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THE WHITE HOUSE
REMARKS OF THE PRESIDENT
AT THE
ALLSTATE INSURANCE COMPANY
NORTHBROOK, ILLINOIS

2:45 P.M. CDT

Chuck, President Boe, my former colleagues in the House of Representatives, Bob McClory, Phil Crane, Sam Young and, of course, my very dear friends and wonderful supporter, your former fine Governor, Governor Ogilvie:

It is just nice to be out here with the Allstate family, and I thank you for the very, very warm welcome. This stop this afternoon is another milestone in a great day. We started in Pittsburgh this morning, going to the Jones and Laughlin field steel plant. We first made a speech before the Economic Club of Pittsburgh, and then we flew to the Chicago area and had a wonderful greeting out at Ford City. (Laughter)

I was delighted and now to come to Allstate, it really is nice. But let me say one thing, that if you have time tonight, I would hope that you would take 30 minutes and watch a program we are putting on Channel 7. The master of ceremonies is going to be somebody you have heard of, particularly if you are interested in sports. Joe Garagiola is going to be the master of ceremonies. Joe is one of the individuals who volunteered to come out and be an active supporter and campaigner with me; in addition, a former colleague of ours a good Democrat from the State of Oregon, former Congresswoman Edith Green, and I think we are going to have Chuck and maybe some others on the program.

It will give you, I think, a new flavor. I should have added -- I apologize -- I think Betty is going to be on it, too. (Laughter) But, I keep going around the country trying to get my votes up to her polls.

It is wonderful to be here and let me take just a few minutes to outline for you some points that I think are worthy of your attention and hopefully will be persuasive to you when you make that very vital decision a week from today.

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It is just seven days from now. Naturally, I can recall very, very vividly August 9, 1974. It was the day that I took the oath of office and walked from the East Room of the White House to the Oval Office. It was a period of great trouble in America. We had gone through the trauma of Vietnam. There was anger, bitterness, divisiveness.

We were on the brink of the worst recession in 40 years and we had inflation of 12 percent or more. There was still the problem in Vietnam with some 50,000 Americans being withdrawn and the circumstances that brought back bad memories, and then, of course, there was the lack of trust and confidence in the White House itself.

It was not a very opportune time for a new person to become President of the United States. But, it was my decision that we had to meet first things first, and one of those was to restore without any hesitation or qualification the restoration of trust and confidence in the White House itself.

I think by being open, by being candid, by being straightforward, the American people -- whether they agree or disagree with whatever policies -- know that their President is a person that they can trust and a person who will, in his own way, seek to do what is right for America, above all else.

Then we had the very difficult problem of how to meet the challenge of the worst recession in 40 years, and at the same time make a tremendous effort to reduce the rate of inflation, which, as I said, was 12 percent or more.

But by being firm in the restraint on Federal spending, by not succumbing to quick fixes--and many of them emanated from the Congress--we were able to gradually and, I think, positively reduce the rate of inflation so that as of today the annual rate of inflation is somewhere between 5.5 and 6 percent.

Now, that is still too high, but I can assure you the policies this country is following today are policies that will keep the pressure on, and we will win that battle and get the rate of inflation down so that we can have a healthy, sustained economy, and the kind of prosperity that all of us know is possible in this great, great country.

Early in 1975, I am sure some of you can recall-- I can--unemployment began to soar and employment started to plummet. The net result was we had a real trauma in America, the worst recession since the depression days of the 1930s, and a few of us can remember the hardships that many, many families went through in those days.

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But instead of losing our cool and trying to do some things that might have been appealing on the surface but fundamentally wrong in an economic sense, we did the things that were compassionate to help those that were tragically unemployed but, at the same time, we initiated programs and restored the confidence of the American people in their economic system. And the net result was we have come out of this recession.

You may have heard me say that we have regained 4 million jobs in the last 18 months. That is true. You have heard my say perhaps that we have 88 million people working today -- an all-time high -- and that is true.

You may have heard Mr. Carter say the other day in the debate that we had more people unemployed than any day since the Depression of the Thirties. That is true.

But there is one point I think we have to make in all honesty; it is historically accurate. As he alleged, or said, in the 1950s, the early 1950s, we had a low unemployment rate. That is accurate. But let me point out, at that time we had 3,500,000 young men and women in the Army, Navy, Air Force and Marines, and a good share of them were overseas.

