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THE WHITE HOUSE

REMARKS OF THE PRESIDENT  
AT THE  
DAYS OF THE VERDUGOS FESTIVAL

THE CITY HALL

12:05 P.M. PDT

Mayor Haverkamp, Congressman Thomas Moorhead and your former Congressman and my old and very dear friend, Allen Smith, Jerry Keithley, distinguished guests, ladies and gentlemen:

It is great to be in Glendale. It is wonderful to be here on the opening of the Verdugos Festival, and I thank you for inviting me. I can see why you like to relive the romantic days of the Spanish land grants. In those days, the Government gave its citizens property. Nowadays, Government just tries to take it away from you, and we are going to stop it.

In the last few days I have had the privilege and honor of visiting San Francisco, Los Angeles, Beverly Hills, Universal City and now Glendale. The weather gets better, the welcome is warmer, and I thank you very, very much.

But, with this kind of welcome in Glendale, I know we are going to win California on November 2. One of the most important issues in this campaign -- especially here in California -- is taxes. The people of California have already heard all four sides of the tax question. Unfortunately, three of them came from Jimmy Carter.

Let me give you some examples. First, back in February Mr. Carter said he wanted to eliminate the home mortgage interest deduction on your Federal income tax. That was one of those loopholes that he was talking about. Not long after that he said maybe he would not eliminate that deduction. As it stands now, nobody is sure, least of all Mr. Carter.

Second, a few weeks ago Mr. Carter suggested he would raise income taxes for everyone over the median income level, about \$14,000 per year. Now he says that isn't what he meant. He says he has not studied the subject at all, but he will let us know what he decides after he has been in office for a few weeks.

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I say that is too late, and I say that very sincerely and very specifically.

I say we should know -- 215 million Americans -- before election what Mr. Carter plans to do about your taxes.

Third, Mr. Carter's platform calls for between \$100 billion and \$200 billion in new Federal spending. Yet, he talks about balancing the budget without raising income taxes.

He can't have it both ways. You know it and I know it. He can't talk about compassion and not have compassion for the hard working middle income taxpayers in this country.

The American people have a big heart, but too many politicians mistake that big heart for a blank check.

It is not an act of compassion to rob older citizens of their fixed income by feeding inflation with more Federal spending.

It is not an act of compassion to prevent a young couple from buying a home because Federal borrowing for deficit spending drives up interest rates.

It is not an act of compassion to put coming generations of Americans deeply in debt and mortgage their futures before they are born.

You work hard for every dollar that you earn. Your tax dollars should work just as hard for you, and that is the way it will be under a Ford Administration.

You know who pays for every campaign promise. You know when the bills come due you get stuck with them.

In the last two years I vetoed 59 extravagant spending bills sent down to the Oval Office by an irresponsible Congress.

My vetoes saved \$9 billion.

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If Mr. Carter's friends in Congress had been interested in saving money, as I am, my vetoes could have saved \$16 billion more. We hope for a better Congress with Thomas Moorhead and with Dr. Hayakawa representing you in the United States Senate.

But my idea of tax reform is tax reduction -- cut spending, cut taxes, keep more of your own money. For ten years now Federal spending has grown at an alarming rate thanks to an overtaxing, overspending, overbearing Congress.

The budget that I submitted to the Congress last January cut that rate of growth by one-half. I asked for a \$28 billion tax reduction and a \$28 billion cut in Federal spending, a dollar of tax reduction for a dollar of a reduction in Federal spending.

I asked for an increase in your personal exemption from \$750 to \$1,000. That is tax relief for the middle income taxpayer of this country. They have been shortchanged by the kind of a Congress we have had for the last 22 years, and we have got to change that Congress so the middle income taxpayers will get the kind of a tax reduction that they deserve.

I asked for tax incentives to increase business investment in high unemployment areas. Congress refused. Mr. Carter calls our tax system -- he says it is a disgrace to the human race. If that is true, then it is a disgrace to the Democratic majorities who have controlled both the House and the Senate, written every tax law, and every tax loophole for the past 22 years. You know where to put the blame.

The direction America takes in the next four years will be determined by the decision you make on November 2. And let me use an illustration, if I might.

The crisis in Great Britain, a long and wonderful ally of the United States, tells us all we need to know about the danger of too much Government, too much spending on borrowed money. The British pound, their currency, has sunk to its lowest level in all-time history.

Inflation in Great Britain has been running over 25 percent. Government spending now accounts for 60 percent of the entire British economy.

Listen to what Prime Minister Jim Callaghan of Great Britain, a courageous man who represents the head of that Government -- he said, "We used to think that you could just spend your way out of a recession and increase employment by cutting taxes and boasting Government spending. I tell you in all candor," Prime Minister Callaghan said, "that that option no longer exists and that insofar as it ever did exist, it worked by injecting inflation into our economy."

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He went on to say, "And each time that that has happened, the average level of unemployment has risen. Higher inflation followed by higher unemployment, that is the history of the last 20 years."

And then the Prime Minister went on with another observation that I think is so pertinent in this political campaign. He said, "Each time we did this the twin evils of unemployment and inflation have hit hardest those least able to stand them -- the poor, the old and the sick." My friends, this is really what this campaign is all about.

Mr. Carter and his party platform offer more promises, more programs, more spending, more taxes, more inflation, and more unemployment, and we are not going to let that happen on November 2.

The unemployment figures for September came out this morning in Washington, D. C. Unemployment dropped by one-tenth of a percent. We are moving in the right direction, but not with makework jobs at the taxpayer's expense. We are moving in the right direction toward full employment by stimulating the private economy, where five out of every six jobs exist in America.

Let me make one other additional comment. I have been talking about how we can strengthen our economy here at home. But it is equally important that we strengthen our capability to meet the challenge of any aggressors abroad.

How many of you remember a statement made by a former great President, Teddy Roosevelt, who said, "Speak softly and carry a big stick"? Mr. Carter speaks loudly and wants to carry a flyswatter.

Mr. Carter wants to cancel or cut back the B-1. He wants to keep our pilots flying the B-52s that are 20 to 25 years old today. I don't believe we should send a young pilot in a plane that is older than he is.

The best way I know to keep the peace is to be strong at home with an economy that meets the challenges that we must face, with a military capability that will meet every challenge from any source around the world, and you can't do that with the kind of a \$15 billion cut in defense spending that Jimmy Carter wants to make.

It will weaken us in our challenges from those countries behind the Iron Curtain or the Bamboo Curtain. But a military program that I stand for is one of strength so that we can negotiate with our adversaries from a position of strength. Don't buy the weak military program in this critical period that Mr. Carter wants to foist upon the American people. It is wrong for America, and don't stand for it.

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Let me conclude by saying that Jerry Ford says that Government is already too large, too powerful, too costly, too remote and too deeply involved in your daily lives.

I want to make Government your capable servant but not your meddling master. That is why I am a candidate for the Presidency on November 2.

As Glendale celebrates its proud past, I ask you to think about your children's future and your country's future. I ask for your help on that fateful day of November 2. I ask for your support, your vote.

Let me conclude by saying that Jerry Ford hasn't and won't let you down.

Thank you very much.

END (AT 12:26 P.M. PDT)