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THE WHITE HOUSE

REMARKS OF THE PRESIDENT  
AT THE  
VALLEY FORGE MUSIC FAIR

9:58 P.M. EDT

Thank you all. Won't you all sit down, please.

Thank you very much, Faith, and thank all of you wonderful, dedicated, loyal, Delaware County Republican workers and the tremendous senior citizens from this area.

It is a high honor and a very rare privilege for me to have an opportunity to say a few words tonight. Of course, I am here to urge all of you to elect John Heinz your next United States Senator. And of course I strongly urge you to make darned sure that John Kinney goes down to the House of Representatives. Of course, Dick Schulze and Bud Shuster, they did a great job, so make sure you send them back.

I have never been to a political meeting where I occupied this kind of podium before. (Laughter) The last time I had spectators or participants or the public all around me was back when I was playing football at the University of Michigan. That was so long ago it was back when the ball was round. (Laughter)

But let me say something, or make a suggestion. I have been in Pittsburgh yesterday and I had the privilege and honor of being there with Dick Schweiker, who was with me at the J & L plant and was with me as I spoke to the Pittsburgh Economic Club. Dick has been traveling with me, and I want to express to him -- and he is with me here tonight -- my deep appreciation for your loyal and dedicated support.

As I started to say, I would like to experiment tonight. As I said, this is a new format. For the next 15 minutes, I would like to hear a pin drop. I don't want you to cheer if I say anything that might inspire you. I hope you won't moan or groan, and please don't fall asleep. (Laughter)

But I would like to talk very seriously and very straight from the shoulder, and let you refresh your memory, if you would, for just a moment. Go back to August of 1974. Naturally, I will never forget that occasion because on August 9 of that month, I was sworn in as President of the United States.

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America was in very deep trouble. Faith and confidence in the White House had been lost. I think there was an undercurrent of lack of faith, really, among 215 million Americans, in our Government and our future. We certainly were suffering the worst inflation since the turn of the century -- over 12 percent. We were on the brink of the worst economic recession in 40 years, and we were still involved very substantially in Vietnam.

I can recall very vividly after taking the oath of office in the East Room of the White House and going with Betty to the Oval Office and saying to her that we had to stand tall and strong, because we loved America, as all Americans do. But we had to find a way to put the ship on an even keel and to set a steady course.

And slowly but surely, because the American people felt that they had a new trust in the White House itself and that we weren't going to panic and we weren't going to try any quick fixes that sounded good but didn't have any substance -- so slowly but surely there was this restoration of confidence in America, its Government, its people, its principles, its aims, its objectives.

People could begin to see that because we were doing the right thing in the economy that the rate of growth of inflation was beginning to dampen down, that the dollar was not eroding as rapidly as it had in 1973 and 1974. And although we were in a recession--unemployment was going up and employment was going down--they saw that we were doing fundamentally the right thing to get us out of the problems we were in. Then, of course, we left Vietnam and our allies were reassured by the strength that we had in America and our adversaries saw that we meant business and we were going to be respected.

So, then, we started to move. And you could feel the new spirit that was generating in America. And you, in the Commonwealth of Pennsylvania, probably participated more directly because of the Bicentennial affairs that took place in Philadelphia.

But wasn't that a wonderful experience for all Americans that we could celebrate our 200th birthday with a rejuvenation, a rebirth, the spirit that our forefathers developed when they put this country together 200 years ago, 13 colonies, less than 3 million people.

But they faced adversity and they came out of it and gave us this blessing, that on the Fourth of July after all our troubles, America seemed to be on the move again. There had been this incredible feeling that faith had been restored, that progress was on its way and we could look down the road with real vision, a vision of achievement, that we could not only read about history, but we could make history in our third century.

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Now we have a great election, a great election that is just five and a half days away, really. It is the first election of a President in our third century. It is an election that will undoubtedly make a difference in the course that America takes, not only for the next four years but for the next century.

