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## Office of the Vice President

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"ONE WEEK TO GO"  
REMARKS OF THE VICE PRESIDENT  
AT THE  
NATIONAL PRESS CLUB LUNCHEON  
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October 26, 1976

This is the fifth Presidential campaign in which I have actively participated. But this is different.

This time I'm not running for anything!

By the way, what ever happened to Bo Callaway?

This has been an unusual experience for me. The New Times and John Dean have shown no interest in my jokes. I haven't been asked for an interview by Playboy.

True, I got a brief flurry of press copy when I gave an uncouth heckler the "hi-ya fella" sign in reverse. But even the Village Voice has been strangely silent about me now. And I'm here today at the Press Club only because the President asked me to substitute for him.

The title of this speech is "One Week to Go". Our Bicentennial year's presidential contest ends next Tuesday. The voters on that day make a crucial decision regarding this nation's leadership and its future.

It is said that large numbers of people are disinterested, disenchanted or discouraged and will stay home. I deeply hope this is not so. The issues in this campaign are real -- are serious -- and divide the candidates.

It may well be that this has not been the most scintillating campaign ever. But it is well to remember, even in these days of television, that a presidential contest was never intended to be entertainment. The best television political performers don't necessarily make the ablest political leaders.

Also, I doubt that the four T.V. "debates" (and I put the word "debates" in quotes) will be packaged by Fred Astaire and presented in the movies as a third version of "That's Entertainment." I do none of the candidates an injustice, I am sure you'll agree, when I say that the historical positions of Lincoln and Douglas have not been diminished by these recent exchanges.

The "debates", let's face it, were not debates. They were interview programs and the answers and the interchanges were as much the responsibility of the interviewers and the format as of the candidates being interviewed.

The pity is that we didn't have real debates -- debates in depth to get at the underlying assumptions, the beliefs, the approaches and the solutions to the nation's problems that the candidates really espouse. Because, friends, the nation does confront a future wherein the lessons of our yesterdays and the potentialities of our tomorrows must be weighed and gauged, reconciled and applied -- applied with wisdom and courage.

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Because, also, my friends, there seems to be a basic difference between President Ford and Governor Carter in their approach to the role of government in our society. President Ford has shown by his actions that he is for government action to stimulate the economy and ensure fairness and equity for individuals but to restrain government interference in the daily lives of the people. He is working to cut bureaucratic red tape. Governor Carter on the other hand, espouses more governmental programs, more governmental regulation and more governmental restraints.

President Ford has taken courageous steps to control inflation. His vetoes of Congressional programs that spelled large government money outlays may not have been helpful to him politically with certain special interests, but they have been a factor in the overall policy of his administration that has brought the inflation rate down from 12.7 percent to 4.4 percent currently. This is a gigantic achievement -- and if you don't think so -- look at the inflation rate in the rest of the world.

The Democrats' program frankly is cast more in the government spending mold. Conservative estimates would price their proposals as adding \$50 to \$100 billion to the federal budget -- with no specifics on how such programs could be financed.

The issue of inflation is a critical one. Democracies have survived wars, national catastrophe, difficult economic and social struggles but inflation, out of hand, has been fatal. Adolf Hitler would never have risen to power if democratic Germany had not destroyed itself by inflation. Democratic governments in Argentina, Brazil, Chile, Peru and other countries have been suspended when they failed to control inflation.

There is no doubt that excessive government deficit spending is the major factor in high rates of inflation -- and the Nobel prize just went to a noted American for his work demonstrating this fundamental truth.

The Congress has become geared to spending. Pushed by special interests it responds to issues and pressures by the simplest method -- spending. It fails to face the more toilsome and difficult tasks of revision and restructuring of many of our basic, social and regulatory government programs. Partnership government by a spending President with a spend-more Congress is more than a cause for concern: it can be an invitation to disaster -- the disaster of uncontrollable inflation.

