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THE WHITE HOUSE

TEXT OF THE PRESIDENT'S REMARKS
TO THE WHITE HOUSE CONFERENCE ON
DOMESTIC AND ECONOMIC AFFAIRS
THE MEMORIAL COLISEUM, PORTLAND, OREGON

I am pleased that business, labor, consumer, and environmental organizations have joined in sponsoring this meeting to improve the lines of communication between non-governmental organizations and the White House.

You can generate a new climate of confidence and understanding on national issues of greatest concern. This is my first participation as President in this nationwide series of meetings that can have a vital impact on America's response to the state of our economy, housing, environment, and general domestic affairs.

In this context, I want to discuss the question of confidence in our political system and our ability to cope with very serious issues.

The question of "credibility" is still raised. A mood of cynicism exists in some quarters. There are even those who say that my Administration's openness is just another cover-up. Is everything phony and cynical?

I reject such a conclusion. But I would like to offer some thoughts on why there is doubt and division.

Confidence in America's institutions has been deteriorating since the early 1960's. There were assassinations, upheavals in great cities and school systems, riots, terrorism, crime, drug abuse, pollution, the Vietnam war, the Watergate affair with the first Presidential resignation in America's history, the energy shortage, rising inflation, and other blows to America's self-image.

This chain of events affected our institutions and our way of life. It did not start with the present inflationary problem. Nor with Watergate. Nor even the tragic murder of President Kennedy. America and the world are going through a hurricane of rapid change -- technological, economic, social, and political. Americans put men on the moon but have yet to cope with rapidly changing life on earth. Other industrial nations are also in varying degrees of crisis -- often without our resilience and our resources.

That explains my participation in today's meeting. I came to talk with you about how Americans can mobilize to regenerate our institutions -- beginning with the economy.

I am speaking now to Republicans, Democrats and Independents, to labor and management, and to every segment of American society. We are all in this together. And that is why I consider it so important to be in Portland today.

I have offered a comprehensive program to mobilize America against inflation. It was generated by the Conference on Inflation. A 31-point program was placed before the Congress. A massive voluntary citizens mobilization is gearing up. New steps have been taken to cope with the energy situation. And all of our actions seek to avoid an unfair burden on those who can afford it least.

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Americans are rallying to whip inflation. They can help by demanding action on the legislative proposals pending before the Congress. They can press for state and local initiatives. They can innovate voluntary programs.

America does not require dogmatic laws to control every action. Nor are my policies as President unchangeable. I am committed to no rigid economic formula but the basic American philosophy that made our economy the envy of the world.

America is built on mutual trust. It is governed by popular consent and consensus. Federal, state and local units of government, responding to the public, will whip inflation. I am confident that industries, businesses and great trade unions will whip inflation. I also have confidence that consumer and environmental groups will whip inflation.

Let us begin a dialogue that can build confidence between environmentalists and industry, between consumers and business, between labor and management, and between 213 million Americans and their government at the federal, state, and local levels.

Give dialogue a chance. Continue to challenge. But also continue in the sincere goodwill of both sides on every issue. Institutions are nothing more than people. Let us never lose faith in humanity -- nor in ourselves.

Meetings like this are excellent forums to generate confidence. Yet the time has come for action as well as talk. Accordingly, the function of leadership belongs to those placed in responsibility. As President, I accept my obligation. And I call upon every member of the Congress, governors, mayors, and all others concerned with Government and the leaders of every private-sector organization in America -- including those represented here today -- to provide the necessary leadership.

A free government cannot cope with inflation or energy shortages or any other problem without the consent and cooperation of the governed. Too many people have been saying what the other guy should do to whip inflation. Some tell us what the oil companies should do. Others would instruct labor on its responsibilities. Yet others have all kinds of sacrifices to suggest -- but not for themselves.

Our great Northwest is aware that inflation has dried up the supply of mortgage credit and sent housing into a tailspin. And it has been inflation that hit consumer confidence and put the brakes on consumer spending harder than at any time since World War II.

I assure the people of the Northwest that I do not accept the dismal proposition that pollution is the inevitable price of prosperity nor that we must compromise the environment to gain economic growth. We cannot enrich our lives by impoverishing our land. We can raise both standard of living and the quality of life.

The worst inflationary toll of all is the most subtle -- the erosion of confidence in the future, the loss of faith in the American society and government. Indeed, this disenchantment seems to grow at the same pace that prices increase. That is why fighting inflation is my first priority as President.

Americans have the will to preserve our economy and our institutions. The central, absolutely crucial need my program underscores is to control government spending and to finance new outlays with new taxes. Government simply can no longer go on spending beyond its means. Inflation, as I have said so many times, is public enemy No. 1.

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The fight against inflation is non-partisan. It is everyone's fight.

If I were to take the easy route of additional pump-priming and deficit spending as the economy cools off this winter, it would really cause trouble. We could see the current inflation rate doubled by 1976.

America remains a model for the world. Later this month, I am visiting the Far East in pursuit of the peaceful relationships essential for world economic stability. Inflation crosses borders and oceans. A President must do likewise.

As President, I am convinced this Nation can show the world that Americans retain confidence in our system. We can conserve. We can stop wasting. We can expand our production base while preserving our natural heritage. We can become more efficient and pay as we go for government.

Cynics and skeptics predict the end of the America we know and love. They are very wrong. I intend to prove they are wrong because I am totally confident in the dedication of this group and so many others throughout America.

As Lincoln once put it -- this Nation is still "the last, best hope of earth." And a new and stronger United States will grow from the disillusion of the recent past.

Indeed, the ordeal we have gone through since the early 60's may serve like a national purge, clearing our system, renewing our energies and creating a new and more realistic American ethic and lifestyle.

The bountiful resources of this blessed land are available. Let us devise a future based on conservation as well as consumption.

We have run short of energy. We have run short of mortgage credit. And we have run short of a lot of other things. But we have not run short of American know-how, or the American spirit of fairplay, or American forgiveness, or American self-respect, or American pride. Nor will we ever.

A great national test will be imposed in the days and months ahead. We will meet that test. I pledge all my energies to a free society with a strong economy, a sound environment, sufficient energy, and a secure and inspiring future.

And I ask you to join with me in that quest.

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