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Office of the Vice President  
(Kalamazoo, Michigan)

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REMARKS OF THE VICE PRESIDENT  
AT THE  
REPUBLICAN FUND RAISING BRUNCH  
SVEDEN HOUSE  
KALAMAZOO, MICHIGAN

AT 11:10 A.M. EDT

Thank you, ladies and gentlemen. You have got a mighty aggressive, precise, concise, dynamic up-and-coming Senator in Marv, and I want to tell you, I am thrilled to be here with him.

I thank you for those kind words.

It is always a pleasure to be with a governor -- or lieutenant governor, in this case. But as far as I am concerned, governors, lieutenant governors, that is where I spent a great deal of time. So I am very partial to that level of government, and I am delighted that the Governor could be here with us.

Garry Brown, an outstanding Congressman -- I want to talk about him in a minute, and Joyce and Ron and your candidates for local office. But first let me just say a few words about what a pleasure it is to be here in Kalamazoo.

I have had over a good many years the opportunity of traveling around this country. And to be here in the heartland of America and to be in the country that we are so proud of -- just to be an American, ladies and gentlemen, has got to be the most wonderful thing that ever happened.

We have got problems, but everybody in the world, almost without exception, would give anything in the world to be in America, and I don't blame them.

My wife just came back, Happy, from the Soviet Union. It was very interesting and they are very nice. I don't want to have any misunderstanding. But she was never so thrilled to get home and feel this atmosphere of freedom and of joy and of opportunities which we enjoy here.

Now, the question is how do we keep it that way? And I think this is the big issue in this campaign, really. As I said in the press conference, after so many years -- and I have been part of this, so I am not criticizing anybody -- of overpromising, underdelivering at all levels of government -- and when people talk about New York City being in a little financial trouble, let me just say that this two-to-one Democrat-controlled Congress has done what New York City has in spades, believe me -- overspent. And the only difference is, they have piled up a budget of \$60 billion, maybe up to \$70 billion. The only difference is New York's budget deficit was \$3-and-a-half billion. The Congress can print the money and New York City can't.

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But at all levels of government we have been doing the same thing. And I don't want to criticize anyone, because those of us who serve want to do for people. We are a responsive Nation. It is a very generous Nation. This is our heritage.

What we are learning in the last 30 years -- and it is culminating in these last few years as we get into these troubles -- is that the best way to do for people is what Lincoln said: "Do those things for people which they can't do for themselves, but don't do for them those things which they can." Therefore, government's responsibility, importantly, is to create a framework of laws within which free people have the opportunities to meet their own problems and know what the rules are.

I conducted meetings for the Domestic Council for the President around the country about this time last year -- six sets of town meetings. We invited about 500 people and open to the public. It was a cross section, and virtually everybody, whether it was a welfare recipient, governor, corporate executive, head of a union or any level at any place you want to take it, all said, "Look, the bureaucratic red tape in Washington that is growing so fast and moving into every phase of our lives has just got us so we can't make the decisions. We can't use our own creative genius." And local government can't be responsible or responsive to their own citizens because they are controlled by these programs, 1,007, from Washington.

Now, it was all done in the desire to be helpful, but now we have come to a point where we have got to take stock. And this is a very useful period to take stock and see what needs to be done and how we have got to revamp the programs so that they work out and that they are within our means.

And there is no such thing as a free lunch. Now, people like to talk about free lunch, but somebody pays for it. And we finally found out that the old basic concept which we all grew up on is true, that you can't spend more than you earn or than you produce for very long without going bankrupt. That applies to a family, it applies to a city, it applies to a county, it applies to a State, it applies to the Federal Government.

This is what President Ford understands, and this is what he is trying to say. That is why he vetoed the measures, because there is one of two ways the Federal Government, when they overspend, can handle it. Either they can increase taxes or they can encourage inflation.

Now, taxes are visible. Inflation is invisible, but it is the most insidious tax of all. That is why he made inflation his number one enemy that he went after.

Now, what he feels is that we have just got to get this thing back on a sound basis. And he vetoed these measures, desirable as they were. That's what I admire about him. You all know him because you live in Michigan and he is your representative. But I didn't know him very well. I have sat for two years, worked with him, listened as he tried to get all sides of every problem.

I have never seen a man with the patience he has and the inner calm and inner confidence. Then he would make a decision on what he thought reflected the best long-term interests of the American people, regardless of the short-term political consideration. So he vetoed very popular measures that everybody would like to have.

You know, it is the kind of thing that is a politician's dream. That is what these two-to-one Democrat-controlled Congressmen dream about -- spending, you know. So he just vetoed them, knowing that it was going to be unpopular but knowing it was right, because to stop inflation is the most fundamental issue that we had. So this is the kind of man we have in the White House.

