FOR IMMEDIATE RELEASE

October 18, 1976

Office of the Vice President (Grand Rapids, Michigan)

REMARKS OF THE VICE PRESIDENT AT THE "LUNCH WITH ROCKY" GOLDEN EAGLE ROOM, MAIN TERMINAL KENT COUNTY AIRPORT GRAND RAPIDS, MICHIGAN

AT 1:00 P.M. EDT

First I would like to thank all of you for coming and for inviting me and to thank Hal for his introduction and to say what a pleasure it is to be with Hal and his wife and how exciting it is to be in Grand Rapids.

Outside there Marv said this was Ford country. And while I agree with him, I still have to think that what I said today was right, that the whole country is Ford country now, and this is what counts. So we sort of adopted him. We are following in your wake in Grand Rapids.

I am thrilled to be here and to have a chance to be here also with so many members of the President's family. And I have got to say that he has got a wonderful family, both brothers in that generation and then his children. To me, there is something about the heartlands here and the Ford family. This just is America. It is the best of America, and I am just thrilled to have had the privilege of serving with him for the past two years and of knowing that he has in Bob Dole a man of such tremendous ability who understands government at all levels, which happens to be a hobby of mine. I happen to believe in the Federal system.

(Laughter)

He was a prosecutor at the county level, and he was a legislator at the State level and then Congressman and then Senator. And five-and-a-half years, because he spent a couple of years in the hospital after World War II, he was a World War II hero. He is a man of great compassion, a man of courage and brilliance. And I have to say also, a man who has a brilliant and beautiful wife, who is a member of the Federal Trade Commission in her own right. So you get there two for one on that.

(Laughter)

This ticket, to me, really represents America. Now, I come from the East, and a lot of people wonder about New York.

(Laughter)

They felt, when New York City got into bad shape, well, that was what they deserved. But I would like to say to you, ladies and gentlemen, that New York City got into the situation it did, importantly, for two reasons. One, it had a deep concern for people and was trying to do for

people. And, two, it was responsive and sensitive to pressure groups who wanted to support worthy causes -- or cause

Page 2

sure groups who wanted to support worthy causes -- or causes; let's put it either way -- and kept adding to the budget until they just got to overestimating their income and underestimating their expenditures and selling short-term notes at the end of the year. They sold so many, kept rolling it over, so it wasn't exactly visible. They got to a deficit of about \$3-and-a-half billion when they were faced with bankruptcy.

Then the President said, "We want to help you but not until you put your house in order."

I would like to say this is what the Congress of the United States has done under a two-to-one Democratic majority and leadership. They have done exactly what New York City has done, only they have done it in spades, ladies and gentlemen.

They have now got us to a position where we have got a \$60 billion, \$70 billion deficit. And they are subject to the same pressure groups and the same desire to get reelected and be popular and so forth. So they have gone down the line with all these new measures and all these new programs, and we have overpromised and underdelivered. And the only difference between the Congress, the Federal Government, and New York City is that the Congress can print money, or the Federal Government can, and New York City can't. But there is no difference fundamentally.

We are finally learning that old lesson that there is no such thing as a free lunch. There is no such thing as being able to spend more than your income for very long, or what you produce, without going bankrupt. And that is true for a family, true for a city, true for a State, and it is also true for the Federal Government. That is really where we are.

Now, there are two ways of meeting, at the Federal level, overexpenditures. One is to impose more taxes. I have just been talking in this press conference. Mr. Carter said 35 to 40 percent cut in taxes. This is a new one. He is really getting out on this thing. Now, it has got to be an absolute absurdity, if he is for the Humphrey-Hawkins bill, which would add \$100 billion in expenditures, to talk about cutting taxes.

The only thing he could do is have a bigger deficit and then more inflation. And that is the most insidious tax in the world and it hits those who can least afford it -- our senior citizens who are on welfare or retired people on pensions or men and women who are working on fixed incomes or on income . salaries, trying to take care of their family with the collar eroding.

So one has to assume that this latest gambit of his would indicate he is ready to move toward a period of renewed inflation. But he says he is going to stop inflation.

I watched Mr. Mondale, who I watched in the Senate for a long time, these two years. Mr. Mondale is going to solve all these problems. They said, "You haven't come up with how you are going to handle it." So what did he do? He didn't say he was going to handle it. He just listed the problems -- unemployment, inflation -- and went right through, never once said how he was going to do it.

And, of course, the answer is that these are very difficult things to do and that we are so far overpromised and so far extended that the only thing we can do to get our country back on a sound basis is what your Congressman and now our President has done, which is to have the courage to study the issues and say, " We would like to do this," -this is a pressure group here -- "this fine program, but we haven't got the money."

