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THE WHITE HOUSE

REMARKS OF THE PRESIDENT
AT THE
MICHIGAN REPUBLICANS SALUTE
THE PRESIDENT DINNER

COBO HALL

8:55 P.M. EDT

Thank you very much Max Fisher, Governor Milliken, Senator Bob Griffin, distinguished members of the Executive Branch in Lansing, members of the State legislature, public officials, ladies and gentlemen:

It is just wonderfully warming and refreshing to be here, and I thank you from the bottom of my heart.

Before I begin, I really should tell you what a great day it has been today. In a State where automobiles are so much a part of our everyday life, you don't know how much fun it was driving in from the airport and seeing so many wonderfully nice people just come out and watch this Ford go by. (Laughter)

I have been asked by a good many friends of mine whether I will be able to stay for the next day or two and see that tremendously important, great traditional football game between Michigan and Michigan State this Saturday.

Unfortunately, I won't be able to do so, but I do have to be honest. When the Wolverines are playing, asking me who I am rooting for is about as necessary as asking Bill Milliken and Bob Griffin how to get to Traverse City.

It is great to be here, as I indicated at the outset, among so many old friends and so many outstanding leaders who are here to pay tribute to Bill Milliken and the ticket.

If I might, I would like to relax a minute, and if I might, I would like to tell the latest shaggy dog story from Washington, and the truth is, it is accurate.

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(OVER)

As a matter of fact, I was sitting up here talking to Max Fisher and Helen Milliken, and I was trying to light my pipe, and I reached into my pocket and I picked out of the pocket a big dog bone, which I carry now because for the last three or four days we have had a new tenant at the White House.

Actually, it is a story of how my daughter, Susan, and Dave Kennerly, the new White House photographer, surprised me and Betty with an eight-month-old Golden Retriever last Saturday. In the process of trying to get this dog, because we had had a great affection for Golden Retrievers -- we had two, one 13-year-old and one nine; both have died -- so they called up a very highly recommended kennel and said they wanted to buy a Golden Retriever.

The owner of the kennel said that is fine, who will the dog's owner be. They said it is a surprise and they would like to keep it secret. Well, the kennel owner said he did not sell dogs that way. He would have to know who the dog was going to and whether it would have a good home or not.

So, Susan and Dave assured the kennel owner that the dog would have a good home. They explained that the parents are friendly, middle aged, and have four children. The kennel owner said, "Good. What kind of a house do they live in?"

Susan and Dave said, "Well, it is a big white house with a fence around it." Then the kennel cwner went on to say -- he was very inquisitive, protecting the dogs that he was trying to sell -- the kennel owner said, "This is a big dog who will eat a lot. Does the father have a steady job?" Both Dave and Susan were stuck for an answer to that one. (Laughter)

Needless to say, they got the dog, and with it a very appropriate spirit of the Bicentennial. In that spirit we have named her Liberty.

A reporter asked Susan and Dave, "Who is going to take care of Liberty? Who is going to feed her and groom her and take her out each night or every morning," and Susan did not hesitate one minute, she said, "Daddy," which is typical. (Laughter)

So, I have this feeling that this is one Liberty that is going to cost me some of my own. (Laughter)

But let me reiterate and re-emphasize, it is wonderful to be back with all of you good Michiganders, and as I sat here talking with Max and Helen and others and looked out at this tremendous audience, I could not help but have the feeling that the enthusiasm, the numbers, the people--we are a reflection of the support that the people in Michigan will give to a great Governor, Bill Milliken, on November 5.

Bill, as you know, probably better than I, has done a superb job. The thing that I like about Bill is that he is a problem solver. Now, I may not agree with everything Bill has done, and I am sure it is reciprocated, but I do look at a person in the Executive Branch who has the conflicting advice and counsel of many people, who has the obligation to represent the cross-section of a great State, totaling nine million people—he has to take into consideration the plusses and the minuses of a total population and Bill Milliken has proved to me that he is a problem solver, and those are the kinds of people I like.

And quite frankly, that is why I am here tonight, to do what I can in a small way to help the cause of a person who has done much for Michigan and can do infinitely more.

