

# CITIZENS FOR REAGAN

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TEXT OF GOVERNOR RONALD REAGAN'S NATIONWIDE TELEVISION ADDRESS

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Good evening to all of you from California. Tonight, I'd like to talk to you about issues. Issues which I think are involved--or should be involved in this primary election season.

I'm a candidate for the Republican nomination for President. But I hope that you who are Independents and Democrats will let me talk to you also tonight because the problems facing our country are problems that just don't bear any party label.

In this election season the White House is telling us a solid economic recovery is taking place. It claims a slight drop in unemployment. It says that prices aren't going up as fast, but they are still going up, and that the stock market has shown some gains. But, in fact, things seem just about as they were back in the 1972 election year. Remember, we were also coming out of a recession then. Inflation has been running



at around 6%. Unemployment about 7. Remember, too, the upsurge and the optimism lasted through the election year and into 1973. Then, the roof fell in. Once again we had unemployment. Only this time not 7%, more than 10. And inflation--wasn't 6%, it was 12%.

Now, in this election year 1976, we're told we're coming out of this recession. Just because inflation and unemployment rates have fallen, to what they were at the worst of the previous recession. If history repeats itself will we be talking recovery four years from now merely because we've reduced inflation from 25% to 12%?

The fact is, we'll never build a lasting economic recovery by going deeper into debt at a faster rate than we ever had before. It took this nation 166 years--until the middle of World War II--to finally accumulate a debt of \$95 billion. It took this administration just the last 12 months to add \$95 billion to the debt. And this administration has run up almost one-fourth of our total national debt in just these short nineteen months.

Inflation is the cause of recession and unemployment. And we're not going to have real prosperity or recovery until we stop fighting the symptoms and start fighting the disease. There's only one cause for inflation--government spending more than government takes in. The cure is a balanced budget. Ah, but they tell us, 60% of the budget is uncontrollable. It's



fixed by laws passed by Congress. The laws passed by Congress can be repealed by Congress. And, if Congress is unwilling to do this, then isn't it time we elect a Congress that will?

Soon after he took office, Mr. Ford promised he would end inflation. Indeed, he declared war on inflation. And, we all donned those WIN buttons to "Whip Inflation Now." Unfortunately, the war--if it ever really started--was soon over. Mr. Ford, without WIN button, appeared on TV, and promised he absolutely would not allow the Federal deficit to exceed \$60 billion (which incidentally was \$5 billion more than the biggest previous deficit we'd ever had). Later he told us it might be as much as \$70 billion. Now we learn it's \$80 billion or more.

Then came a White House proposal for a \$28 billion tax cut, to be matched by a \$28 billion cut in the proposed spending--not in present spending, but in the proposed spending in the new budget. Well, my question then and my question now is, if there was \$28 billion in the new budget that could be cut, what was it doing there in the first place?

Unfortunately, Washington doesn't feel the same pain from inflation that you and I do. As a matter of fact, government makes a profit on inflation. For instance, last July Congress vaccinated itself against that pain. It very quietly passed legislation (which the President signed into law) which automatically now gives a pay increase to every Congressman every time the cost of living goes up.



It would have been nice if they'd thought of some arrangement like that for the rest of us. They could, for example, correct a great unfairness that now exists in our tax system. Today, when you get a cost of living pay raise--one that just keeps you even with purchasing power--it often moves you up into a higher tax bracket. This means you pay a higher percentage in tax, but you reduce your purchasing power. Last year, because of this inequity, the government took in \$7 billion in undeserved profit in the income tax alone, and this year they'll do even better. Now isn't it time Congress looked after your welfare as well as its own?

Those whose spending policies cause inflation to begin with should be made to feel the painful effect just as you and I do. Repeal of Congress' automatic pay raise might leave it with more incentive to do something to curb inflation.

Now, let's look at Social Security. Mr. Ford says he wants to "preserve the integrity of Social Security." Well, I differ with him on one word. I would like to restore the integrity of Social Security. Those who depend on it see a continual reduction in their standard of living. Inflation strips the increase in their benefits. The maximum benefit today buys 80 fewer loaves of bread than it did when that maximum payment was only \$85 a month. In the meantime, the Social Security payroll tax has become the most unfair tax any worker pays. Women are discriminated



against. Particularly, working wives. And, people who reach Social Security age and want to continue working, should be allowed to do so and without losing their benefits. I believe a Presidential commission of experts should be appointed to study and present a plan to strengthen and improve Social Security while there's still time--so that no person who has contributed to Social Security will ever lose a dime.

