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FINAL

ELDON RUDD DINNER

OCTOBER 18, 1976

IT WOULD BE HARD TO FIND A MORE DEDICATED, TALENTED AND HARD-WORKING MEMBER OF THE HOUSE OF REPRESENTATIVES THAN JOHN RHODES AND CERTAINLY THERE IS NO BETTER FRIEND.

I AM SO PLEASED THAT YOU INVITED ME AND JOHN URGED ME TO BE WITH YOU IN THE BEAUTIFUL CITY OF PHOENIX TONIGHT.

SINCE I AM A MEMBER OF THE FORD ADMINISTRATION, AND THE PRESIDENTIAL ELECTION IS JUST 15 DAYS AWAY, YOU MIGHT THINK THAT SOME OF MY ENTHUSIASM IN BEING HERE IS RELATED.

WELL -- YOU ARE RIGHT! I USE EVERY OCCASION I CAN GET TO TELL WHAT A FINE JOB OUR PRESIDENT IS DOING.

BUT OUR JOB, OVER THE NEXT 15 DAYS, ENTAILS MORE THAN MAKING SURE THAT WE RETAIN OUR REPUBLICAN PRESIDENT IN THE WHITE HOUSE.

DURING THE PAST 26 MONTHS, PRESIDENT FORD'S REMARKABLE RECORD OF HOLDING THE LINE AGAINST THE LEGISLATIVE SPENDTHRIFTS ON CAPITOL HILL WOULD NOT HAVE BEEN POSSIBLE WITHOUT THE VALIANT EFFORTS OF OUR HEAVILY-OUTNUMBERED REPUBLICAN MINORITY IN THE HOUSE OF REPRESENTATIVES.



IN THE REPUBLICAN TROPHY ROOM OUR SUPERLATIVE HOUSE MINORITY CAPTAIN, JOHN RHODES, CAN PROUDLY POINT TO 47 "WILD BUDGET BUSTERS" HIS TEAM BAGGED DURING THE 94TH CONGRESSIONAL EXPEDITION.

IN SUSTAINING 47 OUT OF 59 PRESIDENTIAL VETOES, JOHN AND HIS REPUBLICAN COLLEAGUES NOT ONLY DISPLAYED THEIR SUPERIOR LEGISLATIVE SKILLS, THEY SAVED THE NATION FROM GOING \$10 BILLION DOLLARS FURTHER INTO DEBT.

AS FOR THE 12 THAT "GOT AWAY" -- THEY, TOO, MIGHT BE IN JOHN RHODES' TROPHY ROOM TONIGHT IF HIS TEAM ONLY HAD BEEN LARGER, AND WE WOULD HAVE SAVED \$13 BILLION MORE.

AND THAT IS WHY THE ELECTION OF ELDON RUDD IS SO IMPORTANT -- NOT JUST TO ARIZONA AND ARIZONA'S FOURTH DISTRICT, BUT TO THE NATION AS A WHOLE. WE MUST, BY NOW, BE CONVINCED THAT THE DEMOCRATIC SPENDERS ARE NOT GOING TO CHANGE THEIR SPOTS, SO WE'VE GOT TO CHANGE THEIR NUMBERS.

I AM TOLD, ELDON, THAT ARIZONA'S "FOURTH" INTENDS TO SEND YOU DOWN TO THE 95TH CONGRESS TO ADD ANOTHER REPUBLICAN VOICE OF REASON, SELF-DISCIPLINE AND FISCAL SANITY TO THE DELIBERATIONS IN THE HOUSE OF REPRESENTATIVES.



AND, IF ENOUGH PEOPLE IN OTHER CONGRESSIONAL DISTRICTS EXERCISE THE SAME GOOD JUDGMENT -- WHO KNOWS? INSTEAD OF LEADING A LARGER REPUBLICAN MINORITY, JOHN RHODES MIGHT MOVE INTO THE LARGER QUARTERS BEING VACATED BY SPEAKER ALBERT TO LEAD A NEW REPUBLICAN MAJORITY.