Inflation has got to be stopped, so he vetoed --62 vetoes now, I think. Now, you can have differences of opinion on some because of your own local situation or whatever it may be. But the fundamental fact is that he had the courage to study these questions, what is in the long-term best interests of America. That was his guide.

I sat and watched him. And I want to tell you, I have been in government a long time, but I have never seen anyone with the patience he has. He listened to all sides, then made up his mind, then took a stand, regardless of how popular the measure would be. If he thought it was in our national interest, he did it. This is true internationally and domestically.

Now, this, to me, is the kind of man this country needs. Sure, it is not as flamboyant, it is not as exciting as saying, "I am going to do this for you. I am going to give you that. I am going to spend this," knowing all the time you can't do it really and that you are misleading the people. But this is one of those things.

Here comes Guy Vander Jagt, who is a great person.

(Applause)

He is not only a great Congressman and a great leader for all of us, but a man who is really devoting his time and energy to the support of restoring Republican balance in the House of Representatives. And believe me, we need that.

This two-party system has been a pretty sound thing. We haven't got a two-party government in the Congress of the United States today. We have got a Democratic caucus. I will never forget having dinner, when I was down there with Phil Burton and his dialectician, as he called him, and a few of those leaders that night. And I want to tell you, it was frightening.

He was talking about the chairman of the Ways and Means Committee -- "Don't talk to him. We control Ways and Means. We will tell them what to do."

This is the arrogance that comes with that kind of absolute power, voting power. Isn't that right? You know it. I was shocked. I worked with State legislature for a long time, worked with the Congress for many years in different Administrations, but I had never seen the absolute arrogance of total power, total control. So they have just disregarded the President's key measures he sent up there.

Now, I have talked of his courage in vetoing. I would just like to say he has had the same kind of courage in facing the problems that needed to be dealt with. This is what Mr. Carter says or the Democrats say, that President Ford gives no leadership. Listen, this President has faced up to the tough problems and has sent up measure after measure to Congress, which lays there without even a hearing on a lot of the stuff.

I have a very real interest in this question, because I was working for the President on the Domestic Council. I have been terrified as to what was going to happen to this country if we got into another boycott on oil. Now, I am prejudiced, because on the East Coast we are now 80 percent dependent for our energy on imported energy. And there aren't the means, there is no pipeline in the north, tank cars to get oil from other parts of the country even so they could even be rationed. So we would go into a situation where there would be chaos if there was a real tough boycott that actually lasted.

So the President came up with a whole series of programs on conservation of energy and on production of new sources of energy and a vehicle to stimulate this in the government through the private enterprise system.

I went around both in the Senate and the House, because I have been working with him on it, to try and get a hearing. We got a hearing in the Senate. We never could get the House to have hearings. You know, they are very polite -- at least they were to me -- but it is incredible.

Now, let's take crime, which is another area. You know it and I know it, because you have had it in your big cities and we have got it in ours. The Federal role in crime is not a direct role, although Mr. Carter would like you to think that all of crime has arrived in the last two years since Jerry Ford took office and that the increase in rates is due to him. But the truth of the matter is Crime control is at the local level. It is a local function. It is not a federal function. But he sent a measure up to the Congress which got no action, again taking the leadership, which called for mandatory sentences.

Now, some of you in this business -- we come to the special prosecutor here, who really knows the issue. He is your next Congressman. I want to talk about him in a minute.

I have got a great big speech here, and I released it to the press. I stand on every word. I am sorry I haven't gotten to it, but you havent' got time. For the press, there is nothing here that I don't stand on. Now, he sends this up. This calls for mandatory sentences not only for Federal crimes but for a series of local crimes.

Now, I know this, because this business that I went through, I went for this on hard drugs, which is the same thing he came up for. I wanted a mandatory sentence. I went for no plea bargaining. That didn't win me a great deal of acclaim from judges and prosecutors, because they said, "How do we keep our courts going?" I said, "Keep the courts going. How many new courts do you need if you don't have plea bargaining?" They said 100 courts. I then asked for the money from the State legislature for 100 new courts. We set up 85 with all the accoutrements that go with it. We wanted to get crime off the streats.

It was very interesting. The people who supported it more than anybody, because I wanted a mandatory sentence for anybody pushing or sharing drugs -- I went down to husers. These young kids in college, it is just as bad if you get your girlfriend or boyfriend to take drugs and get them hooked on hard drugs as it is if you are a pusher. And we spent a great deal of money trying to rehabilitate people.

The President is going right to the same thing -mandatory sentences. Now, he hasn't cut out the plea bargaining like I did.

