

FOR RELEASE ON DELIVERY

SEPTEMBER 28, 1974

Office of the White House Press Secretary  
-----THE WHITE HOUSEREMARKS OF PRESIDENT GERALD R. FORD  
CONFERENCE ON INFLATION  
THE WASHINGTON HILTON HOTEL, WASHINGTON, D. C.  
SATURDAY, SEPTEMBER 28, 1974

Ladies and gentlemen, companions in this conference and my fellow Americans. Thank you for your participation and your contributions to this summit meeting on inflation.

From most summits there is no way to go except down. From this summit we are going to start up. This is not the end, but the beginning, of a battle against inflation and waste which will not end until it is won.

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

Thousands of dedicated men and women have come together in this series of inflation conferences to map the strategies and tactics of our all-out war against America's domestic enemy number one. All of you will be the new Founding Fathers--if we succeed. If we fail, then certainly we will all hang separately.

General George Washington's words at the start of our nation are equally appropriate now: "Let us raise a 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. As a result, I, along with other Americans, have gained a better understanding of our economic problems. Perhaps we have caught glimpses of the political problems as well. But, even in our controversies, we have all developed a surer 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 me their ideas. All agree on one vital point: Inflation must be stopped cold.

This Administration will respond--not with words but with actions and programs.

As your President, 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 to work, the elderly locked into pensions programs corner years ago--indeed, all 213 million Americans.

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

A fundamental fact of human history is this: Nations which cannot impose on themselves a disciplined management of their fiscal and monetary affairs are doomed to economic disorder and widespread inflation. Such discipline is imperative and 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 really down, they will do it again.

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 billion. Every dollar the Federal Treasury must borrow is a dollar not available to the homebuyer or to the businessman trying to expand or to other citizens who are borrowers.

A coherent national policy on energy is essential for economic stability. It must encourage more prudent use of available energy. There must be an assured future supply to enable consumers and businesses to plan in a confident and orderly manner. I will very soon propose a national energy program aimed at assuring adequate internal supply while reducing dependence on external sources. At this very minute Secretary Kissinger and Secretary Simon are exploring with their counterparts from four major industrial nations a coordinated plan to cope with the world energy crisis and economic distortions.

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

First, I have directed the consolidation by Executive Order of all the Federal Government's economic efforts, domestic and international, under a new Economic Policy Board. The Secretary of the Treasury, William Simon, will serve as chairman of this board and as my principal spokesman on matters of economic policy. I have appointed Mr. L. William Seidman to serve as my assistant for the coordination and implementation of economic affairs as well as Executive Director of the new Economic Policy Board.

In addition, to Secretary Simon and Mr. Seidman, I have appointed these Cabinet officers as members of this board:

Secretary of State Henry Kissinger; Secretary of the Interior Rogers C. B. Morton; Secretary of Agriculture Earl Butz; Secretary of Commerce Frederick Dent; Secretary of Labor Peter Brennan; Secretary of Health, Education, and Welfare Caspar Weinberger; Secretary of Housing and Urban Development James Lynn; and Secretary of Transportation 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 to 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 but given to me man-to-man and face-to-face. Eight labor leaders and eight 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 C. Dunlop, a dedicated public servant and professor of economics at Harvard, has agreed to serve as coordinator of this committee.

Representing labor on the 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 Steelworkers 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 E. Fitzsimmons of the Teamsters International Union; 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 D. Harper of the Aluminum Company of America; Reginal H. Jones of General Electric; Stephen D. Bechtel, Jr., of the Bechtel Group; Richard C. Gerstenberg of General Motors; Rawleigh Warner, Jr., of the Mobil Oil Company; Walter B. Wriston of the First National City Bank; Arthur Wood of Sears, Roebuck and Company, and R. Heath Larry of U.S. Steel.

A third announcement:

The Council on Wage and Price Stability, recently established by Congress at my request, 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.

But nobody knows better than I do 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. I call on each of you in this room today, but more urgently, on each of you at home watching on television and on all the other Americans across this vast land who hear or read my words, to join me in a great effort -- and to become Inflation Fighters and Energy Savers.

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

I'll tell you how we can start. Right now make up a list of 10 ways you can save energy and fight inflation.

Little things that have become habits but don't really affect your health and happiness.

Exchange your family's list with your neighbors and 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.

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Our country is above all a Union, and you and I can make it a more perfect Union as our fathers did.

Inflation strikes society unevenly. Government must concern itself with those on whom this burden falls excessively. 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 we will.

May I add a special word to our distinguished foreign guests. What you heard here yesterday and today may remind you of the current problems of your own country's economy, for the problems of people are not very different 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 nation's 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, we must 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 I can to forging the mass of evidence and evaluations generated by this conference into concrete action plans and legislative proposals.

A great leader of this century, 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.

I trust we can avoid blood and tears.

But I do offer you plenty of toil and sweat.

And I will roll up my sleeves and work every bit as hard as you do, starting this weekend, until every American is enlisted as an Inflation Fighter and an Energy Saver, and until this job is done.

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