I listened to Mr. Mondale the other night. What he did was to recite all the problems that we face. Sure, the problem of unemployment is very serious. The problem of inflation is serious. The problem of crime is tremendously serious. He just recited the problems and said we are going to deal with them.

Now, what he doesn't realize is "we" is the Federal Government. So he expects to solve all these problems -- and he is just reflecting Mr. Carter -- from the Federal Government.

Now, the tragedy is Mr. Carter has never had experience on the national level or on the international level. So it is very easy for him to take positions because he is not encumbered with any of the facts of the realities of what you are up against. It makes it much simpler.

Jerry Ford is one of those extraordinary people who has this capacity to try to find out what is right and then do it. And I have got to tell you, he has got guts, if you will forgive me for using that word.

(Laughter)

He is really a courageous man, and he has got great compassion. But his compassion isn't something he wears on his sleeve. It is something in his heart. So he tries to see how do we create the conditions in this country that made it possible for this country to grow to greatness. What are the fundamental values and principles on which America did grow to greatness?

Then he wants to go back and preserve those, modify it as conditions warrant. But that is his basic approach.

Now, it is not as dramatic as saying, "I am going to wave a wand and I will solve this," or "I am going to do that." But we have been through that for 40 years, and we know some of it just doesn't work.

So I would like to say that I think this is a very important election. And I am just thrilled you are here, and I am thrilled to be here with you.

Sure, the problems are complex, so that the press picks up maybe somebody does this or says that and that is

played up. But the fundamental question is do we stick with the basic concepts of a free society, a democracy and the American enterprise system with individual initiative, where anybody who has ideas or has creativity can come and bring those forward and come up through and organize? Or do we go to more and more of the socialist concepts which, frankly, if you look at it right now with the tragedy of what is happening in England, it just hasn't worked.

And I have to say, you go one further to the Communists, although they call themselves Socialists. I asked the Ambassador one night at dinner, "How do you explain to your people that after 60 years of Communism and 40 percent of the people on the land producing food, you have to go to the capitalist world to buy your food to feed your people, when we have only less than five percent of our people on the land who are producing not only enough for ourselves but enough for the rest of the world? And how do you explain you have to go buy consumer goods factories -- not just the goods but have them finished and then manage it? How do you explain that after 60 years of Communism you still have to go to the capitalist world?"

He didn't answer at first. But being persistent, I came back to it. Finally, he said, "I'll tell you. In the old days we used to say we invented everything in Russia. But now our people are traveling more, so we don't say that anymore," which was as good an out as you can find.

It is great to have a wonderful President. But we have learned in the last two years that without a strong Congress that is equally dedicated to the fundamental principles and values on which this country has grown, that it doesn't work. So that is why I am so excited about Marv Esch going to the Senate.

Now, you have got to get another good Congressman to take his place in the Congress. But, just the same, this is a very exciting thing.

I have the privilege of presiding over that august body, the most alliterative body in the world. I can't speak without unanimous consent. So if I talk a little long today, you will know it is simply because I am frustrated back there. But I have gotten unanimous consent twice, and that was to apologize to them for something I had said about them, --

(Laughter)

-- which they love, and they gave me a standing ovation both times -- the only recognition I have gotten while I have been there.

(Laughter)

Let me just say a few words about Marv -- not that you don't know him, but I want you to know I think he not only represents you and will not only represent Michigan as a brilliant man, dedicated to this country -- not that degrees are all that big, but, on the other hand, to get a PhD, it isn't everybody who gets one. I would just like to say that. There has got to be something to him.

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(Laughter)

He has got a solid record to show, which is something his opponent does not have. You start out with that. His Comprehensive Employment Training Act brought about 175,000 jobs to Michigan. His opposition on the Humphrey-Hawkins -- Hubert is a very good friend of mine, and he is going through a very tragic moment in his life right now. But that Humphrey-Hawkins bill is a personification of all the things we have tried to do over the last 30 years or since the New Deal and it is sort of a final gasp -- government solving everything.

The tragedy would be that I am afraid that under the \$100 billion or whatever it would cost, \$150 billion, it either has to bring about additional inflation or additional taxes. And as Mr. Carter found out when he started talking about how he was going to take the taxes off the poor and on the rich, he had never heard about median taxes, and that was between \$11,000 and \$14,000. That meant increasing taxes for everybody over \$14,000, so he backed away from it. He said, "After a year in Washington I might then have enough facts so that I could then come up with a program."

Well, ladies and gentlemen, we can't afford, at the taxpayers' expense, on-the-job training. That is my feeling, frankly.