THE FACT IS THAT WE ARE FORTUNATE TO BE CAMPAIGNING ON A SOLID RECORD OF ACHIEVEMENT AND ON POLICIES AND PROGRAMS THAT ARE WORKING FOR AMERICA -- AND WE HAVE A PRESIDENT OF WHOM WE CAN BE VERY PROUD.

OUR OPPOSITION HAS TRIED TO PUT DOWN THE PRESIDENT'S LEADERSHIP CAPACITY, AND ON THAT ISSUE WE ARE STRONG -- AND WE SHOULD NOT HESITATE TO MEET IT STRAIGHT ON.

FOR, WITHOUT HESITATION WE CAN STATE -- AND CAN PROVE -- THAT PRESIDENT FORD HAS BEEN TAKING BETTER CARE OF THIS NATION'S AFFAIRS THAN ANY PRESIDENT IN RECENT HISTORY.

ON ASSUMING OFFICE 26 MONTHS AGO, HE LED THIS NATION THROUGH ITS MOST SERIOUS CONSTITUTIONAL CRISIS SINCE THE CIVIL WAR AND THEN PROCEEDED TO RESTORE NATIONAL CONFIDENCE IN THE INSTITUTIONS WHICH DISTINGUISH OUR FORM OF GOVERNMENT FROM THOSE ENDURED BY A MAJORITY OF THE WORLD'S PEOPLE.



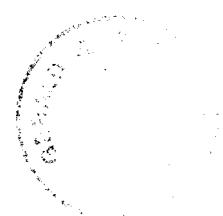
HIS STRONG LEADERSHIP OVER THE PAST TWO YEARS HAS RESTORED THE PRESTIGE OF AMERICA AMONG THE COUNTRIES OF THE WORLD -- WHILE MAINTAINING PEACE, ENHANCING GOOD WILL, AND STANDING FIRM ON THE NEED FOR CONTINUED NATIONAL STRENGTH.

IF ANYTHING CAME THROUGH TO THE AMERICAN PEOPLE IN THE MOST RECENT DEBATE -- IT WAS THE UNARGUABLE FACT THAT THERE IS NOT ONE SINGLE AMERICAN ON A BATTLEGROUND ANYWHERE ON THIS EARTH!

WHEN MR. CARTER DUCKED ONE OF SEVERAL TOUGH FOREIGN "POLICY" QUESTIONS, AND RETREATED TO COMPARING THE ECONOMY UNDER RECENT DEMOCRATIC PRESIDENTS WITH THE ECONOMY TODAY, HE INADVERTENTLY OPENED UP A SUBJECT THAT THE AMERICAN PEOPLE WOULD DO WELL TO RECALL.

FOR, THE TRUTH IS, THAT THE RELATIVELY LOW UNEMPLOYMENT FIGURES MR. CARTER MENTIONED WERE, IN EVERY CASE, ACHIEVED THROUGH THE ARTIFICIAL STIMULUS OF WAR, AND DEARLY PAID FOR WITH THE LIVES AND CRUSHED HOPES OF MILLIONS OF OUR AMERICAN PEOPLE!

AND PAID FOR AGAIN, IN PEACETIME, AS THE NATION STRUGGLED TO RE-ADJUST ITS PRIORITIES -- BOTH ECONOMIC AND SOCIAL.



BUT, UNLIKE THE PRESIDENT'S OPPONENT, WE NEED NEITHER THE RHETORIC OF PERSONAL ATTACK NOR THE PLATITUDES OF A CAMPAIGN COMMERCIAL TO MAKE OUR CASE. ALL WE HAVE TO DO IS LOOK AT THE RECORD.

WHERE WERE WE A YEAR AGO? WHAT HAVE WE DONE ABOUT IT? WHAT HAVE WE LEARNED?

NONE OF US CAN FORGET THAT IN 1975, THE MAJOR QUESTION MARK WAS WHETHER OUR NATIONAL ECONOMY WOULD SUSTAIN THE FORWARD MOMENTUM WHICH WAS THEN ON THE CUSP OF A POSITIVE TURN-AROUND -- FROM THE BLEAK AND DEPRESSING 12-MONTH PERIOD OF A TERRIFYING RECESSION COMPOUNDED BY AN UNCEASING INCREASE IN THE COST OF EVERYTHING.

