

FOR IMMEDIATE RELEASE

OCTOBER 14, 1975

OFFICE OF THE WHITE HOUSE PRESS SECRETARY
(Hartford, Connecticut)

THE WHITE HOUSE

REMARKS OF THE PRESIDENT
AT THE
CONNECTICUT GOP FUND RAISING DINNER

HARTFORD CIVIC CENTER

9:12 P.M. EDT

Thank you very, very much, Fred, Senator Lowell Weicker, Congressman Ron Sarasin, Stew McKinney, Ed May, and all of my former colleagues in the House of Representatives who are here, and it has been wonderful seeing you all -- Lloyd Elston, John Filer, Archie McCardle, and all of those who have made this dinner possible, ladies and gentlemen:

I am thrilled by not only the size of this tremendous gathering but the enthusiasm and, may I say this most sincerely, it has been my privilege in the last month or so to attend a number of comparable Republican gatherings such as this and each and every one seems to get better; the momentum is there and this is the highlight, and I congratulate all of you in the great State of Connecticut for this wonderful turn-out.

I do wish to express my personal appreciation to the two fine bands -- the New Britain High School Band -- and I also wish to express my gratitude to the Centurian Drum and Bugle Corps. Of course, the tremendous enthusiasm of all of you who just joined us really makes this wonderful gathering here a great family affair and, for those of you who are interested, the Red Sox are ahead 1 to nothing. (Laughter)

I am told that Carlton Fisk hit a home run. That is not a bad way to go.

You know, it really is a great pleasure to be back, and I emphasize back in Connecticut. Trying to drive into Hartford, in particular, is always a very fascinating experience for anyone in politics. With all of those interchanges, cloverleaves, by-passes and on-ramps and off-ramps, you have the exact same problem the Democrats have in Congress. (Laughter) No matter which way you go, it is wrong. (Laughter)

Let me add this, if I might. In 1976 we are going to help those Democrats out of their problem. (Laughter)

I am very grateful to Fred for his overly kind and very generous introduction and I certainly wish, Fred, the very, very best in his new role as chairman of the Republican Party of Connecticut.

MORE

Although this is a new job for Fred, as Eddie said earlier, he is an old and enthusiastic hand at party activity. Fred Biebel has come up through the chairs, so to speak, in the Republican Party. He has served as a doorbell ringer, Town Chairman, County Chairman and many, many other important assignments in the Republican Party. And now that he has the top job in the Republican Party, or the top chair, I should say, in the Republican Party in Connecticut, Fred tells me, and I think it is obvious, he isn't going to be doing much sitting on it in the next 18 months.

Fred, it is obvious you are going to make 1976 a good year for our candidates and for the philosophy that we stand for, but in addition, you are going to get a great deal of help from your outstanding Vice Chairman, Jeanne Nelson, and from the rest of those of you who are active participants either in the Party organization in getting out the vote or in raising the money, and it seems to me that with all of this talent here, you have the nucleus for a very broad scale victory in 1976.

I was very pleased and very proud to have an opportunity to sit next to, talk with an old friend and an old colleague, a Senator of great strength, courage and wisdom, Lowell Weicker. It was my privilege and real pleasure to serve with him in the House of Representatives and to have a few months where I was presiding in the Senate. I know first-hand that he serves you with great distinction and I hope and trust that the people of this fine State make certain that Lowell Weicker is returned for six more years in 1976.

Having served 25-plus years in the House of Representatives, I know the kind that come who will stay and serve well and the kind that come and have problems and don't stay very long. And in Stew McKinney and Ron Sarasin you have the kind of Representatives in the House who do a superb job for all of those in their respective districts; who are respected on both sides of the aisle; who seem to attract attention from their colleagues because of their capability, because of their service in doing a job not only for the district and the State, but the country.

And so I say to you, send Ron and Stew back but add a few, will you, in 1976?

Although I never had the privilege of serving in a State Legislature, I know from many, many experiences with State Legislators over the country and a few opportunities to speak to a State Legislature or two, that this is really one of the most important functions or operations in our Government and I hope and trust that after the disastrous year of 1974 that you in Connecticut will see to it that you gain or regain control in your State Legislature in 1976.