And one other thing he didn't realize that the press didn't seem to ask him about is for the past 22 years the Democrats have written all the tax codes. So he is talking about something as a Republican system. This doesn't have anything to do with the Republican system.

He talks about loopholes except, you know, when he bought new equipment. There is nothing wrong with it. This is the tax law. He bought new equipment and took a \$47,000 deduction when he was going to pay fifty-something thousand in taxes. What is that saying about the shoe fitting? You know?

(Laughter)

I can't remember those old quotes.

(Laughter)

I mention that Humphrey-Hawkins because Marv opposed that very effectively. He sponsored youth employment legislation. And I would like to say I share so totally his concern about that. Unless young people develop the habit and satisfaction that comes from work, the work habit, then it is going to be more and more difficult later.

I was talking to a group of labor leaders in New York on Friday, and they said one of the things that worried them -- this was particularly in the building industry -- was that so many of the men were out of work, had been out of work for a long time now, that they were beginning to find that you could live without working. And, you know, this is a very dangerous thing.

Now, this was true in welfare. That is why I think his sponsorship of this shows his sensitivity and perception.

Now, he had the courage to back the President on all of these vetoes, many of which were carried and bills were saved.

Another one where he has been active which is very close to my heart, having been an important sponsor of the original measure as Governor, is revenue sharing. Now, revenue sharing has produced about \$40 billion so far for State and local government. And, you won't believe it, ladies and gentlemen, it has a staff in Washington of 100 people. Now, there is no other agency that has that few people, because the money goes on a formula to the States or the cities or the counties or whatever it is. And it is the most efficient way the money can be spent by the local government in response to the needs of their people as determined by the elected officials who are closest to the people. And I think we all agree government closest to the people is the best government.

To me revenue sharing, as distinct from these 1,007 categorical grant programs which tie you up in knots, is the wave of the future. He saw it. He supported it. Now, just what it has meant to Kalamazoo -- in the first five years, \$12 million; in the next three-and-three-quarters, \$9.7 million -- money that can be used by Kalamazoo County for those purposes which you need.

So these are all the reasons why I think he not only will represent you, but he will represent all of us in America who believe in America, who love America and who want to see it continue so that our young people -- and I am thrilled there are so many young people here -- will have the same kind of opportunities in the future which we have enjoyed in the past -- that creativity of the individual constantly bubbling up through, new ideas, new thoughts on production and new efficiencies. This is how our system works.

Now, the encouraging thing to me is that Marv started out 14 points behind in the polls here, in the Detroit News. He is now only 7 points behind. And my experience in polling is that if the trend is up the last month, that it is impossible to reverse it. And I just have a feeling that we are standing here -- or you are sitting here -- with the next Senator from Michigan. And, believe me, I am thrilled.

(Applause)

He is a great guy. Now, let's face it, this is true in the Senate and it is true in the Congress. And Garry Brown has five straight victories for the Congress. He understands job growth through economic growth, which, to me, is the fundamental essence of our whole society.

I am for ecology and I want to clean up the environment, protect, but not by stopping growth. Because no growth means no jobs. That means the young people coming

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out of school and college are not going to have a chance. They are not incompatible. They work together. Garry understands this, and he supported these things.

He has won the Small Business Association's award in Congress almost every year he has been in Congress. It refutes the charge that some are trying to make against him that he just represents big business or that he represents big business.

If I am talking too long, somebody poke me. I get so enthusiastic to see so many nice people.

(Laughter)

I chaired a committee for the Congress on the study of the 1972 Water Quality Act, which calls for no pollutants in navigable waters by 1985. I had opposed it as Governor before the House, and I guess that is why President Nixon appointed me, because I understood it and was pretty frank about it.

We had five Senators, five Congressmen, five people from outside, and for three years we had this commission, spent about \$15 million. The Congress, when they set up a committee, do it right.

(Laughter)

We studied industry, agriculture, et cetera, and what the impact was going to be. I don't know whether anyone here is in the electroplating industry, but there are 70,000 companies in America, big and little. If you apply the 1977 standards and the 1982 standards on water quality, just flat the way they are written in the law, 35,000 small companies are going to go bankrupt. They can't afford it.

I don't know whether anyone here runs a foundry or did run a foundry, but they put in the smokestack emission control with no consideration of the impact, and half the companies went bankrupt in America.

When the Congress talks about helping little business and wanting to break up big business, what they are doing by some of these laws is just killing off little business because they can't afford this.

The government has got to say this is going to be done in the public interest, and the companies too small to put the money in, they will help them, or they ought to change the law and make an exception.