INFLATION STOOD AT 12 TO 14 PERCENT. THE UNEMPLOYMENT RATE WAS ABOUT 9 PERCENT.

URBAN REVENUES WERE WAY DOWN. NEW YORK WAS ON THE BRINK OF FINANCIAL FAILURE. INDUSTRY WAS DEPRESSED AND THE HOUSING SECTOR WAS SUFFERING ITS WORST YEAR IN THREE DECADES.

ON CAPITOL HILL, LABOR AND POLITICAL LEADERS WERE PROPHECIZING A NATIONAL COLLAPSE UNLESS WE ENGAGED IN MASSIVE FEDERAL SPENDING -- IN THE FORM OF SUBSIDIES -- PARTICULARLY IN THE HOUSING INDUSTRY.

A PARADE OF POORLY CONCEIVED SPENDING BILLS WERE LITERALLY TUMBLING OUT OF THE LEGISLATIVE BRANCH TO FUEL OUR DOUBLE-DIGIT INFLATION.

WITH THE SMALLEST PARTY SUPPORT IN CONGRESS IN OVER 50 YEARS, AND IN THE FACE OF THE SO-CALLED VETO PROOF CONGRESS, THE PRESIDENT HAD THE LEADERSHIP CAPACITY AND POLITICAL SHREWDNESS TO BLOCK THE VAST MAJORITY OF THESE ILL-CONCEIVED MEASURES.

OUR FOUNDING FATHERS CONSTRUCTED OUR SYSTEM OF CHECKS AND BALANCES FOR VERY GOOD REASON -- AND NEVER BETTER DEMONSTRATED THAN DURING 1975.

SO, HERE WE ARE -- ONE YEAR LATER.

THE NATION AND ITS ECONOMY SURVIVED -- AND THE DELICATE HEALTH OF THE ECONOMIC UPTURN, WHICH WE WATCHED SO FRETFULLY A YEAR AGO, HAS BECOME STRONGER AND STRONGER WITH EACH PASSING MONTH.

IN ONE SHORT YEAR WE HAVE SEEN:

PERSONAL INCOME JUMP \$83 BILLION; -- OUR GROSS NATIONAL PRODUCT GROW BY \$200 BILLION; -- RETAIL SALES INCREASE 16 PERCENT; -- AUTO SALES 38 PERCENT; -- GENERAL MERCHANDISE 11 PERCENT; -- NEW FACTORY ORDERS UP \$17 BILLION.

TODAY, THERE ARE 3 MILLION MORE AMERICANS WORKING THAN ONE YEAR AGO -- IN SPITE OF A TREMENDOUS INFLUX OF WOMEN AND YOUNG PEOPLE INTO THE LABOR MARKET. AND INFLATION HAS BEEN MORE THAN CUT IN HALF.

IN HOUSING -- PERHAPS THE HARDEST HIT SECTOR OF OUR ENTIRE ECONOMY -- NEW STARTS ARE UP 22 PERCENT OVER LAST AUGUST, AND 64 PERCENT OVER THE BEGINNING OF 1975.

WHAT HAVE WE LEARNED?

WE HAVE COME THIS FAR, NOT THROUGH THE MAGIC OF A BIG FEDERAL GOVERNMENT "SAVE", BUT THROUGH THE STRONG AND CONSISTENT GUIDING HAND OF A PRAGMATIC PRESIDENT.

AND OUR PROSPECTS FOR CONTINUED GROWTH AND PROGRESS DEPEND ON MAINTAINING THE STEADY COURSE PRESIDENT FORD SET WHEN HE TOOK OFFICE TWO YEARS AGO.



WE ARE RIGHT ON TARGET WITH OUR FORECASTS MADE AT THE BEGINNING OF THE YEAR.

WHAT WORRIES ME ARE MR. CARTER'S REPEATED CALLS FOR MORE GOVERNMENT SPENDING PROGRAMS.

