

FOR IMMEDIATE RELEASE

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Office of the Vice President
(Portland, Oregon)

REMARKS OF THE VICE PRESIDENT
AT THE
WESTERN STATES REPUBLICAN CONFERENCE DINNER
MAIN BALLROOM, HILTON HOTEL
PORTLAND, OREGON

(AT 9:25 P. M. PDT)

Bob, you are a hell of a guy; thanks. I must say it is a beautiful evening and somehow I just feel that this has got to be America at its best. These wonderful singers and dancers and Jack Faust.

(Laughter)

This sort of bipartisan meeting we have here at the head table -- and I want you to know he came out on the plane with me, too. We never opened the door and pushed him.

(Laughter)

But I just have to think how lucky we are to be Americans. Just think how many people around the world -- we think we have got problems -- but just think how many hundreds of millions of people around the world wish they could be here in this country tonight.

I have to make a few comments about Jack.

(Laughter)

First, Jack, I didn't go underground. I may have traveled but it wasn't underground.

Secondly, you could never have spent any time in the State Department because when you said I must have been away from home a long time, if I kissed those two beautiful ladies, that didn't help you with those ladies.

(Laughter)

Believe me, they won't forget it either. I kissed them because of their beauty and their charm and I only left home yesterday morning; or last night.

(Laughter)

As far as Ronnie is concerned, I like that golf game you talked about. He is my friend. You won't believe it, but when Paul Callaway said I was too old, who was it came to my rescue. It was Ronnie. He said I was getting shoddy treatment.

(Laughter)

Of course, what he didn't realize was that in politics you have the old saying, just mention my name as long as you

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spell it correctly.

One other thing you mentioned was the breaking up of these oil companies. Some of you forgot that is what they did to my grandfather.

(Laughter)

That was 60 years ago. They broke one company up into 16 companies. Now all 16 are bigger than the original one. So maybe it is not such a bad idea. That may not be his objective, though.

There is never a dull moment. But I would like to just first express appreciation to a great many people here, first to Vic and "Bun" and all of their associates for organizing this really extraordinary session because to me this has been one of the most exciting days.

The concept of the conference, the spirit of the conference, the graciousness of these two gentlemen who have handled it, organized it, and their thoughtfulness to all of us here has really been exciting. To me this evening, and the spirit of today, is evidence of the tremendous strength and vitality and dynamism of the party. Anybody who is giving up on the two-party system and on the Republican Party -- I haven't got you in mind particularly, Governor,

(Laughter)

-- has got to have a second guess coming because how could you have a more wonderful gathering here tonight; how could you have had a more wonderful conference, and under the banner of the Republican Party? I am proud to be a Republican.

We don't need to be ashamed to be Republicans. It is a great tradition. It is a great party. It is a party the people have confidence in, that we have faith in the basic values on which this country was founded, which this country grew to its greatness, and which has achieved for more people than in any other country in the history of civilized man, better opportunity on the basis of equality and a higher standard of living. All I say is let's just keep it that way, ladies and gentlemen. That is the real trick. We don't have to change our name. Just let's do the job.

I am thrilled to be here as a Republican with Republicans in this great gathering.

I am also very proud to be here with these two beautiful ladies that I kissed when I arrived, and all of the other leaders of the party whom I didn't kiss.

(Laughter)

I have to live that down, you know. If I ever catch you kissing anybody.

But from leaders in the party: national, State, local, I would just like to say a word about the leaders of the party and the workers in the party and the contributors to the party. You are the unsung heroes of democracy. You are the people who have made this country what it is, because you have kept democracy alive and strong and vital. It is the dynamism that

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has kept this a free nation. It is men and women who care enough to volunteer their service, to give of their time, and to keep these two parties strong, and to select the candidates; crystallize the issues and the campaigns, and that is the essence of the strength of America.

I am deeply grateful to all of them and very proud that they would allow me to kiss them.

(Laughter)

We will get away from that subject. I would also like to say, and salute my distinguished colleagues from the Senate, even though they won't let me speak without unanimous consent. That may not seem much to some of you, but for me, that is very, very difficult. I sit up there; I have got ideas; I have reactions; I can't say anything, but I can determine who is recognized.