I got it through, I want you to know, and the people who supported it were the street people. The black ministers were the strongest supporters on this. The crime in Harlem, they are the worst victims, and the people supported it. That is how I got it through. This is what the President is for.

Now, I listen to Mr. Carter saying we are going to stop crime; the President has done nothing about it. But it is because the measures he sent to Congress have not been acted on.

Now, these wonderful men who are sitting here who are in the Congress, they have done their best to get these out. But if you have ever tried to get a committee to hold a hearing when they don't want to, you don't get them to move. You can get in their office and sit down, and they say it is the staff and they have got these other things and maybe we will do it next month. This is what has happened to all his programs.

He has dealt with these tough programs creatively, constructively with a framework of laws within which local government, individual citizens can deal with the problems. He believes just what Lincoln said, "Government ought to do only those things which people can't do for themselves. And those things which people can do for themselves government should not do." This is his thinking, not going and being popular and saying, "I'm going to solve every problem," but creating the laws within which people can work and cutting down on this bureaucratic red tape. Now, Jim will know, there is a Governor Dan Evans from Washington State. He testified at one of these hearings we had for the Domestic Council on domestic programs and policies. He told two cases which are really perfect illustrations. Then he gave us his conclusions.

He said, "We worked on an application for an \$8 million grant from the Federal Government, and we had all the lawyers and we had all the professionals and so forth, and we did three volumes to fill it out, sent it to Washington. What happened? We got back, 'Sorry, the regulations have been changed since you prepared this. You will have to do it over on the basis of the new regulations.'"

Then he gave another example. He said they worked out a saving of a million-and-a-half in some other field, and they sent that to Washington for approval. They got back word, "Sorry, we have no provision in our regulations for savings."

(Laughter)

Now, these are faceless people down there, and you can't really blame anybody, because it is the way the system is worked. But at least this Administration is aware of it.

The governor who is seeking this office, who knows nothing about national problems or international problems and the perfect illustrations, said he is going to take 1800 agencies of the Federal Government and make them into 300 agencies. Now, what he doesn't realize is that Congress has let the Reorganization Act lapse, so there is no mechanism to do this. And for every one of those agencies there is a Congressional committee or subcommittee. Guy can tell you I am right on this. Each one has staff. And if you are chairman of one of these committees or subcommittees, you get additional salary and additional staff.

Now, this has got to be very real, see. So who is about to abolish 1800 agencies or departments? They are not going to do it.

Now, I was chairman of President Eisenhower's Committee on Government Reorganization for seven years. We got 13 reorganization plans through, and we thought we had done pretty well.

This has got to be an absolute dream. This man is living in a dreamworld of unreality.

Now, you say, well, he says he did it in Georgia. But you go and look at the record in Georgia, and there were more people and he doubled the tax rate. So that it isn't even borne out by what he did.

And Georgia is a great State. I don't want to say anything about Georgia. I am crazy about all 50 States.

(Laughter)

So all I can say, ladies and gentlemen, is you have got a man who has the courage, the compassion and the

understanding and the dedication to deal with this situation and get us back to where our country can use the same forces of free men and women, their creativity to build for the future, as they have in the past. And that is all you can ask.

Now, he can't do it, though, without more Republicans in Congress, and that is why I am so thrilled to be here on this trip talking for your candidate for the Senate, Marv Esch, who has a proven record in so many fields. I mentioned revenue sharing. He was out in front on that. He understands this and on all of these important areas of the private enterprise system and how it works.

He has had programs, for instance, on youth employment which he proposed which never got through the Congress, because anything that was going to be effective the Democrats wouldn't allow a Republican to sponsor. That was bound to go down the drain because it was too good. I hate to say it.

I don't want you to think I am cynical because I have been around so long. I'm not. We have got to face the realities around the country.

It is your vote to determine whether Marv is going to be down there and Hal is going to be there to represent that seat Jerry Ford had. We need them both there. They are men of courage, experience and integrity and perception and understanding, proven records. They understand and care about America. That is what we need down there.

Now, I don't want to imply that the Democrats don't care about America, because I don't mean that. They care about America. They have just got a different concept of America and take a different approach. But if you take that approach as far as Great Britain did, where is Great Britain today? Sixty percent of their gross national product today is spent by the government. And they are now taking over one industry after another, and they have to keep paying for the deficits of the industry because the workers are there and they can't close it down because they would lose votes. Their pound is dropping, and it is a very sad situation.

