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(Nashua, New Hampshire)

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THE WHITE HOUSE

REMARKS OF THE PRESIDENT  
AT THE  
50th ANNUAL NASHUA  
CHAMBER OF COMMERCE DINNER  
  
NASHUA SENIOR HIGH SCHOOL

9:22 P.M. EST

Thank you very, very much, Mr. Chairman, Congressman Jim Cleveland, Mayor Sullivan, Ross Tait, my old friend Norris Cotton, distinguished guests, ladies and gentlemen:

Let me at the outset thank Mayor Sullivan for the key to the City of Nashua, to congratulate Mary Sullivan for the wonderful recognition she has gotten for the long and devoted and successful service to the Greater Nashua Chamber of Commerce.

I am deeply honored of having the opportunity to be here on this wonderful occasion, a Chamber of Commerce which has done so much to make the Gate City the gateway to progress.

Obviously I wish to congratulate Sam Tamposi, your 1976 Citizen of the Year. I understand that Sam has served not only your community but the entire Nation by the example of what local initiative could do for Government.

The distinguished honoree has also done some recent development in another capacity throughout your State, but discretion suggests I confine myself to the achievements for which you have already cited many. (Laughter)

I also am more than delighted to meet my former colleague of a good many years in the Congress and a very dear friend of many, many years, Norris Cotton, your 1974 Citizen of the Year.

I hope it is not inappropriate, and I hope it is somewhat obvious, but I have come to New Hampshire to ask for your support on February 24. But whether or not you help in that regard, you have already given me great, great encouragement by showing what Americans can do.

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In recent years when many leaders of communities, large and small, voiced despair and turned to the Federal Government to open its gates to solve local problems, the Gate City opened its gates to traditional Yankee initiative. You built a showcase of industrial growth, new jobs, new homes, new hope for the thousands of new residents. Your vigorous growth helps to tell the Nashua story.

Your community is highly productive and has generated many, many new jobs. Your story is in the finest American tradition of how local people can solve local problems, of how individuals can respond to possibilities rather than surrender to pessimism and how this is not only the State of great stone faith but of granite fortitude and of granite character.

All Americans from all 48 or 49 other States can learn from your example of the can-do spirit and I congratulate you for it.

As you join in the National celebration of our Bicentennial, we are reminded by the historical archives in Washington that New Hampshire was a can-do State from the very, very beginning.

The first New Hampshire regiment fought from the first repulse of the British on Bunker Hill, through Valley Forge and Trenton to the surrender at Yorktown, your regiment had the longest service record of any unit in George Washington's army, a total of eight years and eight months of strong tough military action.

The first warship to fly the American flag, the Ranger commanded by John Paul Jones was built in your great shipyard at Portsmouth, which we are not going to close.

If any State can take pride in the Bicentennial, it is New Hampshire. And if any community can take pride in the achievements of this Bicentennial year, it is Greater Nashua, and I salute you for your thriving enterprise and individual initiative as you day by day and month by month build for the future.

What I like most about the Nashua story is that you expose the Nation's pessimists as exemplified in that fable about Chicken Little. You may recall Chicken Little was hit on the head by a single acorn and then ran around telling everybody that the sky was falling.

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The fact is that America has been hit on the head by some very heavy acorns in recent years and recent months -- recessionary acorns, unemployment acorns, energy acorns.

Just a year ago, I heard many fearful outcries that we needed massive Federal programs, spending billions and billions of dollars to save the economy, that a terrible depression was descending upon us, that bread was going to \$1 a loaf and that unemployment lines would only get longer and longer and longer.

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I was convinced that we had to take consistent and balanced action, neither too much on the one hand or too little on the other; the right step and not the wrong step.

I knew that measures taken in panic would be counterproductive. The proper response would prove, as has been established, that our Nation is resilient, resourceful and very, very sound, and we should be very, very proud of it.

Make no mistake, things were not good at this time last year. 1975 was the year of very hard decisions and very difficult compromises, but it was also a year of new realism that taught us something, something important about America.

It restored common sense and the same time of discipline that kept the New Hampshire Regiment in the line through Valley Forge to final victory. The economic discipline we have maintained is justified by the statistics released yesterday. They reported that the unemployment rate just took the sharpest monthly drop in over 17 years.

The number of unemployed is today the smallest since December 1974. Employment has increased by two million, one hundred thousand since last March, at the bottom of the recession. Over 86 million, 200 thousand Americans are now at work. Better than 92 percent of the work force is actually gainfully employed.

We are today headed not only in a new direction, but in the right direction. It is the right direction because we follow the 200-year-old wisdom that national problem-solving requires far more than a central Government which promises too much and delivers far too little.

A free society, according to Jefferson and Adams depended upon qualities that they called Republican virtues, civic virtues, the ethic of honest work and local control by local people.

During the recent years of very rapid change, more and more people looked to Washington to solve local problems. Too much was expected. Too much was promised. Some citizens felt automatically entitled to a constantly rising living standard without regard to their own efforts, to their individual productivity, or their personal contribution to the community and to the economy.

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Freedom is today misinterpreted by too many to mean the instant equalization of everyone's social and economic situation at the public expense through the machinery of the Federal Government.