(Laughter)

I got into trouble on that once, too, but I officially apologized later and everything is okay.

So to Senator McClure, Senator Laxalt who is a colleague of mine, who is a Governor and who is a hell of a guy. You never know when he will see the light.

(Laughter)

Bob, you are the greatest. I flew out with Bob yesterday, along with the other Senators, and we had a very pleasant evening. It is a wonderful thing to be here. I have some other colleagues here from the other side, although I have to say that under the Constitution I have one job, and that is presiding over the Senate, and that's it, period. But I am a Staff Assistant to one of the great Presidents in the history of this country and I am proud of it, and I am deeply grateful for the opportunity of that service.

I am delighted to be here not only with his son, but with very distinguished members of his Administration, among whom is Secretary of Agriculture is one. I would just like to say what a pleasure and honor it is to be here with all of them.

Then to my old friend, another colleague from gubernatorial days, Tom McCall, who is a distinguished Republican leader, a unique personality. I had the privilege of being on a television show that I thought this was unique, too. and then I found he did four other shows today and I began to worry a little bit. But I at least did the first one with him, or was it the second? I am devoted to Tom. I envy you as having had him as your Governor. Whatever he does, he is a national asset that we have got to use in this country, and I am with him, and I am devoted to him and his wife.

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Let me just say that one of the interesting experiences and privileges I had today was to meet and sit down with and talk with or exchange views with the chairmen of the Western Governors, or the Western States, who are here at this conference, their team. That was one of the most interesting meetings I have had. I have to say again not only do I feel the vitality of this meeting here, but I felt the tremendous sensitivity, awareness, dedication and devotion of these men and women who were the leaders of the party in these 13 great States.

I would like to thank them and say that this has just been part of the opportunity that grew out of this meeting that you all organized here and have done so wonderfully in handling this meeting.

I am here because of a man who really I have never known very well, although I knew him and I have admired him, and that is President Ford, and who asked me to be his Vice President. It was not an office that I had sought and I am not a candidate and I am not campaigning, but I am honored to serve a man whose deep integrity, whose openness, whose devotion to the basic values which made this country, whose dedication to the service of the people of this country is exemplary.

It has really been an exciting experience to me to have the opportunity to see and work with this gentleman at firsthand, and to see the concern he has and the time and the patience he has in trying to come to the bottom of the problems which we face to understand the issues and then listening to all sides, and with the patience I have never known before, then make up his mind what is in the best interests of America, not what is politically expedient for the moment but what is going to serve this country best for the future and for those young people whose future for whom we are the trustees of their future.

The short term political aspects of the decisions are of no concern to him. This is the kind of leadership America deserves, America needs, and America has at this crucial moment in the history of our country and the world and that is Gerald Ford.

I have never known anyone who works harder or who has more enthusiasm for his job and who is kinder to people than he is.

I have an excellent speech this evening and for the members of the press who are here, I would just like to say it is filed with them. I stand on every word that is in it and there is no problem. But I don't want to impose on you by reading it. Therefore, it is taken care of for the record.

(Laughter)

I guess I should add, in all honesty, I went to a progressive school and I don't read so well, anyhow.

(Laughter.)

Vic, to you, as far as rugs are concerned, I have a bed under which I would like to put one of those rugs. The next time you are in Washington, I invite you to come and see it and we will look it over in relation to the rugs.

I was interested in the agenda that I had for today. I am thrilled to be back in Portland, in this great State which I love and which has been very good to me and very generous and very kind. I have a tremendous number of wonderful friends here. I am thrilled to be here at a moment when you have been selected as the most desirable city in which to live in the United States.

After looking at this wonderful audience and these beautiful girls in the front row and these fine men who stand behind them, I can well understand at least one aspect of the problem.

Under these circumstances, perhaps if I don't mention where I come from, it might be just as well, although I did find that as the first item on your agenda, should the United States guarantee financial obligations for the City of New York.

(Laughter.)

I think that I should say just a word there. It is a great city, but -- well, I believe in being honest. I would just like to say two things. One, that there was an old-fashioned concept in this country that there wasn't anything such as a free lunch, that somebody had to pay for it, and that you couldn't spend more income than you had for very long without getting into debt to a point where you went bankrupt. It could be that some of those lessons haven't been learned by everybody in this country and, therefore, some of my good friends have gotten into a pretty serious situation.