You know what the differences are, but let me talk about what I foresee as what will be done in the next four years if I have the opportunity to be your President. We have gotten most of our past troubles out of the way so we can begin to have some things done that will be an added element to the quality of life that we have here in America.

What do we want? We certainly want a job for every American who wants to work. We are not going to argue about statistics. I want the kind of a society where the free enterprise system makes it possible for any American who wants to work to get a job, and we are going to achieve that objective in the next four years.

But the quality of life not only depends on the job but it depends on the home, the family. The housing industry has been in some trouble during our economic recession, but I was so encouraged the last two months. The statistics indicated that we were really on the upswing.

And what does that mean? It means that people are willing to invest, they have a little extra money for that down payment, they can gamble on those monthly mortgage payments.

So, we are going to try and help them, my Administration. We are going to cut the down payments by 50 percent. We are going to make sure that if a person has a 20- or 30-year mortgage, that the monthly payments are less when a young couple is earning less. And the monthly payments will be higher when a person has more money as he advances up the salary scale. But the strength of this country is the home, the family, and we want those neighborhoods preserved.

And then, of course, we want good health care. I think the American people do get good health care, but we have to make positive that it is health care they can afford. And we owe a very special obligation to the older citizens of this country -- some 33 million, as I recall the figure -- people who have worked hard, and saved, mainly living on retirement incomes. We owe them an obligation. That obligation, I think, is to make certain that if any one of them has an extended, prolonged, expensive illness, that instead of having their savings depleted by the kind of costs that do occur -- and I venture to say in this room tonight, everybody here knows of that kind of a serious tragedy in any family.

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So, that is why I proposed to the Congress last year what is called catastrophic health insurance so that any one of our older citizens, senior citizens, cannot have any more than a \$750-a-year bill for hospital or medical expenses. That relieves them and gives them the kind of security that I think would be better for their frame of mind and certainly for their savings that they have earned over the years.

But, speaking of the senior citizens -- and I know there are some here -- there are other things that we must do. Cut the rate of inflation -- we have done quite well but we are going to do better. From over 12 percent to under 6 percent, that is better than a 50 percent rate of progress. But we have to get it down, and we will.

Then we have to make sure that the cost of living escalators for Social Security payments are there for them to count on. But I have to say that we owe an obligation likewise to make sure that that Social Security trust fund is sound financially.

I proposed a method that I think was fair to achieve that. Congress didn't respond. But we have an obligation to those who are retired and those who will shortly be retired so that that trust fund is available and they don't have to worry about it.

And then, of course, of all the people in our great country who need most the protection from crime, it is our older senior citizens. So, we have got to do something in the quality of life area to make certain, to make positive that those who commit a crime are convicted and go to jail.

My Administration has always felt that the emphasis should be on the victims of crime, not the people that commit the crimes.

Let me tell you what we are trying to do. There are unfortunately in our society some who are what we call hardened criminals, career criminals. Starting better than a year ago, we tried in 12 cities a program of helping State and local law enforcement officers, the courts, with a career criminal program. They went in there and they identified 2 or 3 or 5 career criminals and they went after them with an amazing rate of success.

I think they, in the 12 cities, have a record of conviction of about 90 to 95 percent, and the average sentence is 20 years in jail. That is what ought to happen to them. But then, now that it has been successful, we are going to expand it, I think, to 24 or 36 cities in the next 12 months.

But it is an obligation of every one of us to our senior citizens that they can walk to the store, go to church, visit their friends in safety, on the streets wherever they may live.

But also we need to make certain that our younger generation has a quality education. The Federal Government does contribute to local and State educational programs. But I was dumbfounded just the other day to find that there are 110 different Federal educational programs. If you can, imagine how many bureaucrats in Washington are managing 110 educational programs.

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But anyhow, what we have tried to do and what we are going to do is to simplify it. Instead of having 110 individual programs, we are going to try and have a single block grant program in the major areas, the major 25 programs. We will increase the money and, at the same time, we will diminish the number of forms. We will get the money for the teachers and for the students. Doesn't that make a lot of sense to you? It sure does to me.