Government doesn't work that way. It has gotten too big. That is why the President wants to make it smaller, let the growth happen at the local level and keep what, to me, is the fundamental essence, a framework of laws within which you have freedom, so you know what the rules are but they don't change the rules in the middle of the game. Because if they do, how can you run anything?

These are all things that Garry Brown understands. He pushed the community development program. Now they have the Democrats blocking it.

I happen to think this is one of the most important things. I came back from Singapore. There is a man named Lee Kuan Yew out there. They got thrown out of the Malaysian Federation because they were all Chinese and the rest were Malaysians and they were worried about the Chinese. Here is an island and in 1962 they are out on their own.

So they said, "What are we going to do?" The standard of living was \$300 a person GNP. They decided to make their country a haven for multinational corporations to come and do business, the best place in the world to do business. They had training programs for people. They built an industrial park of 2,800 acres.

I want to tell you, this thing took off like a rocket. Now what is it? Fourteen years later or whatever it is, the standard has gone up to \$2,000. They are just behind Japan in Asia, and they have done this because they have 623 corporations that have come to do business and built plants there in their country.

I want to tell you, I said to him, "Can't you take a year's sabbatical and come over and help New York City?"

(Laughter)

That is what we need, people who go back to realizing private enterprise makes jobs. They invest the capital, provide the markets, train the workers and bring the technology. That is what our system is built on.

Now, that is true for farmers, because I think farmers today are small businesses, and you have to be an industrial engineer to know how to run a farm these days, or a chemical engineer.

But these are the things which Garry understands and is interested in. It is America to me, and I just think that his reelection is absolutely essential. So I am proud to stand here with him as well.

You have a tendency to send from the Republican Party outstanding people to Washington, and that is what we need. Dave Stockman is running in the 4th Congressional District. He is young, attractive, dynamic, a rising star, new blood for the party. That is something we have got to have. He is headed for victory.

Guy Vander Jagt isn't here. He has to be in Washington. He is an outstanding incumbent and has been invaluable to the President. He is chairman of the Republican Congressional Committee that helps elect Republicans all over the country. I just think Guy is one of the most wonderful people. I know him very well. I am devoted to him, and I just think we are lucky.

I admire your being here, your supporting the party, your supporting such outstanding people, your understanding, your care, your concern.

Now, I would just like to say one more thing, and that is about Bob Dole. Now, let's face it, the

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Vice Presidency is what you call standby equipment. It is. Let's be honest.

(Laughter)

There is nothing like telling the truth. You preside over the Senate, and that is a great honor and a distinguished opportunity to be associated with men like Marv, see.

But let me just be perfectly frank, that this is a job that has one major importance, and that is if anything happens, God forbid, to the President, then that man is going to be President of the United States. So it is a very interesting and important post.

On the other hand, while he is still Vice President his activities are somewhat limited, except as the President gives him an assignment.

I made a study for President Eisenhower, when I was chairman of his Committee on Government Reorganization, in which he wanted to find what he could do for Vice President Nixon. And after three months of study, we came back and said, "Nothing," because Constitutionally that is the only assignment. Under the Constitution you, as President, have all the power. The only way he can do anything is if you delegate some of your power. If you delegate any major power, you create a new political center in the government and you have two competing centers. And nobody knows whether tomorrow he may be President. And it could very easily pull things apart inside your government.

And I knew that, so when I went down there, I went down because there was a Constitutional crisis. And I have had the most interesting experience, and, of course, it is like a graduate course, because you sit and listen to all of the discussions on all of the domestic and international problem and you put your two cents' worth in once in a while.

But, I want to tell you, Bob Dole is a man of tremendous ability and dedication and compassion and great experience. He has been a county prosecutor. He has been a State legislator. He has been in the House, in the Senate. He is a war hero. He has, in addition, a brilliant and beautiful wife, who in her own right is a member of the Federal Trade Commission. So you get two for one on that.

(Laughter)

He is outstanding. He is a man of great compassion. And what America wants is strength and compassion. That is, I think, what we need today more than ever, not this wishy-washy stuff, not being everything to everybody, but saying honestly what you believe after study and then doing what you say and not promising what you can't deliver. These are the qualities which the President has, which Bob Dole has.

It is a great ticket, ladies and gentlemen, and believe me, I think it is going to influence the future of America for generations to come on which way we go. So

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let's get everybody to the polls, Republicans, discerning Democrats and Independents, and help them get there if they really understand this. Be sure they vote because this is going to be the time.

I have traveled all over this country, and I would like to say, in my opinion, that President Ford is going to win this election, and Marv is going to win it and Garry is going to win it, and we are going to see Republicans come back into a strong position.

Thank you very much.

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(AT 11:40 A.M. EDT)