I think the answer to this question that you have on your agenda -- I didn't have the benefit of the opportunity of listening to the panel, but I would like to say that the State and the city are dealing now realistically with this problem, as is their place -- October 15, October 20 are the key dates. If they reestablish fiscal integrity in that city and settle management in the government with an eye to productivity on the part of the workers, then I think there will come a time when there may be a requirement to help them after they reestablish this integrity, this fiscal integrity, to help them over a difficult period because they do have a float of \$3,200,000,000 which grew out of a long series of overestimating annual income and underestimating annual expenditures; which a little difference was taken care of by short-term notes which were sold and have now accumulated to a little total of \$3,200,000,000.

So there is going to be a problem. But until they deal with that problem, then the answer is no. After they

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deal with it, then there is a different problem. This situation can be a very serious one and I think that the very fact that as of my understanding that in Oregon, you had an offering of triple A bonds yesterday and that there were no bidders for all of those bonds is an indication of the fact that this situation has ramifications that are far beyond the boundaries of the island of Manhattan and that maybe out of this, we are learning a very important lesson at a very critical moment in the history of the country because it isn't only New York City; it isn't only some States.

If you look at the Federal deficit, it is now in the neighborhood of \$60 billion to \$70 billion and while the Federal Government can print money which the City of New York can't, there is a limit to how much money you can print and have your money worth anything.

So, ladies and gentlemen, let's be a little realistic about where we are and what we do and this may be a very timely illustration that we all need to learn, regardless of what part of the country we live in. So I just mention that on that question.

Does the United States need a third political force? I have made my position clear on this, although I have to say that Tom and I both agree that there are tremendous opportunities for studying problems from a non-political point of view or a bipartisan point of view so that one can get a clear analysis of those problems without getting into the position that sometimes we politicians may fall into, don't confuse me with the facts, my mind is already made up.

To the degree that that happens, then we do need those third forces that come in and make the cold analyses of the rapidly changing world in which we live, the impact of the problems that are upon us and how do we shape these changes so that they serve our aims and don't overwhelm us in the form of crises. So that would be my reaction to that problem.

Labor looks at the GOP. Well, I have to say that labor forms an absolutely integral and vital part of our economic and social structure in this country and we don't want outside looking in. We want them a part of the GOP. That is where they belong. They are a vital part of America.

I am overstepping the bounds of modesty, but I have to say that I was proud of the fact that despite the situation relating to Mr. Authur Goldberg having been counsel for the AFL-CIO when he ran for governor -- and Secretary of Labor -- when he ran for governor in New York, that the AFL-CIO endorsed me and not him. So Republicans can get support if they do constructive things on a sound basis and if we have the courage to stand up, if we disagree, and say we disagree, but do constructive things that are in the best interests of all of our citizens. That is the strength of our Party.

I have been very interested in these questions. I am crazy about this conference. I think it is tremendously useful and the subjects are very important. The next one is what issue should the GOP take to the American voters.

President Ford is taking the issues which are the key issues to the American voters and inflation is number one. He has said and said it time and time again, that 118 million people are the ones that are affected most seriously by the devastating, corrosive forces of inflation and, therefore, he has made that his first effort to curb this, to reduce the inflation rate and the vetoes that he has been making of social programs that are very popular -- we all want to do those things that we know are useful and popular -- but he has the courage to say, look, we haven't got the money to do this now. We have got to exercise self-restraint. He has done it.

Some of his vetoes have been overridden, but increasingly, not only Republicans, but Democrats are becoming aware of this same fact and are supporting his vetoes to restore fiscal integrity at the Federal level. We have got to do this for our country as a whole.

He has done a superb job on this and he is still fighting it every day. These are tough decisions. It is a lonely position. I have had the privilege of working for five other Presidents at various times. I know what a lonely job it is. I know the tremendous responsibility he carries and the difficulty of doing what is right even though it is very unpopular.

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This I admire tremendously. I think it is a quality that goes in his family.

The second one is the energy crisis. The trouble with this situation is a lot of people don't realize we have got a crisis. I spoke at a Midwestern Governors Conference and as I mentioned this morning, you won't believe it, but Governor Exon asked me, he said is there really an energy crisis? He said we have got plenty of gasoline and oil and how can there be a crisis?