A second basic issue is the approach of the candidates to the American enterprise economy and the problem of employment. President Ford has not only espoused but practiced the view that the enterprise system can and should be counted on to produce the bulk of the nation's employment -- that the role of government is to encourage American enterprise and set a framework of laws and policies that will give certainty and stimulus to the enterprise system.

The results of this policy are most impressive. The total number of gainfully employed in the United States is now 87.8 million! Some 3.7 million new jobs have been generated since March 1975 -- the low point of the recession. So there has been an average increase of some 206,000 jobs monthly since that date. And this has been achieved while the inflation rate has been cut from the 12.7 percent in the fourth quarter of 1974 to the 4.4 percent of the third quarter of 1976. Few economists thought employment could be increased and inflation cut at the same time.

The Democrats -- candidate and Congress alike -- on the other hand have espoused the Humphrey-Hawkins Bill -- the creation of public jobs by Federal government spending. The thrust of the program the Candidate has proposed with over a \$10 to \$20 billion estimated price tag means even more and more government employees -- resulting in either increased taxes or increased inflation -- and inflation is the most insidious form of hidden tax which hits worst those who can least afford it.

President Ford's economic policy thrusts are far more in the direction of government encouraging the individuals, the voluntary and private enterprises, than Governor Carter's approaches appear to be.

This takes on greater significance when one looks at tax philosophies and approaches. Although his views have gyrated with the audience before whom he has appeared, the consistent theme of the Democratic candidate appears to be one of heavier taxation of the middle class and upper income groups and heavier levies on enterprise for the benefit of what he calls the poor. Surely all of us and both candidates are concerned over the lot of the needy in our society. But, surely, there is greater opportunity for self-development in a free choice economy and society than in one regimented by governmental bureaucracy.

Put another way, the Ford approach is to encourage the productivity and job creating force of the enterprise system -- to expand industry, expand energy, expand markets and make available more goods and services to people through "real" jobs in the enterprise sector. This is the proven American method that has produced the enormous output of the nation's agriculture industry and commerce. Governor Carter's orientation appears to be heavier reliance on spending and regulation by government -- which would try to reorganize but apparently not try to reduce.

President Ford is an advocate of growth. He does not subscribe to the original doctrines of the Club of Rome that saw growth incompatible with environmental health and world stability. Governor Carter's views are less clear but seem closer to the "anti-growth" approach.

This difference appears most sharply in the respective views on energy. The President has sent to the Congress legislation to build new energy facilities and to develop the nation's energy resources while protecting the environment. This view is that energy development and environmental achievements are not only compatible but essential if the interests of people are to be considered paramount. Governor Carter is much less forthright on how to get the energy we need and takes refuge in concerns over such matters as nuclear power and the dangers of nuclear proliferation (which is no longer controllable by us) and the problems of strip mining.

The Democratic Congress has stymied the President's energy program and through its inaction we now import 40% of our oil from foreign sources overseas compared to 30% at the time of the Arab embargo. The cost to us in foreign exchange will be \$36 billion this year alone. Just think what this amount would mean to us spent here in this country in terms of energy production and jobs for an additional 1,300,000 people.

This brings me to another vital point. The economic recovery we have experienced has yet to see the kind of spending for capital goods -- plants, equipment, transport facilities, power stations and the like that will be necessary to carry us forward to fuller productivity and employment.

Governor Carter does not appear to have an adequate appreciation of the conditions that are likely to stimulate capital goods spending by American enterprise. This is evident in his tax approaches, his energy policy approach, and his monetary approach that would politicize our Federal Reserve Board and make it a tool of the White House.

President Ford's energy program, his tax approaches and monetary policy, on the other hand, appear far better calculated to produce confidence and capital goods spending on the part of American industry which is necessary to stimulate the economy and liquidate the recession.

