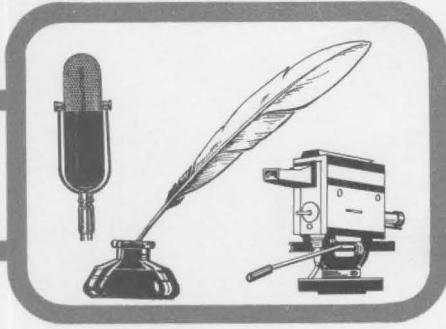


**The original documents are located in Box D6, folder “Ford Press Releases - Budget, 1966-1968” of the Ford Congressional Papers: Press Secretary and Speech File at the Gerald R. Ford Presidential Library.**

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CONGRESSMAN  
**GERALD R. FORD**  
HOUSE REPUBLICAN LEADER



January 4, 1966

For immediate release

If President Johnson's budget is either \$110 billion or \$115 billion next year it means he is financing both guns and butter which will inevitably lead to a tax increase or runaway inflation.

Republicans believe a better solution is a reduction in non-essential domestic spending in order to avoid added taxes or a skyrocketing cost of living.

# # #





CONGRESSMAN  
**GERALD R. FORD**  
HOUSE REPUBLICAN LEADER

**NEWS  
RELEASE**

FOR IMMEDIATE RELEASE

January 24, 1966

The President's budget should receive careful and critical scrutiny by the Appropriations Committees and by both Houses of the Congress.

When President Johnson's proposed spending in Fiscal 1967 is compared with the last Eisenhower budget of 1960, we find that the increase in the administrative budget amounts to \$36 billion and the increase in total Federal spending comes to \$51 billion. Expenditures for national defense under the President's proposal would rise by 33-1/3%, or \$15 billion above the 1960 level. Expenditure for non-defense proposals in the administrative budget would rise by 68%, or \$21 billion.

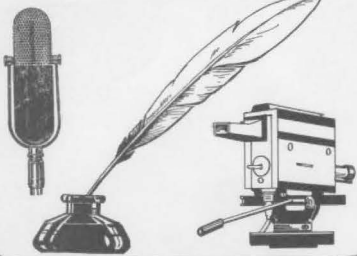
In two fiscal years, 1966 and 1967, the President proposes to increase spending for programs in the administrative budget by \$26 billion.

In its decisions on the budget, Congress must consider the impact of the sharp increase in Federal spending on an economy in which inflationary pressures are already strong. The Administration admits its fiscal policies will increase the cost of living by 1.9 percent. If the White House will not tackle this problem with restraint on federal spending, the Congress must. Republicans are deeply concerned and will maximize our efforts to reduce non-military, non-essential spending.

I find it hard to understand how the national government can ask business and labor to avoid price and wage increases which are measured in terms of millions of dollars when it is increasing non-defense spending by many billions.

I regret that the President did not see fit to indicate in his budget any system of priority to assist Congress in reducing the less essential and less urgent items of expenditure.

# # #



CONGRESSMAN  
**GERALD R. FORD**  
HOUSE REPUBLICAN LEADER

**NEWS  
RELEASE**

February 4, 1966  
For Immediate Release

In our Republican appraisal of the State of the Union at the outset of this session, we called upon President Johnson to set realistic priorities for his legislative proposals which would enable the Congress to support a war 10,000 miles away and at the same time continue urgent domestic programs, without an increase in taxes. If the President failed to do so, we called upon our Democratic colleagues who outnumber us two to one in the Congress to join us in cutting or eliminating low priority items.

So what is the first major law enacted by the 89th Congress this year?

Yesterday the House voted final passage of a \$9.5 Million Interama project in Florida, 201 to 140. It is somewhat of a coincidence that the "Noes" on this boondoggle exactly equaled our Republican ranks in the House, because in fact a few of our good Democrat friends also found this expenditure of Federal money on an ambitious Florida tourist attraction too much to swallow. But we were too few.

At the same time the House majority was voting \$9.5 Million for this Interama thing, the Veterans' Affairs Committee voted out a bill for limited GI benefits for veterans of Vietnam and other cold war service. The Johnson Administration has opposed any such action for a year, while Republicans in their State of the Union proposals and through our House Republican Policy Committee have been pressing for it as an act of simple justice.

Yesterday the committee rejected every Republican effort to increase the benefits and bring them into line with those already extended to veterans of the Korean war. Unfortunately the bill will be brought to the House Floor Monday under a procedure which bars amendments, so that Vietnam veterans apparently will have to be content with half a loaf, or none.