I said you summarized the whole thing right there. We have plenty of oil and gas because we are importing 40 percent now and that percentage is going up rapidly. We are spending \$26 billion and they have just raised the price 10 percent. So that takes another \$2.6 billion. We are going to get close to \$30 billion of money going out of this country to import gas. We are totally vulnerable for another boycott.

If the Middle East blows up and the Arab countries find themselves back at war and we find ourselves in this situation, they can this time really have a devastating impact on our economy and particularly, I hate to mention it, the Eastern seaboard where 80 to 90 percent of all of the energy is imported from abroad.

So we are vulnerable, either to blackmail or to economic chaos in this country, and the President knows it. He has been saying it. He sent to Congress a most comprehensive bill in January with his State of the Union message, a 2 to 1 Democratic Congress, whether they are having serious difficulties in organizing themselves, although they have been there now for about 10 months, is a question, or one has to begin to wonder whether maybe they would like the issue, whether they would maybe rather have a political issue of prices going up and blaming Republicans rather than putting the American people first and solving the problem the way the President is doing.

If that is their strategy, in my opinion the American people are too smart and it is going to backfire on them. I think they will deserve it if that is the case.

Therefore, the President, having been unable to get the legislation which he proposed, recognizing that production is falling in this country, consumption is rising, imports are rising, our vulnerability is growing, he has come up with an extremely ingenious, courageous program to act as a catalyst in stimulating independence in energy.

This program of \$100 billion on a self-liquidating basis for two purposes: One, or one objective which is energy independence; two, only in the cases where private capital cannot or will not make the investment because the risk is too high or the earning capacity is not great enough.

It is a self-liquidating corporation which at the end of eight years will stop its operation. So it won't develop one of those new bureaucracies which have this unfortunate habit of getting control and then moving in on

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our lives so that we now find ourselves in a situation with regulations by bureaucracies growing to a point where whether you are a welfare recipient, or whether you are an individual trying to build a home, or whether you are a corporation thinking of making an investment to produce additional goods and services needed in this country, you find yourself tangled up with red tape from Washington, the inability to get clear decisions, plus the fact that you are not sure whether the rules of the game are going to be changed a year from now and, therefore, your investment or your decision is going to create for you a loss instead of a gain out of the operation.

So that he wants to be the catalyst and when people say in opposition to this program, this is capital allocation in a free society and a free marketplace, when President Ford enunciated our national policy of energy self-sufficiency in January of this year, and when everybody who has studied the problem knows that to accomplish this will take between six and eight hundred billion dollars of investment, then government -- he was making the allocation.

He was saying private capital has got to put a priority on this goal. That is a capital allocation by request.

In view of the fact that there are inhibiting factors he now is following this up with this recommendation that the government put in money in areas where scientific developments that can be productive but which are high risk, the government can go in, make the investment, find out what the costs will be just as we did in rubber reserve in World War II under Bernie Baruch, and we ended up with a new industry which was sold by the government for a profit, and back in the hands of private enterprise.

Let's not forget, ladies and gentlemen, that this country, Federal, State and local government gets 85 percent of its revenues from private enterprise from what people are increasingly afraid to call the capitalist system.

It is the best system in the world But we are getting afraid to mention the word.

This is the system that produces the revenues which all of us in government who have been fortunate enough to be there -- most of you elected, some of us got nominated and confirmed, but not elected, but that is a happenstance -- but the only reason we are able to do all of these wonderful things and be lady bountiful to so many people is because private enterprise is producing goods and services at a profit, plus making losses, but the net, paying taxes and those taxes are what is keeping the show on the road.

The problem is with the regulations that we have today and with the uncertainties, this system is beginning -- and it is all for private individuals as well as corporations -- is beginning to slow down.

So we are in a position today where this high unemployment, rate of growth is slow and I tell you that this program the President has suggested could well be the thing

which is the catalyst that is needed to get us off dead center, to get us rolling again, to get our economy going, because an industrial economy depends on energy.

If we don't have that energy, we are not going to keep this economy rolling. If we are dependent on foreign sources, we are vulnerable both to blackmail and to a boycott.