Before leaving this subject of our economic problems let's talk about unemployment.

Ending inflation is the only long range and lasting answer to the problem of unemployment. The Washington Establishment is not the answer. It's the problem. Its tax policies, its harassing regulations, its confiscation of investment capital to pay for its deficits keeps business and industry from expanding to meet your needs and to provide the jobs we all need.

No one who lived through the Great Depression can ever look upon an unemployed person with anything but compassion. To me, there is no greater tragedy than a breadwinner willing to work, with a job skill but unable to find a market for that job skill. Back in those dark depression days I saw my father on a Christmas Eve open what he thought was a Christmas greeting from his boss. Instead it was a blue slip telling him he no longer had a job. The memory of him sitting there holding that slip of paper and then saying in a half whisper "That's quite a Christmas present"-- it will stay with me as long as I live.



Other problems go unsolved. Take energy. Only a short time ago we were lined up at the gas station. We turned our thermostats down as Washington announced "Project Independence." We were going to become self-sufficient, able to provide for our own energy needs.

At the time we were only importing a small percentage of our oil. Yet, the Arab boycott caused half a million Americans to lose their jobs when plants closed down for lack of fuel. Today, it's almost three years later and "Project Independence" has become "Project Dependence." Congress has adopted an energy bill so bad we were led to believe Mr. Ford would veto it. Instead he signed it. And, almost instantly, drilling rigs all over our land started shutting down. Now, for the first time in our history, we are importing more oil than we produce. How many Americans will be laid off if there is another boycott? The energy bill is a disaster that never should have been signed.

An effort has been made in this campaign to suggest that there aren't any real differences between Mr. Ford and myself. I believe there are, and these differences are fundamental. One of them has to do with our approach to government. Before Richard Nixon appointed him Vice President, Mr. Ford was a Congressman for 25 years. His concern was the welfare of his congressional district. For most of his adult life he has been a part of the Washington Establishment.



Most of my adult life has been spent outside of government. My experience in government was the eight years I served as Governor of California. If it were a nation, California would be the 7th ranking economic power in the world today.

When I became Governor, I inherited a state government that was in almost the same situation as New York City. The state payroll had been growing for a dozen years at a rate of from 5 to 7,000 new employees each year. State government was spending from a million to a million-and-a-half dollars more each day than it was taking in. The State's great water project was unfinished and underfunded by a half a billion dollars. My predecessor had spent the entire year's budget for Medicaid in the first six months of the fiscal year. And, we learned that the teachers' retirement fund was unfunded. A four billion dollar liability hanging over every property owner in the state. I didn't know whether I'd been elected Governor or appointed receiver.

California was faced with insolvency and on the verge of bankruptcy. We had to increase taxes. Well, this came very hard for me because I felt taxes were already too great a burden. I told the people the increase, in my mind, was temporary and that, as soon as we could, we'd return their money to them.

I had never in my life thought of seeking or holding public office and I'm still not quite sure how it all happened. In my own mind, I was a citizen representing my fellow citizens against the institution of government.



I turned to the people, not to politicians for help. Instead of a committee to screen applicants for jobs, I had a citizens' recruiting committee, and I told this committee I wanted an administration made up of men and women who did not want government careers and who would be the first to tell me if their government job was unnecessary. And I had that happen. A young man from the aerospace industry dissolved his department in four months, handed me the key to this office and told me we'd never need the department. And to this day, I not only never missed it, I don't know where it was.

There was a reason for my seeking people who didn't want government careers. Dr. Parkinson summed it all up in his book on bureaucracy. He said, "Government hires a rat catcher and the first thing you know, he's become a rodent control officer."

In those entire eight years, most of us never lost the feeling that we were there representing the people against what Cicero once called the "arrogance of officialdom." We had a kind of watchword we used on each other. "When we begin thinking of government as we instead of they, we've been here too long." Well, I believe that attitude would be beneficial in Washington.