IF WE LISTEN TO MR. CARTER'S PROPOSALS THAT WOULD ADD \$100 TO \$200 BILLION TO A BUDGET THAT IS ALREADY PRODUCING A DEFICIT OF OVER \$50 BILLION, WE MUST CONCLUDE THAT HE BELIEVES THE "MAGIC" OF THE FEDERAL PURSE HAS MORE PULLING POWER THAN OUR FREE ENTERPRISE SYSTEM.

BUT, THE UNVARNISHED EVIDENCE IS THAT THESE BIG SPENDING PROGRAMS THWART NEEDED BUSINESS EXPANSION BY DRIVING UP COSTS OF DOING BUSINESS.

THAT HURTS THE VERY PEOPLE SUCH PROGRAMS WERE SUPPOSED TO HELP -- WITH GREATER EXPENSES, EMPLOYMENT CONTRACTION, LAY-OFFS AND STILL ANOTHER ROUND OF UNEMPLOYMENT CHECKS.

IN THE HOUSING AREA I AM VERY CONCERNED ABOUT MR. CARTER'S CALL FOR THE FEDERAL GOVERNMENT TO SUBSIDIZE THE BUILDING OF 2-1/2 MILLION HOUSING UNITS A YEAR.

THE FACT IS THAT THE PROBLEMS WE HAVE SUFFERED IN HOUSING OVER THE PAST TWO YEARS WERE CAUSED IN LARGE MEASURE BY THAT VERY PHILOSOPHY WHICH WAS MANDATED BY THE HOUSING ACT OF 1968.

FOR PURSUANT TO THAT ACT, THIS NATION SUBSIDIZED, ANNUALLY, MORE THAN TWO MILLION HOUSING STARTS FOR THREE YEARS RUNNING -- AND GENERATED A BURST OF HOUSING OVERPRODUCTION THAT WE ARE JUST NOW WORKING OFF.

IN THE COURSE OF THIS PRODUCTION EXPLOSION OUR NATION ABANDONED THOUSANDS OF SOUND, WELL-DESIGNED HOMES IN OUR CITIES AND UNDER-UTILIZED ROADS, UTILITIES, AND SEWAGE SYSTEMS ALREADY IN PLACE THERE, AS BUYERS HEEDED THE PIED PIPER CALL OF "NEW IS BETTER". NEIGHBORHOODS ALL ACROSS THIS NATION WERE BLIGHTED WITH ROW UPON ROW OF BOARDED-UP HOUSES LEFT TO DECAY, THE MOST FREQUENTLY CITED SYMPTOM OF THE ILLNESS IN OUR CITIES.

BUT, IT WAS NOT ONLY OUR CITIES THAT SUFFERED -- OUR HOUSING INDUSTRY WAS INCAPACITATED. BECAUSE AN ARTIFICIALLY PRODUCED "BOOM" CANNOT CONTINUE FOREVER, THE NEXT PERIOD, WHICH HIT US ABOUT TWO YEARS AGO, WAS ONE OF EXAGGERATED CONTRACTION TO ENABLE US TO WORK OFF EXCESSIVE INVENTORIES WITH THE RESULTING LAY-OFFS IN THE CONSTRUCTION INDUSTRY.

THE PRESIDENT'S HOUSING POLICIES ARE DESIGNED TO ACCOMMODATE THE LOGICAL CALL FOR REASONABLE LEVELS OF STARTS WHILE AVOIDING THE DISASTEROUS CYCLES OF ALL OR NOTHING THAT HAVE CHARACTERIZED THE HOUSING CONSTRUCTION INDUSTRY EVER SINCE BIG GOVERNMENT GOT INTO THE ACT.

AND HIS POLICIES HAVE WORKED. EVEN IF WE FAIL TO BUILD ANOTHER HOUSE IN 1976, THIS YEAR WILL BE THE FOURTH BEST YEAR ON RECORD FOR NEW SINGLE-FAMILY STARTS. AND MULTI-FAMILY STARTS, ALTHOUGH NOT SO QUICK TO RECOVER, JUMPED 48 PERCENT LAST MONTH WITH A SUBSTANTIAL JUMP IN PERMITS SO THAT WE HAVE EVERY REASON TO BE CONFIDENT OF THEIR CONTINUED GAIN.

