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THE WHITE HOUSE
REMARKS OF THE PRESIDENT
AT THE
INTERNATIONAL COUNCIL OF
SHOPPING CENTERS CONVENTION

THE MGM GRAND HOTEL

12:17 P.M. PDT

Attorney General Bob List, Frank Orrico, Sylvia Cohen, members and guests of the International Council of Shopping Centers:

It is a great privilege and a very high honor for me to have the opportunity of addressing the International Council of Shopping Centers, and I am deeply grateful for your very cordial and warm welcome.

As much as I am in favor of a healthy and prosperous American automobile industry, with some temerity I suggest that you not trade in a reliable Ford in 1976 for a flashier model. (Laughter)

George Washington once wrote a few years ago, "Let your discourse with men of business be short and comprehensive." Like America, that advice is about 200 years old, but it is still pretty good advice in 1976.

First, let me compliment all of you on the phenomenal progress your industry has made over the years. You have grown from 75 shopping centers in 1949 to more than 16,000 in 1976. You have shared in America's rising post-war prosperity, and you have filled a very major need for America's growing suburban population.

Twenty-one months ago America's prosperity and economic strength were threatened by a chilling combination of recession and inflation. Some of America's leading economists and politicians thought it best to impose wage and price controls to deal with America's economic problems. Others insisted that we spend massive amounts of Federal dollars to stimulate the economy, despite the serious danger of feeding an already tragic inflation.

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I decided that the way to real recovery and enduring prosperity in America was not through Government quick fixes. It has never worked, and it won't work. I had faith that America would work its way out of its economic difficulties rather than trying to spend its way out.

I proposed and the Congress accepted a major tax cut for individuals and tax incentives for business expansion and job production so that we could get the great free enterprise system in America working at full speed again. We also began a comprehensive effort to restore the confidence of the American people, a confidence in themselves in their Government, in their future.

This effort was absolutely essential to restoring economic confidence of the consumer, a very key element in our economic recovery.

I think the record shows that these policies have been very successful. America today is in the midst of a strong and surging economic recovery, and I compliment the American people for their wisdom, their forthrightness and their success.

The real Gross National Product rose during the first quarter of this year at an annual rate of 8.5 percent, far, far above the most optimistic predictions of a few months ago, in dollars and cents. That means the value of America's output of goods and services rose at an annual rate of almost \$200 billion, and even here in Las Vegas, that is not a bad jackpot. (Laughter)

The amount of money people have to spend after taxes and other deductions are taken from their paychecks, what the economists call real spendable income, has increased by \$100 billion in the past year. Farm income is at an all-time high, and so is farm production.

Total retail sales are up more than 14 percent. Automobile sales are up 34 percent over a year ago. Food sales are up more than 7 percent. General merchandise is up 12 percent. The prime rate of interest has been reduced from 12 percent, when I became President, to 6-3/4 percent today.

Since the bottom of the recession, almost exactly a year ago, we have gained 3,300,000 more jobs and more than 710,000 more jobs in the last month alone. But the most encouraging statistic is more Americans -- 87,400,000 -- are on the job today, more than ever before in the history of the United States.

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Considering where we started about 12 months ago when the unemployment rate was nearly 9 percent, I think that is a very good come-back, by any standard. And, after months and months of higher unemployment and mounting fear, America today is getting back to work. Faith in the future has been totally restored in our great country.

It is perfectly obvious we are going in the right direction, but I will not be satisfied until every American who wants a job can find a job in America.

But let me assure you we will not achieve full employment by letting the Federal Government plan and control our national economy. Just over a week ago I proposed to the Congress a very broad and comprehensive four-year agenda for action in reform in every major segment of our economy, as far as the Federal Government is concerned. This would include, for example, EPA, OSHA, plus all of the other more or less traditional regulatory agencies.

This, if the Congress will cooperate, will give to us an opportunity to say that unless the Congress acts on what we propose in regulatory reform, if they don't act in nine months, what the President recommends will become the law of the land, and this is the only way that I know, from the 25 years of being a part of a dealing with the Congress, that we can get them to move in the right direction, and I ask for your help.

My Administration has also undertaken some of the most fundamental reforms of Government regulations and reporting requirements in this country's history. I was amazed. In the past, small business in America spent \$18 billion every year just to comply with Government reporting requirements. Most of the merchants in American shopping centers are small businessmen and women, and it is time that they got back to working for their customers instead of working for the Government.