MORE

A couple of weeks ago I was honored to have a number of your Mayoralty candidates come down to the White House and Shirley was among them and I talked to them about the election that is coming up in not too many weeks. I happen to believe that the foundation of a firm, strong political party is at the local level and I was greatly impressed with Shirley and the others who told me of what they are trying to do -- for the party, yes -- but for their respective communities, more importantly, and to the extent that you can, I urge you in each and every case to give these fine candidates your maximum this coming November.

If I might reminisce just a moment--this is early fall in the great State of Connecticut. It hardly seems possible that about 40 years ago I came from the State of Michigan in August of 1935 and spent the next five-plus years in New Haven, working for one of the finest people that I have ever known. He gave me my first job and was tremendously influential in helping to guide me in how to handle the job, but, more importantly, he gave me the opportunity not only to have a job, but to further my education. For that wonderful opportunity to me, I want to thank, before all of you, a very old and very dear friend of mine, Ducky Pond of Yale University.

I don't know how many times during that five and a half years, but there were many, when Ducky and his wonderful wife, Anna, kind of looked after a lonesome bachelor and for that, Ducky, I am deeply grateful. But there is another good friend of mine from Michigan here who, I guess, coached me -- Norm Daniels is here someplace -- who is now retired. Where is Norm? There he is.

I don't mind admitting a little nostalgia, I think it is good for a person to feel strongly about people and about political parties and about principles, about conviction, and I feel very strongly about returning to the great State of Connecticut where I had five-plus wonderful years and I thank all of the people who made it possible.

But I am especially pleased to be in a State which over the years has done a superb job in a very important area in our economy -- I talk about insurance. I am told that 14 percent of the insurance in America today is written for or by people who have home bases here in this State and all together I am advised that premiums alone on policies sold nationwide by Connecticut insurance companies total more than \$13 billion annually. That is an impressive figure by any standards. And since the bulk of these premiums are reinvested in America -- in mortgages on homes and on commercial buildings, in the development of America's resources, in stocks and bonds -- I consider that a great vote of Connecticut confidence in the United States.

MORE

Some 200 years ago, Benjamin Franklin said that in this world nothing is certain but death and taxes, but nowadays some politicians seem to take a short cut, they just tax people to death. But I don't think there is anything funny when it comes to paying taxes, whether it is new taxes here in Connecticut or anywhere else in America.

The tax burden of millions and millions of Americans is far, far too heavy. It affects family budget decisions and the Nation's economic recovery. And let me read to you, if I might, a letter from a Connecticut woman who, obviously, is a constituent of Stew McKinney's. It is dated October 7, a day or so after I made a speech on national television. It says, "Dear Mr. President," and I would like to use her words and her thoughts for the theme that I am going to spend a few minutes with you on this evening. "Dear Mr. President, I want to go on record that I truly agree with everything you said on your broadcast on Monday night. It is about time someone said something sensible. We do want our freedom back. We don't want anything given to us or done for us. In this time of Bicentennial, let's get back to the principles set forth in the Declaration of Independence. As far as I am concerned, we have been taxed without representation. Most people I know think taxes are too high but our Representatives keep giving us benefits and our taxes keep going up. Why do they do this?"

MORE

I want this country to declare its independence once again -- freedom from a too strong Government. Of course, with freedom comes responsibility. We are all responsible for letting our leaders know what we feel and too many of us, myself included, stood by watching while all of this happened. We only wake up and get motivated to do something when it is almost too late. I am not a letter writer but from now on, even if it is a postcard, my Congressman is going to know how I feel .

Let me say this is the tone and the threat of many, many letters we have received in the White House in the last 10 days. The theme is that our tax load is too heavy and our spending rate is far too high.

The Congress and others connected with the Government bear a very heavy burden of responsibility for the heavy taxes now imposed on the American people, especially those in the low and middle income brackets.