So the GI is still the forgotten man of the Great Society. "Interama" apparently rates higher.

These two actions taken together clearly show that neither the Johnson Administration nor Lyndon's Landslide Congress have any intention of applying realistic priorities to Federal projects and Federal spending this year. It is incomprehensible that a Democrat-controlled House should shortchange American soldiers in South Vietnam and at the same time subsidize a future dream in Florida with \$9.5 Million taxpayers' dollars -- and don't forget, servicemen also pay taxes.

We Republicans may be too few to stop this sort of shameful steamrolling but we intend to let the people know about it -- and in the next Congress things will be different.

House Republican Policy Committee  
John J. Rhodes, Chairman  
140 Cannon House Office Building  
Phone: 225-6168

Budget  
For immediate release  
March 22, 1966

Republican Policy Committee Statement on the Second Supplemental  
Appropriations Bill for Fiscal 1966

It is becoming increasingly clear that the Johnson-Humphrey Administration is engaging in a tragic game with this Congress. Unfortunately, the stakes in this game may be the American economic system that has produced unparalleled opportunities and abundance for our people.

In recent weeks a combination of alarming factors have created grave concern over this country's economic condition. In February the wholesale price index increased .7 percent, the sharpest rise since the Korean War. The cost of living continues to mount. A recent Gallup Poll reported that, according to the American public's own appraisal of living costs, it takes a family of 4 about \$18.00 more a week to get along this year than it did a year ago. And this is at a time when this country is experiencing the effects of accumulated deficits of six years of unbalanced budgets and sharply increasing defense demands.

In spite of this serious inflationary situation and the spiraling costs of a massive war in Viet Nam, the Johnson-Humphrey Administration has continued to insist upon a large number of new programs.

For example, in this bill there is money for rent supplements and for the Federal Teachers Corps. This is money that was requested, considered, and then rejected during the first session of this Congress.

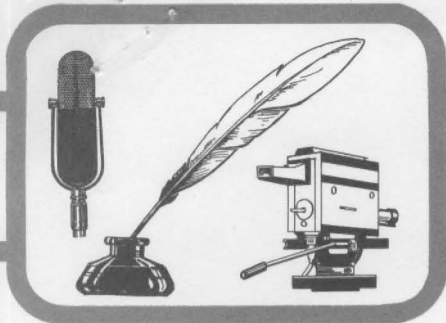
Once an appropriation is made for rent supplements, the Federal Government will be on its way to a 40-year, \$6 billion program. Also, even though the proposed regulations governing allowable income limits and assets have been tightened since last year, if funds are appropriated, Congress will have little or no control over future regulations.

The Federal Teachers Corps has had an even more checkered career. In the House of Representatives, only one witness testified on this proposal. It then was added to the Higher Education Act by the Senate. House Republican conferees refused to sign the conference report and moved to recommit the report with instructions to delete the Teachers Corps. Thereafter, the \$13.2 million that would have been used to finance the Teachers Corps was removed from an appropriation measure.

Objections to the Teachers Corps center on the fact that it will be a federally-financed project in which the U. S. Commissioner of Education has the extraordinary authority to recruit, select, train, and pay the salary of teachers and then choose the district, from among those that apply, in which such teachers would be assigned. Certainly, this is a new and dangerous extension of federal power into local school districts.

The record now reflects that in fiscal 1966 the Johnson-Humphrey Administration underestimated the escalating Viet Nam military needs by \$15 billion. And this undoubtedly will be repeated in fiscal 1967. Until such time as a realistic appraisal of the Viet Nam costs is forwarded to Congress, all new and non-essential spending must be curtailed. Under the circumstances, it is both reckless and dangerous to feed the fires of inflation as this appropriations bill would do. Certainly, in this period of grave uncertainty, new starts on broad and expensive programs should not be called for in a supplemental appropriations bill. In times such as these, new spending requests should be contained in a regular appropriation request and given the careful scrutiny they deserve.

All too often, this Democratically-controlled Congress has earned its rubber stamp characterization. It has winked when the occasion demanded firmness. It has grinned when it should have gagged. We hope that this time Congress will respond to the challenge.



CONGRESSMAN  
GERALD R. FORD  
HOUSE REPUBLICAN LEADER

NEWS  
RELEASE

FOR RELEASE ON DELIVERY AT 10:30 A.M.  
THURSDAY, APRIL 14, 1966

STATEMENT BY REP. GERALD R. FORD, HOUSE MINORITY LEADER.