We didn't stop with just getting our administrators from the ranks of the people. We also asked for help from expert people in a great many fields, and more than 250 of our citizens volunteered, to form into task forces. They went into every department and agency of state government to see how modern





business practices could make government more efficient, economical and responsive. They gave an average of 117 days apiece full time, away from their own jobs and careers. At no cost to the taxpayers. They made 1,800 specific recommendations. We implemented more than 1,600 of those recommendations.

This was government-by-the-people proving that it works when the people work at it. When we ended our eight years, we turned over to the incoming administration a balanced budget. A \$500 million surplus. And, virtually the same number of employees we'd started with eight years before. Even though the increase in population had given some departments a two-thirds increase in work load.

The water project was completed with \$165 million left over. Our bonds had a triple A rating, the highest credit rating you can get. And the teachers' retirement program was fully funded on a sound actuarial basis. And, we kept our word to the taxpayers--we returned to them in rebates and tax cuts, \$5 billion, 761 million.

I believe that what we did in California can be done in Washington if government will have faith in the people and let them bring their common sense to bear on the problems bureaucracy hasn't solved. I believe in the people.

Now, Mr. Ford places his faith in the Washington Establishment. This has been evident in his appointment of former Congressmen and long-time government workers to positions in his

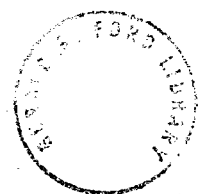


Administration. Well, I don't believe that those who have been part of the problem are necessarily the best qualified to solve them.

The truth is, Washington has taken over functions that don't truly belong to it. In almost every case it has been a failure. Understand, I'm speaking of those programs which logically should be administered at state and local levels.

Welfare is a classic example. Voices that are raised now and then urging a federalization of welfare don't realize that the failure of welfare is due to federal interference. Washington doesn't even know how many people are on welfare. How many cheaters are getting more than one check. It only knows how many checks it's sending out. Its own rules keep it from finding out how many are getting more than one check. Well, California had a welfare problem. 16% of all welfare recipients in the country were drawing their checks in our state. We were sending welfare checks to families who decided to live abroad. One family was receiving its check in Russia. Our caseload was increasing by 40,000 people a month. After a few years of trying to control this runaway program and being frustrated by bureaucrats here in California and in Washington, we turned again to a citizens' task force. The result was the most comprehensive welfare reform ever attempted.

And in less than three years we reduced the rolls by more than 300,000 people. Saved the taxpayers \$2 billion. And,



increased the grants to the truly deserving needy by an average of 45%. We also carried out a successful experiment which I believe is an answer to much of the welfare problem in the nation. We put able-bodied welfare recipients to work at useful community projects in return for their welfare grants.

Now, let's look at housing. Washington has tried to solve this problem for the poor by building low-cost houses. So far it has torn down three and a half homes for every one it has built.

Schools. In America, we created at the local level and administered at the local level for many years the greatest public school system in the world. Now through something called federal aid to education, we have something called federal interference and education has been the loser. Quality has declined as federal intervention has increased.

Nothing has created more bitterness for example than forced busing to achieve racial balance. It was born of a hope that we could increase understanding and reduce prejudice and antagonism. I'm sure we all approved of that goal. But busing has failed to achieve that goal. Instead, it has increased the bitterness and animosity it was supposed to reduce. California's Superintendent of Public Instruction, Wilson Riles (himself a black), says, "The concept that black children can't learn unless they are sitting with white children is utter and complete nonsense." Well, I agree. The money now being wasted on this social experiment could be better spent to provide the kind of school



facilities every child deserves. Forced busing should be ended by legislation if possible. By constitutional amendment if necessary. And, control of education should be returned to local school districts.

The other day, Mr. Ford came out against gun control. But, back in Washington, D.C., his Attorney General has proposed a seven-point program that amounts to just that: gun control. I don't think that making it difficult for law abiding citizens to obtain guns will lower the crime rate. Not when the criminals will always find a way to get them. In California I think we found an answer. We put into law what is practical gun control. Anyone convicted of having a gun in his possession while he committed a crime: add five to 15 years to the prison sentence.