For the last 38 out of 42 years the Democrats have controlled the Congress, the House as well as in the Senate, following the old Democratic formula of tax and tax, spend and spend, elect and elect. I respectfully suggest, let's turn that formula around and elect Republicans who will tax less and spend less.

If we expect to restore economic stability and develop sustained growth in our economy, we must first set the United States Government's fiscal house in order and that is precisely what we intend to do. That is why I insist on a decision from the Congress on the question of whether we will continue the tragic direction of recent years, the path for bigger Government, higher taxes, higher inflation, or in the alternative, whether we will now take a new direction, bringing a halt to the suffocating growth of Government, restoring our national prosperity and allowing Americans a far greater voice in their own future and a greater say on how to spend their money.

May I add one or two sentences right at this point. As we talk about the problem of bigger Government, heavier burdens financially, and less and less freedom, it is well to remember the following: A Government big enough to give us everything we want is a Government big enough to take from us everything we have.

Now in choosing a new direction, I propose a fresh start for America and for the American people. I have recommended a \$28 billion tax reduction on a permanent basis starting January 1 and, at the same time, a matching limitation in the growth of Federal spending. As a very distinct part of this program, I think we have to make a date certain for a balanced budget.

MORE

Let me emphasize that in the tax proposal the following provisions should be remembered: We recommend that 75 percent of that tax reduction go to the people, the taxpayers, and the other 25 percent go to those in business and industry. The 75 percent for individuals involve an increase in personal exemption from \$750 to \$1,000; the standard deduction to a flat \$1,800 for a single person, and \$2,500 for a couple. Those are tax deductions that are good to give to people who deserve them, who have been short-changed in the years in the past.

In the area of tax reduction, the remaining 25 percent for industry is oriented to provide a sustained growth, to help in the creation of capital for the production of jobs because we have to provide new jobs for about 1,600,000 younger people entering the labor market every year, and if we don't provide some incentive for industry to expand, to modernize, to improve, we aren't going to be able to satisfy the job needs of our younger generation.

So there is an equal balance in the proposals that I have made on the tax side. But let me emphasize that if we don't get an equal reduction in the growth of Federal spending, we cannot justify a tax reduction.

Obviously, in the process of reducing spending, a lot of belt-tightening will have to take place. But let me emphasize with conviction and very firm statements, that those who deserve help will continue to receive it -- the elderly, the vets who have borne arms in our Nation's defense. And then I add hurriedly, we will not permit slashes in our national security defense forces that are necessary for the protection of the United States.

Overall the proposals to cut taxes and the growth of Federal spending will not only lighten your tax load but I think they will also help tremendously in battling the ravages of inflation, the cruelest and perhaps the most pervasive tax of all.

As I have indicated, they will give our economy the necessary sustained push so that we can expand and meet the challenges from abroad which are serious, a problem that has to be met if we are to provide for job growth.

What we have to do is convince the Congress that the American people want this kind of an answer. We cannot let the growth of the Federal budget go as it has for the last 13 years, and let me tell you what the consequence will be: If we let the growth of Federal spending proceed as it has for the last 10-plus years, by the year 2000 half of the people in this Nation will be living off the other half, totally changing the kinds of Government, the kind of society in which we live.

MORE

Let me illustrate by a couple of quick statistics. In 1962 the budget climbed over the \$100 billion mark for the first time. By 1971 it went over \$200 billion. By 1975 it had topped \$300 billion. And without some serious trimming, it will go over \$400 billion in the next fiscal year. That is a 300 percent increase in the short span of 13 years. If we permit that growth to continue without some restriction and some limitation, the consequences I described will be upon us by the year 2000.

MORE

To meet this problem head on, I propose that we halt this alarming growth by holding spending to \$395 billion in the coming fiscal year. That represents a \$28 billion cut from the spending level currently projected. If all existing Federal programs are allowed to grow as they have in the recent past. I recognize that special interest groups throughout America may complain, they will be down on the doorsteps of the House as well as the Senate when funds are cut as a part of this economy drive. But my concern and your concern is not that of special interests. It is the people's interest, the taxpayers' interest and, more importantly than anything, the national interest.