Yesterday was the birthday of Thomas Jefferson. Today is the anniversary of Abraham Lincoln's death. Tomorrow, as most of us are unhappily aware even without this reminder is Great Society Tax Day--the deadline for filing your federal income tax returns for 1965.

President Johnson is in Mexico City today unveiling a statue of Abraham Lincoln, so I suppose it will not be amiss for me to say a few words in praise of Thomas Jefferson.

Jefferson, though he called himself a Republican, is regarded now as the Father of the Democratic Party. Lincoln, the first Republican president, was himself a great admirer of Jefferson, saying that "the principles of Jefferson are the definitions and axioms of free society." For his part, Jefferson declared that "every difference of opinion is not a difference of principle... We are all Republicans; we are all Federalists."

So without quibbling about labels, let me merely note that we are all today indebted to Thomas Jefferson for one major contribution to our system of government. He was the Founding Father who started the Two-Party System. You might say that, as Vice-President, he was the first minority leader here on Capitol Hill. And the country has prospered under the two-party system which developed--thanks to Jefferson--outside the provisions of the Constitution. It added another and most important check and balance to our experiment in self-government.

As to Jefferson's principles, during his presidency he cut federal spending, reduced taxes, repaid \$33 million of the national debt, and repealed the excise tax on whisky. Whether he was the last Democrat or the first Republican to do this I will leave for historians to argue.

There certainly can be no argument, however, about the differences of principle that divide our two parties in this lopsided 89th Congress. There is no doubt which is the spending party and which is the prudent party. Nevertheless, we keep hearing noises from the direction of the White House that we 140 Republicans in the House of Representatives, outnumbered more than two to one,

(MORE)



FORD STATEMENT - APRIL 14, 1966

are wrecking the Johnson-Humphrey Administration's earnest efforts to economize and head off higher taxes. The President pleads with us and with the housewives and businessmen and the farmers and labor leaders to sharpen our pencils and help him halt inflation.

Well, I have sharpened my pencil on my income tax forms, so let me show you a little simple arithmetic:

At this moment, there are 293 Democrats and 140 Republicans in the House. That is a two-to-one majority with 13 votes to spare. Even the liberal "Democratic Study Group" in the House of Representatives boasts enough members to outvote the Republican minority.

In the Senate there are 68 Democrats, including Wayne Morse, and 32 Republicans. That's also a two-to-one majority with four votes to spare.

In short, this is a Blank Check Democratic Congress which can do virtually anything it pleases, or anything President Johnson pleases, whether the Republican Loyal Opposition likes it or not. Such lopsided legislative majorities can spend your money, raise your taxes--and that's exactly what this Blank Check Democratic Congress is doing.

And remember, no matter what President Johnson says or how fervently he pleads with the housewives to stop buying steaks, the responsibility for federal spending and for federal taxing rests with the Congress. This Blank Check Democratic Congress will have to face the American voter in November, and the people will know who are the spenders and who are the savers.

They will know because there will be roll calls on every spending bill that comes to the House of Representatives which offers any hope of saving a single wasted dollar of your money.

We asked President Johnson at the outset of this session to put wartime priorities on his wartime budget requests. So far he has refused. We have gone along with our elected commander in chief on everything he has asked to support our fighting men in South Vietnam--but when I read what is happening over there and how we are running short of bombs despite all the billions we have voted for defense, I wonder how long we can underwrite shocking mismanagement in the name of national unity.

We are certainly going to take hard second looks at all the rest of the Johnson-Humphrey spending proposals when the Congress resumes.

Now here is the record on nondefense spending rolled up by the Blank Check Democratic Congress thus far this session: On six key money measures, an average

(MORE)



FORD STATEMENT - APRIL 14, 1966

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On the same six roll calls in the House of Representatives, an average of 93 per cent of my Republican minority colleagues have stood up for economy and the now dwindling hope of holding off inflation and higher federal taxes for future April fifteenths.

We were faced with 3 new spending proposals, all having some merit in normal times but steamrollered through the Blank Check Democratic Congress by lopsided majorities. Then we tried to trim excess fat from 3 appropriation bills which came to us before the recess. Some of these proposals were worthy, and they had powerful advocates. But we are at war--and not doing too well with it. So again the roll was called. Again the result was the same. Ninety-three per cent of the Republicans were for saving; 82 per cent of the Blank Check Democrats were for more spending.

Who votes for higher taxes? Democrats--four out of five of them. We cannot expect to stop this steamroller without substantial help from any Jeffersonian Democrats still left in the Congress--and it doesn't look like there are very many of them left.

