened to in good faith, we can and will fashion a coherent and consistent program.

I will present my recommendations to the nation and to the Congress within the next ten days.

Finally, you will understand my two compelling reasons for cancelling all but my most essential appointments and travel plans in order to be here in Washington. I will devote every minute that I can to forging the mass of evidence and the evaluations generated by this conference into concrete action, into concrete plans and legislative proposals.

A great leader of this country -- of this century, I should say -- in whom the unbeatable willpower of his American heritage, combined with English eloquence, rallied his embattled countrymen from almost certain defeat by a blunt promise of blood, toil, tears and sweat.

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I trust we can avoid blood and tears and we will.

But I do offer you plenty of toil and plenty of sweat.

I will roll up my sleeves and work every bit as hard as you do, starting this week-end, until every American is enlisted as an inflation fighter and as an energy saver until this job is done.

Thank you and God bless you.

END (12:57 P.M. EDT)