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Office of the White House Press Secretary  
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THE WHITE HOUSE

TEXT OF REMARKS BY THE PRESIDENT  
PREPARED FOR BROADCAST  
OVER THE MUTUAL RADIO NETWORK

MONDAY, OCTOBER 25, 1976

Today I'd like to talk a little common sense on inflation.

Inflation should really be seen as a tax. It cuts into your paycheck or your savings just as surely as writing out your income tax check. And make no mistake about it, inflation is caused by government.

Two years ago when I became President, the inflation rate was 12% -- the cost of everything was going up 12 cents on the dollar each year. Today the rate of inflation is down to less than 6% -- that's a lot better. But obviously we must keep right on working at it.

What's important in this election is to understand what we've been doing right to bring inflation down -- and what we must avoid if we are to continue making progress.

In the past two years, our policies have worked to bring inflation down for three reasons:

- First, excess Government spending had to be brought under control. So I have vetoed Congressional bills 66 times. An argument could have been made for signing every one of those bills. But if inflation was going to be licked, we had to have the courage to draw the line on spending. I did it. And I'm going to keep on doing it, because I don't believe the American people should be taxed anymore -- and inflation is just another high tax.
- Second, while fighting inflation we had to do everything we could to reduce unemployment. So, while inflation has been cut in half, we've also helped create 4 million new jobs in America in 17 months -- and that's a peacetime record. And we've maintained essential Government services in our cities, and for our schools -- and, most important, for our national defense. We've even had some tax cuts, and we can have more if we stick to the course we're on.
- Finally, we've recognized the reality that inflation cannot be ended overnight. For a decade in America we've had a series of sudden changes in our economic policy. And every time there was not immediate success, we've rushed to a new approach. Well, we've been on a steady and stable course for two years now -- and it's working. I think it would be a serious mistake to change that course.

(MORE)

America will lose the battle if spending goes up too fast or if inexperienced hands take over our economic policy and send us charging off in a whole new direction.

America is back at peace again. There's honor in your White House again. Four million new jobs in 17 months. And inflation cut in half.

Things are getting better. That's why we're feeling good about America. We know we still have a lot of work in front of us. But we remember where we've been and we know how far we've come.

We've all fought the battle against inflation. We know that the enemies are government spending and drastic changes in policy. Let's stay on our steady course.

With it we can welcome America's third century with a new generation of freedom in which government controls its excesses, its taxes, its spending to let you enjoy the fruits of your own hard work. I think that is what freedom is all about.

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