Bill, good luck.

If I might add parenthetically, his problem solving has not been in a small part of the spectrum. His problem solving has covered the waterfront, so to speak, with the environment, education, taxation, transportation.

What he has done in the field of education is really landmark. And all of us who feel that we must upgrade education for the future generations and for the benefit of our country, this should be a particular selling point for all of you as you go the length and the breadth of our great State.

Bill and I have discussed on a number of occasions since August 9 the problem of inflation and employment. Frankly, I took Bill's personal recommendations when I had to make some of those decisions in the last week concerning our program to win the battle against inflation, and one of them that can be very helpful here in our State is the question of public service employment.

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I thank Bill for his specific understanding and recommendations in this regard and about a month ago, in accord with what Bill had proposed, I made available on a national basis a substantial amount of money, but for Michigan alone it was approximately \$35 million, which will be highly beneficial and very effective for some 300,000 unemployed in our State, and Bill, I thank you for the advice and good counsel on this program.

Let me say to the people of the City of Detroit, I had their problems in mind when I made some decisions in the last few days concerning the economy and energy. I think we all recognize that inflation strikes citizens most unevenly. There are those for one reason or another, because they are awfully young or they are rather old, who suffer in a discriminatory way inflation's evils.

Some of them do not have jobs or some of them are living on fixed incomes which are unfortunately too low under our current circumstances. But let me say that in our total package of programs -- some 31 specific recommendations that I made last Tuesday -- we had some ideas in there which we will implement with the help of the Congress and the American people.

To help the young and to protect the old, we have a Community Improvement Corps Program which will give to the young people, particularly, but as well to the old, an opportunity to work with their hands and their minds, to improve our environment, our communities.

It is aimed at the short-range problem that we have of getting us over the hump of a threatened recession and too high inflation. In this area, Bill Milliken was particularly beneficial because he knows that there are places in our State that with the helping hand of the Federal Government we can do things to improve the environment, to better our communities. And, of course, in speaking of Bill, I am delighted to recommend to you someone that I have gotten to know who will be a great partner with Bill as Lieutenant Governor, Lieutenant Governor Jim Damman.

Jim, good luck to you.

As Bob Griffin was speaking tonight, I reminisced a good bit in my own mind because in January of 1965, Bob Griffin did more to help me become Minority Leader than anybody else in the House of Representatives. And for all the trouble I have gotten in in the meantime, you can blame Bob Griffin.

He was the campaign manager in the campaign where I challenged an older man, and we won by the landslide margin of 73 to 67.

But it was Bob's skill, his support, that made it possible, and it has been a great privilege and pleasure for me to watch Bob's progress as he went from the House to the Senate, and from the Senate to the second leadership post on our side of the aisle.

Now Bob and I have done a lot of things together. But he is a good bit younger, so we never played football together. But Bob is the kind of individual that I respect in politics. He is a team player, and I just hope and trust, as Bob moves along up the political ladder and in the priority list, that we in Michigan can see in Bob Griffin a higher and higher and more and more responsible role in our Federal Government. He deserves it and he will make it.

Bob, it is nice to be here with you.

You have been introduced to the wives of the Members of the House. They are the ones that really are helpful in the tough times that a Member of the House has to make decisions. They look after the families, they are nice to their husbands, and I just think we owe a special round of applause to the wives of Marv Esch, Ed Hutchinson, Chuck Chamberlain, Al Cederberg, Phil Ruppe, and Bill Broomfield. We had anticipated that their husbands would be traveling with me coming out here. We have a few more accommodations now than we had a couple of months ago. But unfortunately all of them are in Washington staying on the job, and that is what you elected them to do.

So I think we should applaud them for being here with us tonight. And even though we missed all of the Republican Members of the delegation who could not be here, and that is sad, I would like to share some good news with you tonight.

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It is often said that being President of the United States is the londiest job in the world. To me personally that becomes a lot less lonely tomorrow. I am glad to report to all of you that Betty is coming home tomorrow.