BUT, THESE NEW HOMES WILL GO BEGGING, IF THE AMERICAN FAMILY DOES NOT HAVE THE SPENDABLE INCOME TO MAKE THE DOWNPAYMENT AND TO PAY THE MORTGAGE, THE UTILITIES, AND THE MAINTENANCE COSTS.

THE ONLY SURE PRESCRIPTION FOR THAT IS THE CONTINUATION OF THE STEADY PROGRESS WHICH PRESIDENT FORD HAS MADE IN REDUCING INFLATION AND INCREASING EMPLOYMENT THROUGH ARTFUL STIMULATION OF THE PRIVATE SECTOR.

WE SIMPLY CANNOT IGNORE THE LESSON FOR WHICH WE PAID SO DEARLY IN THE 1960'S -- THAT NO MATTER HOW MUCH WE MAY WILL IT -- A "SOCIETY" IS NOT SUDDENLY MADE "GREAT" THROUGH WELL-MEANING PROGRAMS WHOSE SOLE SOURCE OF SUSTENANCE IS THE FEDERAL EXCHEQUER.

WE KNOW THAT OUR PRIVATE ECONOMY CANNOT SUSTAIN THE AWESOME FEDERAL DEFICIT OF TODAY'S MAGNITUDE WITHOUT THE EROSION OF THE VERY FINANCIAL RESOURCES THAT ARE VITAL TO THE GROWTH AND PRODUCTIVITY OF OUR FREE ENTERPRISES, WHICH ARE THE SOURCE OF FIVE OUT OF SIX JOBS.

PRESIDENT FORD HAS HELD THE LINE IN EXPENDITURES, AND IN SO DOING HAS CREATED THE LARGEST NUMBER OF JOBS IN OUR NATION'S HISTORY.

HE HAS DIRECTLY ATTACKED THE DELAYS, THE RED-TAPE, AND THE REGULATION MAZE SO DISHEARTENING TO THE INNOVATIVE SPIRIT THAT IS THE SOUL OF THE FREE ENTERPRISE SYSTEM. AND HE HAS DONE IT IN TWO SHORT YEARS, ASSEMBLING HIS WINNING TEAM AT THE LOWEST POINT IN THE POLITICAL HISTORY OF OUR COUNTRY.

AND ONE OF THE GREAT REASONS FOR HIS SUCCESS IS THAT HE REALLY KNOWS WASHINGTON AND HE KNOWS HOW TO MAKE IT WORK FOR THE NATION.

FOR MORE THAN 25 YEARS, GERALD FORD HAS FOUGHT AGAINST EVERY DEMOCRATIC SCHEME THAT WOULD GIVE THE AMERICAN PEOPLE MORE "WASHINGTON" THAN THEY ALREADY HAVE.

HIS "WASHINGTON" POLICY AS PRESIDENT HAS BEEN TO GIVE MORE AMERICA TO THE AMERICAN PEOPLE BY CONTINUING TO GIVE THEM

- MORE REAL INCOME FROM THEIR EARNINGS;
- MORE REAL JOBS SUPPORTED BY HEALTHY PRIVATE ENTERPRISE;
- MORE HOMES THEY CAN AFFORD TO BUY AND MAINTAIN; AND
- A NATIONAL ECONOMY FREE FROM THE BOMBARDMENTS OF ARTIFICIAL PROGRAMS THAT SAP THE VITALITY OF AMERICA.

THIS IS WHAT HE WILL CONTINUE TO DO OVER THE NEXT FOUR YEARS.

WHAT WE HAVE TO DO OVER THE NEXT 15 DAYS IS TO GET EVERY THINKING AMERICAN TO THE POLLS ON NOVEMBER 2ND TO VOTE FOR THIS GREAT LEADER WHOSE RECORD OF ACCOMPLISHMENT AND STRENGTH OF PURPOSE IS CLEARLY VISIBLE.

AND SO THAT HE CAN DO EVEN MORE, YOU IN ARIZONA MUST MAKE SURE THAT HE HAS ELDON RUDD THERE IN THE HOUSE WITH JOHN RHODES.

THANK YOU.