Sometimes bureacracy's excesses are so great that we laugh at them. But they are costly laughs. Twenty-five years ago the Hoover Commission discovered that Washington files a million reports a year just reporting that there is nothing to report.

Independent business people, shopkeepers and farmers file billions of reports every year required of them by Washington. It amounts to some 10 billion pieces of paper each year and it adds \$50 billion a year to the cost of doing business. Washington has been loud in its promise to do something about this blizzard of paperwork. And they made good. Last year they increased it by 20%.



But there is one problem which must be solved or everything else is meaningless. I am speaking of the problem of our national security. Our nation is in danger, and the danger grows greater with each passing day. Like an echo from the past, the voice of Winston Churchill's grandson was heard recently in Britain's House of Commons warning that, "the spread of totalitarianism threatens the world once again and the democracies are wandering without aim."

"Wandering without aim" describes U.S. foreign policy. Angola is a case in point. We gave just enough support to one side to encourage it to fight and die but too little to give them a chance of winning. Now we're disliked by the winner, distrusted by the loser and viewed by the world as weak and unsure. If detente were the two-way street it's supposed to be, we could have told the Soviet Union to stop its troublemaking and leave Angola to the Angolans. But it didn't work out that way.

Now, we are told Washington is dropping the word "detente" but keeping the policy. But whatever it's called, the policy is what's at fault. What is our policy? Mr. Ford's new Ambassador to the U.N. attacks our long-time ally, Israel. In Asia our new relationship with mainland China can have practical benefits for both sides. But that doesn't mean it should include yielding to demands by them as the administration has, to reduce our military presence on Taiwan where we have a long-time friend and ally, the Republic of China. And, it is also revealed now that we seek to establish friendly relations with Hanoi. To make it more



palatable, we are told this might help us learn the fate of the men still listed as Missing in Action.

There is no doubt our government has an obligation to end the agony of parents, wives and children who have lived so long with uncertainty. But, this should have been one of our first demands of Hanoi's patron saint, the Soviet Union, if detente had any meaning at all. To present it now as a reason for friendship with those who have already violated their promise to provide such information is hypocrisy.

In the last few days, Mr. Ford and Dr. Kissinger have taken us from hinting at invasion of Cuba to laughing it off as a ridiculous idea. Except, that it was their ridiculous idea. No one else suggested it. Once again--what is their policy? During this last year, they carried on a campaign to befriend Castro. They persuaded the Organization of American States to lift its trade embargo, lifted some U.S. trade restrictions, they engaged in cultural exchanges. And then, on the eve of the Florida primary election, Mr. Ford went to Florida, called Castro an outlaw and said he'd never recognize him. But he hasn't asked our Latin American neighbors to reimpose a single sanction, nor has he taken any action himself. Meanwhile, Castro continues to export revolution to Puerto Rico, to Angola, and who knows where else?

As I talk to you tonight, negotiations with another dictator go forward. Negotiations aimed at giving up our ownership of the



Panama Canal Zone. Apparently, everyone knows about this except the rightful owners of the Canal Zone--you, the people of the United States.

General Omar Torrijos, the dictator of Panama, seized power eight years ago by ousting the duly-elected government. There have been no elections since. No civil liberties. The press is censored. Torrijos is a friend and ally of Castro and, like him, is pro-communist. He threatens sabotage and guerrilla attacks on our installations if we don't yield to his demands. His foreign minister openly claims that we have already agreed in principle to giving up the Canal Zone.

The Canal Zone is not a colonial possession. It is not a long-term lease. It is sovereign U.S. Territory every bit the same as Alaska and all the states that were carved from the Louisiana Purchase. We should end those negotiations and tell the General: We bought it, we paid for it, we built it and we intend to keep it.

Mr. Ford says detente will be replaced by "peace through strength." Well, now that slogan has a nice ring to it, but neither Mr. Ford nor his new Secretary of Defense will say that our strength is superior to all others.

In one of the dark hours of the Great Depression, F.D.R. said, "It is time to speak the truth frankly and boldly." I believe former Secretary of Defense James Schlesinger was trying to speak the truth frankly and boldly to his fellow citizens. And that's why he is no longer Secretary of Defense.