So this program I think is key to the future opportunity of working men and women for employment as well as for the security of our country.

So you say, "What are the issues the GOP could take to the American voters?" This is the key issue. The American people don't understand it yet. But they will before we are through, and I think they are going to come down on the side of the Republican Party because the Republican Party has the courage to take the steps under President Ford's leadership which are bold, imaginative and in the great tradition of this country.

Hard economic growth, jobs, they all go together, those three.

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Can the U.S. maintain a healthy economic growth without destroying our environment? The answer is yes, unequivocally. The President made that statement here in this great State not too long ago and we not only can, but we must. We can do them together. We have got the scientific skill, the technological know-how, the managerial ability to meet our energy requirements, our economic growth, and to restore our ecology.

This is what the young people of this country have brought into focus and we owe the young people a tremendous debt of gratitude in bringing into sharp focus the tremendous importance of restoring the ecology and the environment of America. We can do it. We are well on the road to doing it. Russ Train is an important factor in it. I congratulate him.

To run down quickly over the last few--how can the GOP attract and involve minority groups? Very simply: by treating them with respect and dignity that they deserve and want and by assuring equal opportunity in every area for them in this country and equal involvement in political life in America. In other words, they are like the rest of us and we just want to treat them that way.

Contribution of women in America and government and politics: Frankly, ladies and gentlemen, we need their brains, their ability, and their managerial skills in all walks of life. We have lost one of the greatest assets when we are not using them.

Agriculture, impact on U.S. economy and foreign policy: Let's face it, it is complicated. We have a generous offer here, a man who does his work with a sense of humor. That has got to be a very important combination. The problems are complicated, but we have, as a nation, to balance them out and solve them, and we are going to do it.

We are going to do it under Earl and the President and I think we are going to be very blessed. I would like to say that there is no nation in the world that has farmers with the skill and the ability of free family farm groups which we have in America, and it is unique. We want to keep it. We want to keep it alive and strong and see that they get the compensations that are required for the increased costs of machinery and equipment and energy, and so forth.

It is tough. It is going to be done. The world is crying out for these products and they are willing to pay a price that will make it worthwhile to do it.

There are only two more: media and politics. I think as far as the relationship there that the best asset that we Republicans have is President Ford's personality. He is open; he is honest; he is at peace with himself. He is a man with total inner calm, and this reflects itself in his press conferences, in his relationships, and all we need to do is not be afraid of the press and just tell the truth, and just share what we are trying to do and the problems we have in doing them.

I think the greatest asset America has is a free press. If we didn't have it, we wouldn't be a free nation anymore. So let's preserve the free press and let's work with them and not be afraid of them.

How can the U.S. best meet its energy needs? I have already discussed in very brief terms the President's program.

I would just like to end on this note. This is a great free country, with free citizens, with free enterprise, that believes in the capitalist system, although an awful lot of undermining has been done and an awful lot of misunderstanding about it.

But if we just remember that is a profit and loss system and that the partnership of free enterprise and labor in America is what has brought us to this point and if we just keep that partnership alive and strong and are not ashamed of our system, which is the greatest system in the world, but are proud of it and are willing to talk about it, and are willing to get productivity back as our basic objective, we are going to get back on the track again.

I happen to be for the President, Chairman of the Commission for Productivity, and chairman of another Committee on Water Quality, this 1972 Act, and how that can be blended with these problems of productivity; these are tough problems.

We have important social objectives, but if we just sit down together we can work these out. We can find the solutions. We don't have to be ashamed of what we have got because it is the greatest system that exists. Let's just make it work and let's just get some of this red tape and this bureaucracy off our backs and get it so that we can function effectively and employ the tremendous creative genius, the tremendous enthusiasm and the tremendous imagination that individual Americans have and that American corporations have and that American labor has and we are going to get rolling again. We are going to be in the position of leadership in the world again with the strength that is essential both for meeting our needs at home and our responsibilities throughout the world.

I would just like to end up by saying that I am tremendously optimistic about the future. I love this country. I have total faith in the American people as a free society. We are indeed fortunate at this critical moment to have Gerald Ford as our leader in America.

Thank you very much.

END (AT 10 P.M. PDT)