I pledge to you today that my Administration will strive to deliver everything we promise. I will never promise more than I can deliver. The false premises and false promises of years of social experimentation distorted the Federal system.

Power was drained away from Nashua, from New Hampshire and from every community and every State to an increasingly centralized Federal Government, always bigger, always more powerful, but not always more efficient, nor more responsive, nor more protective of our traditional freedom.

The patriots who built America understood that poverty is abolished by economic growth, not by Government-imposed redistribution of money. They knew that only initiative and work could create a society with economic prosperity and political participation by everyone.

They knew that local problems are better understood and solved by local people rather than by the bureaus and agencies of a distant, impersonal, central Government. They knew that the pendulum of power must never swing too far away from the people in every one of the fifty States.

If this year's Bicentennial is to be more than a historic pageantry, we must restore to the people more power to decide how their taxes are spent, how they live, how they work, how they fight crime and how their children go to school.

Should the Bicentennial achieve nothing else, this alone would be a triumph for our heritage.

Despite our recent gains in employment, too many people who want jobs still can't find them. Five out of six American jobs are in private business and private industry.

I, therefore, am deeply concerned by the difficulties of various industries like the shoe factories in New Hampshire. The Trade Act of 1974, which I supported as Vice President and signed into law as President, provided the mechanism now activated to assure that our American shoe factories receive fair treatment,

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I want such traditional American factories to have access to every remedy provided by law and a full say in their own destiny. To create more jobs, there must also be a greater incentive to invest without the strangulation of Federal taxation and red tape.

I am seeking from the Congress a reduction in the growth of Federal spending accompanied -- and this is crucial -- by a reduction in Federal taxes.

Let me re-emphasize, if I might, we cannot have an honest bona fide tax reduction unless we put a legitimate restraint on the growth in Federal spending. But, if we are firm in our desire to restrain the growth of Federal spending, which has been at the rate of about 11 percent per year for the last ten years, if we just cut that growth in half to 5 to 5-1/2 percent, we cannot only balance our budget in three years, but we can have an additional tax reduction over and above the one that I hope and trust will be extended beyond June 30, 1976.

Let me add one or two other features about taxes. My job creation tax incentive submitted to the Congress this year would speed up plant expansion and facilitate the purchase of millions and millions of dollars of new equipment.

These incentives would concentrate in areas of unemployment in the next 12 months. We must create the economic climate in America to generate productive, permanent and private jobs rather than temporary, make-work, inflationary Government sponsored jobs.

This week we have new evidence that we are moving quite dramatically in the right direction. The latest employment figures released on Friday show 800,000 more people at work in the month of January than in the month before.

The unemployment rate is down from 8.3 to 7.8. This is the largest reduction in percentage since 1960. We have regained 96 percent of the jobs lost to the recession and most of it has come in the private sector, where the greatest opportunity exists for future improvement.

The Nashua Telegraph is correct in saying editorially that I want to create "concrete and lasting jobs in the private sector rather than manufacturing styro-foam cutouts which the public sector would have to prop up artificially with public funds."

I appreciate that dramatic description of what some people want to do, but which I categorically resist, and I thank Herm Foliot and the Nashua Telegraph for those, I think, very perceptive words. I might add with a post-script, it was a very nice editorial.

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I also strongly believe, and have for sometime, tax changes to encourage people to invest in their own future and that of America. I want to give moderate income families tax deductions or tax deferrals when they make long-term investments in common stock.

I want as many people as possible in this great country to be partners, however modestly, in the growth and the strength of America. We must also preserve the vigor and the continuity of the family-owned small business, family farm. These enterprises are bastions of the real American values.

And I will submit to Congress the State tax legislative changes to assure that a family business and a family farm can be handed down from one generation to another.

Too much labor and too much love go into these enterprises for them to be sold to pay Federal taxes.

Those who invest in new enterprises invest in American progress and in jobs for their fellow citizens. An example of job creation is the brewery opened here in 1970. It represents an initial investment of some \$40 million and now employs, as I understand it, some 400 people.

But I hope no one will contend that the cure for unemployment is to build Government breweries to brew Government beer. (Laughter)

Quite honestly, I don't think the United States Government could make beer for less than \$50 a six-pack. (Laughter)

A very necessary condition for the success of your brewery and all your other industries is the entrepreneur spirit. This cannot be achieved if the Government is to go on piling regulation upon regulation and stringing red tape over red tape and assessing tax after tax to cover new Government spending.

Such policies impose an inflationary burden on business as well as the consumer, and I will never lead this Nation down that road of stagnation.

The people are as fed up with the petty tyranny of Federal regulations today as when patriots defied the tax collectors over 200 years ago and threw the tea into the Boston Harbor.

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Some of you, I am sure, have experienced serious difficulty at the not always tender hands of the Occupational Safety and Health Administration. I know some of you would like to throw OSHA into the ocean. (Laughter)

In fact, some of you couldn't be more upset with OSHA' if Ron Nessen was running it. (Laughter)

I have studied, to be frank and honest with you, some very valid complaints about OSHA and concluded that while everyone is for safety and health in working conditions, many are troubled by the manner in which this objective is sought.