Or go all the way to where the Soviet Union has gone. There has been Communism in the Soviet Union for 60 years now. I asked the Ambassador not too long ago -- the Soviet Ambassador, who is a brilliant man, very attractive -- "Mr. Ambassador, how do you explain to your people that after 60 years of Communism, with 45 percent of your people on the land producing your food for your people, that you have to go to a capitalist country, where they have got less than 5 percent of the people on the land, to buy food for your people?"

I said, "It doesn't stop there. You are trying to go to the capitalist world to buy package industries for consumer goods," the whole thing -- the engineering, construction, management, the sales, everything; and they not only want that, they want overseas sales. I said, "How is it that after 60 years of Communism you have to go to the capitalist world, which you say is the thing that is destroying opportunity for people, to get the very basic elements for your people?"

Page 8

Well, I was a little rough on him, so he just didn't say anything. But being a politician -- and I was really seriously interested in how the hell do you explain something like that -- so I pressed him and came back to it. Finally he said, "Well, to tell you the truth, before our people traveled abroad we said we had invented everything. Now," he said, "our people are traveling abroad and, therefore, we say, well, we didn't invent everything."

(Laughter)

That is a good a way, I guess, as you could get around it. But they just don't tell them anyhow, so it wouldn't make any difference.

(Laughter)

These are the things that are important. And I would just like to say that I didn't mention Bob Packwood, but I don't see Bob. He was here. He is a Senator from Oregon. I was campaigning in his State, and Jack was campaigning in New York State, so we have all been sort of moving around helping each other.

This is an important moment, but the whole thing is going to depend on whether you get out to vote.

Now, I met with the county chairmen of New York on Friday for lunch. We had them all together, and this was the question I asked: "What are your plans to get out to vote?" Now, we have got one county, which is Nassau County, with about two million people in it, and we have the best Republican organization of our State right there. Their county chairman told how they were following this thing up -- direct visits and calls on every voter. They have called them on the phone first so they know where they are. If they think they can persuade them to vote for Ford, they will follow that up. On every door on the morning of election day they hang a little thing, "Don't forget to vote today." This is a suburban county today, so it is easy in apartments.

Then during the day each one of those voters is checked three times to see whether they have voted and if they need help to get to the polls, in which case they will have somebody pick them up. But if we want to get that vote out, we have really got to work.

Now, there was a lady from an upstate county who said, "We send postcards to everybody," which was very nice. And they are very responsible, so she said they got an 85 percent vote.

I think this is the key, because the people who understand this country and who care about this country, this is their chance to vote to preserve this country and all its values. And I think this is the moment.

If we don't, with the problems that are there, not only domestically but internationally -- and we can go into a lot of things on the international front that Mr. Carter has said which could be a disaster. Just take one situation. Japan, who is a major industrial nation now, is totally dependent for its economy on imports and exports. Okay. Under the treaty we had with Japan, they cannot develop a defense mechanism of their own, so they are dependent on freedom of the seas, and we are the only ones who can protect their sea lanes and their sources of raw materials and their markets.

Now, Mr. Carter said he would withdraw troops from South Korea. South Korea has always been the point of the dagger at Japan. Historically there has been this rivalry.

He would cut \$15 billion, now down to \$5 billion or \$7 billion out of the defense budget. And as it is, the Soviets have developed the most fantastic naval power on a worldwide basis -- no longer defensive power; this is an offensive power. And they have a capacity which is extraordinary.

We take freedom of the seas for granted. That is just part of our life. But this is a challenge today, and the Soviets have a capacity -- a tanker could blow up or three tankers could blow up on the way to Japan. And the Ambassador could see the Foreign Minister and say, "Isn't this a tragedy that this awful thing happened? Your economy is sort of in jeopardy. Maybe what you ought to do is get your oil and gas from us and put pipeline under the Japanese Sea and that would be secure." Then they would have them.

Now, these are the things that one has to look at, the interrelation of a global structure, in what we do. And I want to say that the Republican Administration has finally gotten Congress, the Democratic leadership, turned around, increased defense expenditures. But in the last 8 years \$40 billion of expenditures requested by Republican Administrations have been turned down by the Democratic Congress.

We go through these various areas, and wherever you touch them, our future for our country as we know it spells Jerry Ford and the Ford team which is right here, and opportunity for the young people under a free society where free initiative and individual enterprise and the creativity of Americans which has brought us where we are today and what has made our agriculture what it is today.

I get back to that thing with the Soviets. It is absolutely fascinating, because of the driving force of free men and women, and it has built this country to the greatest nation in the world. I say let's keep it that way, ladies and gentlemen. This is the time to do it.

Don't forget to vote. Get all your friends to vote.

Thank you very much for letting me be with you. It is a pleasure.

(Applause)

Page 9

(AT 1:23 P.M. EDT)

END