And may I express to all of you her appreciation and mine, too, for the wonderful cards and letters and telegrams and telephone calls of good wishes and welcome. I can assure you that the some 20,000 or more that have come to the White House and to the hospital -- it has been tremendously helpful. And she is coming home with a great spirit and a complete recovery, and I thank you for you help and assistance.

I should reemphasize that I learned in the last two months that the Presidency is a lonely job because the toughest decisions, the toughest decisions in the Federal Government, come to the President's desk. And these are the kinds of decisions that only the President can make under our system.

I always had doubts about it before, but I found it is true. And one of the toughest decisions that I had to make as President was whether or not to ask the Congress four weeks before an election to raise taxes on some individuals and on all corporate income.

I am sure you know what my decision was, but before giving you an illustration or two, let me say a choice I disregarded was the proposal by some to put a 10 or 15 or 20 cent-per-gallon tax on gasoline. I discarded it because it was wrong under the circumstances.

Now there have been some small tremors on Capitol Hill and I am not blaming anybody for not immediately understanding how the proposed Federal surtax works. But let me illustrate how this tax actually is applicable to a good many taxpayers -- a 5 percent surcharge on personal income.

Number one, it will effect only 28 percent of all individual tax returns. Seventy-two percent of the individual tax returns will have no additional income tax applied.

Number two, a 5 percent surcharge is not a repressive tax which will drive families to the wall to pay their taxes, nor will it significantly cut back their buying power.

Let me assure you if we do not do something about double digit inflation, that will be infinitely more harmful. It will be far more injurious than a 5 percent surtax on the taxes that you are paying at the present time.

Let me illustrate quite categorically what it means. For a person with a \$15,000 income -- wages -- with a family of four, there won't be any extra tax. A family of four earning \$20,000 a year will have to pay an additional tax in a 12-month period of \$42, about 12 cents a day. Isn't that a good investment to stop double digit inflation? I think it is.

Let me ask you this: Wasn't it worthwhile to get this additional tax revenue if the Congress responds so that we can help to pay for some of the programs that are needed on a short-term basis, to help the people that are far worse off than we?

The program has to be fair. It has to be compassionate on one hand and calling for equity and sacrifice on the other. And that is what we have tried to do--to balance. We have also had to make sure that we tighten the screws enough to do something about inflation, but not to do too much so that we would continue down the road of some economic difficulty.

It was a finely-tuned, combined package of 31 proposals -- enough pressure but enough flexibility, enough sacrifice, but enough equity. And as we looked at it honestly and conscientiously, we tried to do something that would make it a program for success without severe penalty.

And I urge you from the very bottom of my heart to come out and be a zealot, a salesman for a program that is good for America and fair to everybody. And I hope you will.

Speaking of responsibility -- and this is a responsibility that we all have to take care of, public enemy number one -- let me speak about another responsibility if I might. And here it is -- a question basically of how the United States can continue in its leadership role in building peace, a peace that was established following World War II, so that we, in the last 25 or 30 years, could enjoy the benefits in Western Europe of no conflict between the East and the West.

That building block of peace between the Soviet Union and its bloc allies and ours and our allies has been a cornerstone of non-aggression and understanding.

But we are at a very critical moment right now. I think many of you are aware of the Congressional action to cut off all military assistance to one of our NATO allies, Turkey.

This Congress, I think, has made a serious mistake in this regard. The Congress arbitrarily made a decision, despite the opposition of the Democratic as well as Republican leadership in the House and Senate, and it is my unalterable conviction that such a drastic action under these circumstances will severely damage the interests of the United States and the free world.

Let me tell you why, if I could express my deep personal conviction. If this action of arbitrarily cutting off an ally is not reversed, history could well record that this Congress has embarked on a dangerous and misguided course of action which regretably, tragically, catastrophically, could damage Greece--another ally--and undermine the North Atlantic Treaty Organization.

It us unbelievable to me that the Congress would act in such a way. As I have told you, the Democratic and Republican leadership of the House and Senate fought the action that was taken in both bodies, but unfortunately the majority in the House and Senate at this moment have prevailed in what they have done.