The Congress has to look at this package in that light. The temptation of Representatives in the Congress to accept the tax cut, but reject the spending cuts will be tremendous. It is an old story, everybody wants to go to heaven, but nobody wants to die. (Laughter)

I served in the Congress long enough to know that from personal experience. But if we are really serious about getting both our economy and the Federal Government under control, the Congress must commit itself, not half-heartedly but wholeheartedly, to a policy of strict fiscal responsibility. Instead of throwing up its hands and saying it can't be done, as some of the Democratic leaders have indicated, I suggest to the Democratic-controlled Congress that they take a good, hard look at how the Democratic-controlled 90th Congress placed a ceiling on spending and at the same time enacted an increase in taxes recommended by a Democratic President. That was back in 1967.

This time I recommend to the Congress to place a ceiling on spending and at the same time enact a tax cut. But let me illustrate how the 90th Congress did it and we are in the 94th Congress now.

In December of 1967, the Congress wrote into a continuing appropriations bill a provision reducing Federal obligations for 1968 by at least \$9 billion and Federal spending by at least \$4 billion. And it worked.

In 1968, the same Congress enacted a ten percent surtax on corporations and individuals which President Johnson had requested. And at the same time, it wrote into the legislation a \$10 billion reduction in outlays for fiscal 1969 and an \$8 billion recision of unspent prior year appropriations.

Tonight I say to the can't do Congress, it can be done, it has been done, why not do it for the benefit of America.

MORE

If I might, let me be very specific on this point. If the Congress sends me legislation that exceeds the spending limitation and threatens your tax cut, I will not hesitate to use the Constitutional authority available to me and will veto that legislation.

I know that the veto has been described as a negative act and I have used it 39 times and saved, in the process, the American taxpayers \$6 billion. I will use it 100 times, if necessary, to prevent excessive inflationary spending increase and that is about as positive as you can get.

Let me explain why I don't think that a veto is a negative act. Our forefathers, when they drafted the Constitution, and those from Connecticut participated, they gave, in the Constitution, the right of a President to exercise the veto. That is a constitutionally-given authority and the purpose is very simple. Over the period of 187 years many Congresses have passed legislation hastily without adequate thought, consideration, made some mistakes and 39 Presidents have exercised that veto authority given in the Constitution and said to the Congress, maybe you better think about it, maybe you better take a little extra time, maybe you ought to analyze and take another look to see whether you made any mistakes, and if you think you haven't after a reasonable period of time, you have the right to override that veto with a two-thirds vote.

But the forefathers that drafted this historic document thought that their ought to be some authority to force the Congress to reconsider legislation and the facts of life are that in 1975 on a number of occasions where I have used the veto, the Congress has sustained the veto, the Congress has gone back and taken another look and the net result has been far better legislation, far more responsible spending, and so if we can work together, as we did in those cases, we can avoid the need and necessity of a veto.

MORE

But let me add very quickly, I think there is a better way for us to achieve fiscal responsibility. We need the help of the Congress in 1975 and 1976 and your help is essential to convince the Congress that the American people want a tax reduction and a spending limitation.

By working together we can make America's economic future bright and prosperous, vigorous. But if we grow weary of our commitments and weak in our resolve, our economic course will be in danger in the years to come.

A commitment to fiscal responsibility is nothing new to the Republican Party. It is one of our founding principles as are the other commitments to a strong national defense, to local control over local problems, to a vigorous free enterprise system and to greater freedom of the individual and dignity for each and every person in our society.

Here in Connecticut and all across the United States, we must show our fellow citizens that their concerns, their concerns are our concern; that their hopes for a strong and free and prosperous America are our hope. We must demonstrate anew that the Republican Party is prepared to lead and to serve 214 million American citizens responsibly, responsively and effectively. We must convince them that a Republican victory can be a great victory for them and for our country.

I think we can help to make these years ahead of us great years for America so that we and our children and their children may say with new meaning and new and fresh enthusiasm these fine old words of a fellow New Englander, Daniel Webster: "Thank God I am an American."

Thank you and good night.

END (AT 9:48 P.M. EDT)