Then I think we have to see how we can finance some of these programs. Last January, as the Members of the House and Senate know, I presented a budget to them that was different than budgets had been in recent years. We found that the rate of growth of Federal spending over the last ten years had been going up at the rate of 11 percent per year. Unbelievable.

If you projected that for the next 25 years, this country would have been in dire fiscal circumstances. So, we decided that we were going to put a lid on the rate of growth of Federal spending, and we did. We cut it in half.

Now, the Congress didn't respond as well as they should, but they did a little better than they had been doing. But, at the same time that I recommended that we cut the rate of growth of Federal spending, I said for every dollar we save in Federal spending, I recommend a dollar in tax reduction.

I put two main points in that tax reduction program. I said, number one, the middle income people in this country have been short-changed. Those middle income people -- who really are 50 percent of the taxpayers in America -- could get the best tax relief by a suggestion of increasing the personal exemption, which is now \$750 a year, to \$1,000 a year.

The other day I was visiting a factory and talking to some workers and one of the men said, "Well, Mr. President, what will you do for my family under your tax proposal or tax reduction recommendation?" I said, "Well, how many children do you have?" He said, "I have three and a wonderful wife." I said, "All right, if Congress had done the job instead of going off in the wrong direction in tax reduction," I said "next April when you figured out your income tax return, you could have had, with three children, a wife and yourself \$1,250 more in personal exemption." He said, "Gosh, how could the Congress be so stupid not to do that?"

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Anyhow, let me say this: We are going to submit it to 'em in January. We will give 'em another crack at it because the middle income taxpayers need that relief. But, in order to create the jobs that are essential and necessary in America -- and we have about 2,000,000 to 2,500,000 that are coming into the labor market, our younger people that are finishing school -- industry has to have an incentive to expand in their locations where they may be, or to build a new plant, to buy better equipment.

So, I think the business community ought to get some tax relief so they can create the jobs that are so important if we are going to give job opportunities in the private sector.

Oh, I know some people in Congress advocate putting everybody on the Federal payroll. That is a deadend, no-advancement area. What we need is the job in the private sector where people can work with certainty and with an opportunity for advancement.

One final point. Nothing pleases me more that we say and say with honesty -- there is not a single young American fighting or dying on any foreign battlefield tonight. But to maintain that, we have to be strong enough to convince our allies that we are prepared to work with them to preserve the peace in the free world.

We have to be strong enough so when the President sits down and looks at the head of Government of an adversary nation straight in the eye, he has to know that America is strong and that America has the will, America has the courage and fortitude to do what is right. The only way you can have that is to have an Army, a Navy, an Air Force and Marine Corps that are number one.

I don't think that you can cut the Defense Department, as some suggest, and have our military capability unsurpassed. To deter aggression, to meet any challenge, to protect our national security, I believe that the President of the United States has an obligation to see to it that the necessary funds are there to buy the best weapons, to have the best leadership, to have the best training, to have the strength that adversaries respect and allies appreciate.

Then America can keep the peace that we have and be the leader in the world, and we will under this Administration.

One final thought. Faith tells me that the party workers in Delaware County are the best not only in the Commonwealth of Pennsylvania, but in the whole United States. Pennsylvania is a key State in this election. We can win or lose. We can have the direction of America going one way if Pennsylvania is on our side and the country can go another way if Pennsylvania is on the other side. It is that very practical result.

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So, Delaware County is the county that can make the difference. So, all 3,000 of you here I hope will maximize your efforts and turn in the biggest vote, a vote for America, a vote for America's future. We are on the march; we are on the way. There is a new faith; there is a new spirit.

What you do between now and November 2 when the polls close will make a significant difference in the third century of America's future. I know you won't let America down and, as the next President, I won't let you down.

Thank you very much.

END (AT 10:25 P.M. EDT)