Congress wrote the law, and we must obey it. However, under my authority as President, I have appointed a new director with specific instructions to deal with citizens as friends, not an enemies.

I will not tolerate the unnecessary and unjustified harassment of citizens. If this does not stop, I want you to let me know.

Another indication that we are moving on the right track is the Railroad Revitalization and Reform Act of 1976, which I proposed to the Congress last year and which I was pleased to sign into law several days ago. It upgrades railroad facilities in a way that will keep our recovery rolling.

Your State is eligible for several millions of dollars to improve rail service under this act, and I think this is all to the good, not only for New Hampshire, but for the Nation as a whole.

I am deeply concerned by an issue which has a particular impact on older Americans, now retired, who have always paid their own way. I refer to medical costs involving senior citizens and their families who suffer ruinous expenses of an extended hospital and nursing home care.

I have, therefore, proposed health insurance to cover any catastrophic illnesses suffered by anyone covered by Medicare.

I think most of us in our daily lives over the years have known an individual or known a family where there was a catastrophic illness that went on and on and on with the costs and expenses which are impossible to bear. We have to do something about this.

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Therefore, under the proposal that I have suggested, after reaching the age of 65, no person will have to pay more than \$500 a year for hospital or nursing home care, nor more than \$250 for doctor bills in any one year.

But let me add this, while we must help those who need it most -- and in the United States in this category, there are roughly 3 million -- we can not realistically afford Federally dictated national health insurance providing full coverage for all 215 million Americans.

It is not only the cost but, as we look around the world, the experience of other countries raises questions about the quality as well as the cost of such plans.

In another most important area, the time is long, long overdue for Congress to renew general revenue sharing for the next five years. I have asked Congress some ten months ago to act on this legislation to bring power back to the people.

General revenue sharing is a program that I think best exemplifies responsive Federalism. It provides assistance to State and local units of Government with a minimum of red tape and administrative expense. It returns Federal dollars to your community or to your State. It permits local officials elected by you in your respective townships or communities to set priorities and to plan ahead to meet local needs. And it doesn't require you to raise local taxes.

From the beginning of general revenue sharing in 1972, which was a real breakthrough, the projected total for 1976, the Nashua share will be between \$4.5 million and \$5 million. Mayor Sullivan, you know how important it is.

The sums expended in this community, according to the wishes of your local officials, provided as of last year over \$1 million, 600 thousand for public safety, including police and fire departments, over \$1 million, 100 thousand for environmental protection, over \$200,000 for health, and other sums involving social services for the aged and for the poor. Almost \$5 million, 200 thousand more would be returned to this growing, this vigorous community by 1982 under the proposed extension of legislation if Congress will move.

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From the beginning in 1972 through the projected total for 1976, New Hampshire will receive \$96 million. Under the program proposed, which I hope Congress will act upon, another \$105 million of your tax dollars would come back to New Hampshire between 1977 and 1982.

For many reasons -- people I have met here tonight, the people I have met during the day -- I am as optimistic about Nashua and its future as you are. I am equally optimistic about the future of New Hampshire, in fact all of New England, and I must add very quickly, all of our fifty States and 215 million Americans.

Let no examination of inflation or unemployment blind us to the genuine progress we have achieved within the last year. Our economy is steadily growing stronger. Our policies are designed to keep us on a very steady and progressively better course.

The course is set for a new balance, and the relationship between the individual on the one hand and the Government on the other, a balance that favors greater individual freedom and self-reliance.

We must also seek a new balance that favors greater responsibility and freedoms for our State and local units of Government. We must have a new balance between spending on domestic programs and spending on defense, a balance that insures we will fully meet our obligations to the needy while we are also protecting our security in a world that is still hostile to freedom.

The genius of America is its incredible ability to improve the lives of its citizens through a unique combination of Governmental and free citizen activity.

It took many years of excessive spending, combined with a fourfold increase in international oil prices, to create the economic difficulties of 1974 and 1975.

It will take several years of sound policies and reasoned restraint to restore sustained, noninflationary growth.

I will not make promises which I know and you know cannot be kept. We must restore full strength to our economy as quickly as we possibly can. But, in so doing, we must not reignite the fires of inflation.

Escalating inflation, as we all know, makes steady growth and full employment totally impossible. It breeds instant instability and disruption.

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I strongly reject the view that the only way to reduce unemployment is to accept chronic inflation or rigid controls. We certainly don't want either. Inflation and unemployment are not opposite but actually related symptoms.

The way to treat the diseases instead of these symptoms is by the use of proven remedies prescribed throughout New Hampshire. The medicine of initiative, enterprise, investment, development, growth and just plain common sense taken together with the theory of good hard work.

Yes, we see the results. Your unemployment is lower than many other areas of the Nation; you must be doing many things that are right here. I believe in the example that you hold forth, the living demonstration of what people can do to determine their own fate.

America's spirit is alive and vigorous here in Nashua, and America's spirit is alive and vigorous because of communities like Nashua.

Never let that spirit die so we can continue to be proud Americans and proud of America.

Thank you very much.

END (AT 9:55 P.M. EST)