The Soviet Army outnumbered ours more than two-to-one and in reserves four-to-one. They out-spend us on weapons by 50%. Their Navy outnumbered ours in surface ships and submarines two-to-one. We are outgunned in artillery three-to-one and their tanks outnumber ours four-to-one. Their strategic nuclear missiles are larger, more powerful and more numerous than ours. The evidence mounts that we are Number Two in a world where it is dangerous, if not fatal, to be second best.

Is this why Mr. Ford refused to invite Alexander Solzhenitsyn to the White House? Or, why Mr. Ford traveled halfway 'round the world to sign the Helsinki Pact, putting our stamp of approval on Russia's enslavement of the captive nations? We gave away the freedom of millions of people--freedom that was not ours to give.

Now we must ask if someone is giving away our own freedom. Dr. Kissinger is quoted as saying that he thinks of the U.S. as Athens and the Soviet Union as Sparta. "The day of the U.S. is past and today is the day of the Soviet Union." And he added, "...My job as Secretary of State is to negotiate the most acceptable second-best position available."

I believe in the peace of which Mr. Ford spoke--as much as any man. But peace does not come from weakness or from retreat. It comes from the restoration of American military superiority.





Ask the people of Latvia, Estonia, Lithuania, Czechoslovakia, Poland, Hungary and all the others--East Germany, Bulgaria, Rumania, ask them--what it's like to live in a world where the Soviet Union is Number One. I don't want to live in that kind of world; and I don't think you do either.

Now we learn that another high official of the State Department, Helmut Sonnenfeldt, whom Dr. Kissinger refers to as his "Kissinger," has expressed the belief that, in effect, the captive nations should give up any claim of national sovereignty and simply become a part of the Soviet Union. He says, "Their desire to break out of the Soviet straightjacket" threatens us with World War III. In other words, slaves should accept their fate.

I don't believe the people I've met in almost every State of the Union are ready to consign this, the last island of freedom, to the dustbin of history, along with the bones of dead civilizations of the past. Call it mysticism, if you will, but I believe God had a divine purpose in placing this land between the two great oceans to be found by those who had a special love of freedom and the courage to leave the countries of their birth. From our forefathers to our modern-day immigrants, we've come from every corner of the earth, from every race and ethnic background and we've become a new breed in the world. We're Americans and we have a rendezvous with destiny. We spread across this land, building farms and towns and cities, and we did this without federal land planning or urban renewal.

Indeed, we gave birth to an entirely new concept in man's relation to man. We created government as our servant, beholden to us and possessing no powers except those voluntarily granted to it by us.

Now a self-annointed elite in our nation's capital would have us believe we are incapable of guiding our own destiny. They practice government by mystery, telling us it's too complex for our understanding. Believing this, they assume we might panic if we were to be told the truth about our problems.

Why should we become frightened? No people who have ever lived on this earth have fought harder, paid a higher price for freedom or done more to advance the dignity of man than the living Americans, the Americans living in this land today. There isn't any problem we can't solve if government will give us the facts. Tell us what needs to be done. Then, gets out of the way and lets us have at it.

Recently on one of my campaign trips I was doing a question and answer session, and suddenly I received a question from a little girl who couldn't have been over six or seven years old, standing in the very front row. I'd heard the question before but somehow in her asking it, she threw me a little bit. She said, why do you want to be President? Well I tried to tell her about giving government back to the people; I tried to tell her about turning authority back to the states and local communities, and so forth; winding down the bureaucracy; it might have been an answer for adults, but I knew that it wasn't what that little girl wanted, and I left very frustrated. It was on the way to



the next stop that I turned to Nancy and I said I wish I had it to do over again because I'd like to answer her question. Well, maybe I can answer it now. I would like to go to Washington; I would like to be President. Because I would like to see this country become once again a country where a little six-year old girl can grow up knowing the same freedom that I knew when I was six years old, growing up in America. If this is the America that you want for yourself and your children; if you want to restore government not only of and for but by the people; to see the American spirit unleashed once again; to make this land a shining, golden hope God intended it to be, I'd like to hear from you. Write, or send a wire. I'd be proud to hear your thoughts and your ideas.

Thank you, and good night.

(END)