At the present time, we have 2,100,000 young men and women in the Army, Navy, Air Force and Marines. That is 1,400,000 less than we had 18 to 20 months ago.

I think we can whip the problem of unemployment. We can have a healthy economy. We can still have an all-volunteer military force, and we don't have to be engaged in a military conflict.

The way to solve unemployment is by stimulating the free enterprise system with tax incentives, tax reduction. We don't have to put young men in uniform to solve the problem of unemployment in America.

As I said, we have an all-volunteer Army, Navy, Air Force and Marines, and they are good, they are career people, and we are strong because we have the right weapons systems, good leadership, outstanding young people, and they are volunteer recruits. And I can say with great pride that the United States is at peace. Not a single young American is fighting or dying on any foreign battlefield tonight, and they won't.

But now that we have turned things around -- and I happen to think the American people in this great country have made incredible progress in the last two years -- but now we have new opportunities.

Here is where I think we ought to focus in the next two years, the next four years. We ought to focus on trying to improve the quality of life for our 215 million Americans. What does that mean? It means first that we want an economic environment so that people who want to work will have a job.

I am not going to argue about statistics. The only criterion by which I judge whether we are doing a good job or not is that the time must come where every young American who wants to work will have a job in America. One of the things that makes America great is the capability and the fact that so many Americans own their own home.

I saw some figures just the other day that some 60 to 65 percent of the people in America own their own home or are in the process of buying it. Let me say, having said that, I am not going to take away the deductibility of interest payments on your income tax returns.

But how do we stimulate the capability, particularly for the young, to get a new home? Just the other day the Secretary of Housing and Urban Development, Carla Hills, announced a 50 percent reduction in down payments. That is vital for the young people who are trying to make their first investment.

Many of the loaning institutions are beginning to undertake the kind of mortgages so that in the early days of a mortgage the monthly payments are less when the earning capacity is smaller and the monthly payments increase as one's earning capacity increases. I think that is an imaginative approach.

But the best thing we can do for those that want to buy a house is to see to it that we win the battle against inflation, and we can do that by cutting the rate of growth of Federal spending, as we tried to.

In January, I submitted a budget to the Congress where instead of having an 11 percent rate of growth in Federal spending as we had had for the last 10 years, we tried to cut it in half to 5 or 5-1/2 percent. We were quite successful. We should have been more so.

I vetoed 66 bills in my best effort to put a little bit of pressure on that big spending Congress up there. I might say parenthetically, that saved the taxpayers about \$9 billion or, if you average it out, about \$200 per family in the United States.

But the main point is, jobs, housing, health care -- I don't believe you have to federalize health care in the United States to maintain or to improve the health care of the American people in this society in which we live.

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The problem of crime -- when I became President in 1974, the rate of crime in America was about 18 percent -- unbelievable. In 1975, it was cut back 50 percent to 9 percent. That is still too high. But the encouraging news is that in the first 6 months of 1976, the rate of increase is 3 percent, and we have had significant reduction in some of the more serious areas of crime.

Let me tell you one way in which we have tried to solve the problem. All the experts tell us there is a group in our society -- hardened criminals, professional criminals -- they impose upon all of us law-abiding people a very high percentage of the crime committed in America.

So, we have in the last 12 months had a career criminal program. It has resulted in a significant number of hardened career criminals being apprehended, convicted -- 95 percent of them have gone to jail, and that is where they belong, and that is where they better stay.

One further comment that I think is something all of us ought to really think about: Statements have been made that America is not respected any more; America's role in the world is not what it ought to be; that our leadership is less than it should be. Let me take one or two examples.

Do you realize that in the last two weeks all seven Nobel Prizes for physics, chemistry, economics, et cetera -- every one of them went to an American for the first time in the history of the Nobel Prizes being awarded. I think that is a pretty good record.

And let me add, in the opportunities that I have had to negotiate with adversaries and to work with allies, the allies are honored to be associated with us; the adversaries respect us. They respect the 215 million Americans. They respect the kind of Government, the kind of freedom that we have in America, and they know that the American people, when the chips are down, are united in the feeling that we have for the blessing of America. They know that America is strong militarily, economically, industrially, but most important, morally and spiritually.

So, whether it is allies wanting to be associated with us or adversaries who respect us and will not challenge us, every American in this country can be proud of our history and can be proud of the things that we are going to do to make that vision of our forefathers a reality in the third century of America's great history.

Thank you very, very much.

END (AT 3:04 P.M. CDT)