Although the rhetoric of the campaign may not indicate it, the Ford policy is more likely to generate capital spending, jobs and increase personal incomes than his opponent's. Some think we may be in the kind of secular slowdown that Alvin Hansen, the distinguished economist, considered was plaguing us in the Franklin Roosevelt years despite all of the New Deal special programs, and that only the demands of the war really pulled us out of the Great Depression. We certainly have the capacity to revive the economy by conscious government action to stimulate enterprise to meet our national needs. President Ford has recommended to the Congress a whole series of measures which could accomplish this including:

- Incentives and sanctions for conservation of energy.
- Encouragement of production of new domestic sources of energy.
- Rehabilitation of our railroad system.
- Stimulation of research and technological development for new industries.
- Encouragement for private capital formation for investment in new plants and equipment essential for more and better jobs.
- Elimination of bureaucratic red tape in government which shackles individuals and hamstring the economy.

Unfortunately the Congress has not acted on most of the President's recommendations which would have accelerated the economic recovery and the achievement of jobs and opportunities for all.

Turning to the world scene, George Santayana once said that: "Those who cannot remember the past are condemned to repeat it."

One has an unease about Governor Carter's views of the international situation. His early talk of withdrawing support from South Korea brings back the memory of the events that led to the North Korean invasion that set off the Korean War. His recent comments on Yugoslavia in the event of possible Russian military intervention must certainly send shivers up the spines of our friends and allies. And they can hardly give comfort to Americans from those nations of Eastern Europe that are under Soviet military domination.

Similarly Governor Carter has talked about cuts in defense spending when the growing worldwide offensive military capability of the Soviet Union -- in conventional forces, in its Navy and Air Force, satellites and communications as well as its missile capability -- is challenging us as never before.

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President Ford has consistently urged the Congress to improve our research and technological capability and to modernize our weapons system. He has shown in the Mayaguez incident and the recent Panmunjom affair the strength and determination necessary in the international world.

And the initiatives of the Ford Administration in the Middle East, in South Africa, in the world food problem, in pushing the revision of the Laws of the Seas stand in sharp contrast to the opposition's vague generalities.

Governor Carter speaks much about leadership. His concept appears to be one in which everyone, the Congress and the President are all going to, as the great evangelist Billy Sunday said "hit the Trail together." Presumably the motivating and overriding force of this movement will be undefined "love". Somehow this would supersede all need for pragmatic solutions and hard decisions for the real problems that will confront us.

But let's talk about leadership and love. Let's talk about a man catapulted from a Michigan Congressional district into the Presidency in the most serious constitutional crisis this Nation has faced since the Civil War. Let's talk about President Ford's inheriting the shambled aftermath of Watergate, about his restoring of confidence and carry on of government. Let's talk about the Viet Nam debacle and his rebuilding of confidence in us by our allies and friends -- and the inculcation of new respect by our competitors and potential adversaries. Let's talk about double digit inflation coupled with severe unemployment we faced two years ago and the economic recovery since that is unmatched in the world today. Compare this Country's record with the other industrial Nations. If this isn't the result of leadership, what is it?

And when one speaks of love -- one has to love this country and love its people to put aside the easy ways -- the more politically palatable practices -- to make the tough decisions, including the vetoes, to keep this nation strong and solvent.

With one week to go, I urge you and all Americans not to confuse rhetoric with reality.

With next Tuesday's election, we begin the return to an elected Presidency and the established routines of our constitutional government. The unprecedented caretaker administration -- the transitional government -- will be drawing to a close. In its two tumultuous years, and with all the disabilities it had to carry, President Ford's administration has brought the Nation through united and strong.

I urge you and the American people to dispassionately appraise the performance of these past two years and evaluate the potential for the future. In so doing let us remember that insight is far better than hindsight.

The solid foundations President Ford has built despite the Congress -- is already paying off. The crisis of confidence, of inflation and respect of the leaders abroad is now over.

That is the kind of stable leadership we have in President Ford -- and what is needed to build the greatness of America in the future.

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