To put it another way, it is time the Government minded its own business for a while and let you run yourself.

More Government will not solve America's economic problems. The answer is less Government control, less wasteful Government spending, and lower taxes for middle income Americans.

I have proposed to the Congress that we cut Federal income taxes by \$10 billion on July 1 of this year, and particularly to increase the personal exemption from \$750 per person to \$1,000 per person. My proposal also calls for the enactment of a special accelerated depreciation allowance for new plants and new equipment to make permanent the increase in the investment tax credit and to retain the \$50,000 corporate surcharge exemption.

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I want the American people to keep more of the money that they have worked so hard to earn. I want them to spend it the way they want to spend it -- at the shopping center or their children's education, for whatever they need instead of paying more and more for Government programs that we don't need.

As some of you may know from my struggles with the Congress, I have vetoed 49 bills sent to me by the House and the Senate over the last 21 months. Responsible Members of the Congress sustained 42 of those vetoes and those vetoes which were sustained saved the American taxpayer \$13 billion.

May I add a footnote: If the Congress keeps on sending me big spending, budget-busting bills, I am prepared to use my veto again and again and again. If the Congress would act sensibly -- and that is asking an awful lot (Laughter) -- and enact my tax proposals instead of thinking up new ways to spend your money for you, we could create the most tremendous demand for goods and services that many, many more American jobs and lasting prosperity would be the inevitable result.

We must also, in all honesty, cut the rate of growth in Federal spending. My budget for fiscal year 1977 would cut the rate of growth in Federal spending by 50 percent and set us on a sound and reliable course for a balanced budget by 1979 plus an additional Federal tax reduction.

I think that is a good economic package for America and I need your help in controlling a completely irresponsible Congress. When we balance that budget, we can get the Government out of competition with you in the private money market, and that is exactly what I plan to do.

I have done battle with inflation far too long to let it get out of control again. When I took office in August of 1974, the rate of inflation was 12 percent or higher, the highest rate in more than 50 years. In the last 21 months, we have cut that rate of inflation by more than half. As a matter of fact, for the first four months of calendar year 1976, the annual rate of inflation is 3 percent or less. And, let me add, with a little more cooperation from the Congress we can cut it even further.

This real progress against inflation is one of the most encouraging of all the recovery statistics that I have tried to cite, because it means the strong recovery that we are experiencing this year will not go bust next year.

But the most important recovery statistic is the index of consumer confidence, which is double what it was 12 months ago. In economic terms, that means the American people are spending more money, moving more goods and even willing to borrow again for major purchases in the future. In broader terms, that means the American people are looking to the future with faith instead of fear.

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Let me say I deeply appreciate the opportunity to come before you today and talk about some of the policies that I have tried to implement in the 21 or 22 months that I have had the honor and the privilege of being your President, policies that I think have brought us peace and prosperity and trust to America.

Today, if you look at the record, America is at peace. There are no American boys fighting anywhere on the face of the earth, and I intend to keep it that way.

I will maintain that peace because we have unsurpassed military capability and because we have diplomatic skill. Let me assure you that when we secure that peace as we have it now--and it has been tough--we will maintain it by strength and perseverance and leave that legacy of peace for our children and their children.

I will continue my policies of cutting your taxes, expanding the private economy, reducing bureaucracy and useless regulation and restraining Federal spending. My policies have brought us from the depths of a recession to a sustained recovery and will assure that runaway inflation never robs us again or our loved ones of the rewards of honest work and lifetime savings.

Finally, I want to finish my most important task -- restoration of trust and confidence in the Presidency itself. As your President, I will promise no more than I can deliver and I will deliver everything that I promise.

I need your support to insure peace, prosperity and trust for the future, the future that we owe to our children and to their children. Americans have always wanted life to be better for our children than what it was for us because life for us has always been better than it was for our parents.

What do I see ahead for this great country? I see a strong and confident America, secure in a strength that cannot alone be counted in megatons, a nation rejoicing in richness that cannot be eroded by inflation or by taxation.

I see an America where life is valued for its quality as well as its comfort, where the individual is inviolate in his constitutional rights, where the Government serves and the people rule.

Thank you very much.

END (AT 12:36 P.M. PDT)