They have not helped Greece, they have not helped NATO, they have not helped settle the problem in Cyprus one bit. They probably hurt all three.

Now the United States, because of the skillful diplomatic leadership of Dr. Henry Kissinger, is in a position to be helpful in the solution of this problem, and if we get some flexibility from the Congress—and the chips are down tomorrow—with 60 days of flexibility we can make some progress.

We can do something to help Greece and at the same time keep Turkey within the NATO organization and simultaneously help to negotiate a meaningful constructive solution to the problems in Cyprus.

What I am trying to say to you is, if you have any influence on any of your Members of Congress -- Democratic or Republican -- urge them in the House of Representatives tomorrow to give us just 60 days to use our influence in trying to bring about a solution that will help Greece and keep Turkey within the alliance, and find a key to the problems of Cyprus. Just urge your friends in the House, both Democratic and Republican, to vote for the Mansfield amendment which passed the Senate yesterday.

I say this as strongly as I possibly can. And I say it because just a quarter of a century ago when I first went to the House of Representatives, the Congress was under the control of the Republicans. And there was a Democratic President by the name of Harry Truman, and at that stage, just after World War II, there was a massive bipartisan effort to rebuild Europe and to lay the foundation for our alliance in Europe today.

A Democratic President from Independence, Missouri, was helped tremendously by a Republican Senator from Grand Rapids, Arthur Vandenberg. And those two people were the architects of a bipartisan foreign policy that gave us a foundation for peace and strength in Western Europe.

What I am saying to you and to my friends in the Congress, wouldn't it be tragic if there was a division between a Democratic Congress and a Republican President a quarter of a century later?

They and I have the obligation to work together, to build on this quarter of a century of progress, and we can and we will.

Leadership on both sides of the aisle and both ends of the Capitol are working with me, but we need the help of a lot of others in the House as well as in the Senate if we want to help Greece, if we want to keep the NATO organization strong, if we want to solve the humanitarian problems in Cyprus.

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Let me conclude with these final observations and comments. We have got not only problems at home in the economic field and problems in foreign policy around the world, but we have the basic problem of trying to maintain the political structure of our country.

I know that some people fear the demise of some of our basic political institutions, one of them being the two-party system. And if you look at the Gallup or Roper polls, you can see that the Republican party has suffered greatly according to their calculations. The Democratic party has not picked up, in fact they have lost a few, too, and there is a great mass in the middle who call themselves Independents.

I respect and admire Independents, but as I look back over the history of this country, I find that the periods of greatest political stability and progress and movement have come when we had two strong political parties.

It seems to me that our history has been greater and more glorious when we have had no splinter parties, that we have been unified in one of two major political parties.

Independence is good, but if we are to make our system work in the traditional way where you have competition with the Democrats on one hand and the Republicans on the other, we have got to maintain these organizations which give to every American an opportunity to be a participant.

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Now, I have some prejudice as to which party I think people ought to belong, but the main problem we have is to make sure that these two political parties survive, grow and participate in a more meaningful way.

This is the way that our party can nominate people like Bill Milliken, John Damman, Bob Griffin, the members of the Michigan Congressional delegation, the members of the State legislature, and so I plead with you to support a strong two-party system.

History throughout the world tells us this -if you have a multitude of political parties, you have
chaos and you end up in that nation suffering with no
progress. On the other hand, if you have one political
party, we have the evils of dictation and all that
goes with it.

So, let's make the choice of a two-party system, and this election has something to do with that. A catastrophic defeat, as some forecasters are predicting for the Republican Party, could have a terribly depressing effect on the Republican Party and could --could I say--write the obituary.

I don't think it will happen to the Republican Party and all for which we stand, so as I close, let me say I am confident of our faith in the Republican Party. I am confident that our candidates will do well at the State level, the Federal level.

Why? Because they have good principles, they have done a good job, they deserve the support of the people of Michigan, but more importantly, it is important to preserve the strength, the fiber of a political system that has done more for more people in freedom, material things and God's blessings, a political system of the United States.

Thank you very much.

END (AT 9:30 P.M. EDT)