But we are going to make the record clear for the people to judge in November, and I predict that the next Congress will be known as the Check and Balance Congress instead of the Blank Check Congress. I am confident that here in the legislative branch, at least, this country will have the right kind of leadership next year to meet the mounting array of dilemmas and disasters at home and abroad.

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TOTAL STRENGTH: 293 DEMOCRATS VS. 140 REPUBLICANS (Two seats vacant)

SIX ECONOMY ROLL CALLS IN THE HOUSE - 1966

DEMOCRATS VOTING  
FOR SPENDING MORE

82%  
(Average)

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REPUBLICANS VOTING  
FOR CUTS AND SAVING

93%  
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88%	Five per cent cut in Interior Appropriations. 4/6/66	95%
93%	Five per cent cut in Postal-Treasury Appro- priations. 4/6/66	89%
75%	\$12,000,000 Supplemental for Rent Subsidies. 3/29/66	95%
76%	\$750,000 new authority for H.H.P. House. 3/22/66	95%
79%	\$4,600,000 new authority for Alaska Centennial. 3/2/66	94%
83%	\$9,500,000 new authority for Florida "Interama". 2/3/66	87%

WHO VOTES FOR HIGHER TAXES?



CONGRESSMAN  
**GERALD R. FORD**  
HOUSE REPUBLICAN LEADER

**NEWS  
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FORD STATEMENT - APRIL 14, 1966

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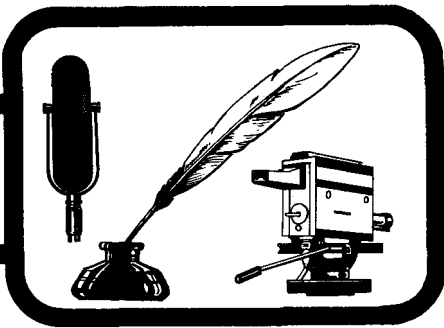
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WHO VOTES FOR HIGHER TAXES?



CONGRESSMAN  
**GERALD R. FORD**  
HOUSE REPUBLICAN LEADER

**NEWS  
RELEASE**

FOR RELEASE WEDNESDAY P. M.  
APRIL 20, 1966

STATEMENT BY HOUSE MINORITY LEADER GERALD R. FORD, R-MICHIGAN.

President Johnson today asked Congress to give its blessing to a government debt refinancing scheme that resembles a gigantic crap game with the taxpayer the only one who loses.

What the President proposes to do is to dump \$4.2 billion in government loans into a pot at the Federal National Mortgage Association (FNMA) and invite investment firms to grab a piece of the action--put some money into a government revolving fund and get paid off with interest by the taxpayer for their trouble.

The conventional way to handle this kind of debt is to sell government bonds. But this would show up in President Johnson's budget. It also would be subject to the debt limit. If Congress refuses to approve the President's refinancing scheme, the projected Johnson deficit for fiscal 1967 will be not \$1.8 billion but \$6 billion.

It costs more in interest to refinance as the President proposes. If Congress rubber-stamps the President's refinancing bill, the taxpayer will pay off to private investors to the tune of up to \$210 million more over the 10-year life of the refinancing game. The lid also will be off the national debt.

Why is Mr. Johnson willing to make a goat of the taxpayer with his refinancing scheme?

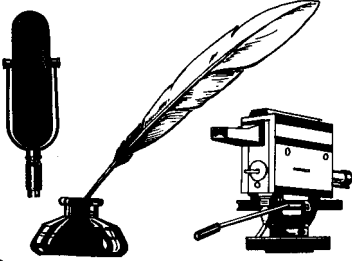
He wants to spend more but make it look like less. He wants a budget that looks smaller on the outside but is bigger on the inside. And he wants to get out from under the debt ceiling with government agency loans.

This is the Great Deception of the Great Society. Mr. Johnson found himself with a \$6 billion fiscal 1967 deficit--not a \$1.8 billion red ink figure--until his budget director tucked the ball under his jersey and pulled a sneak run around the budget. Congress has to stop this run around the budget before it crosses the goal line.

This devious financing scheme is just another handle for backdoor spending.

Mr. Johnson is trying to treat the taxpayer like the spendthrift husband who keeps his debts hidden from his wife. That chap runs up a lot of bills, consolidates his debts by borrowing fresh money from a finance company at higher rates and then blithely resumes his role of the big spender.

Unless Congress rejects the President's refinancing plan, the road to greater inflation will be wide open. Congressional authorizing committees will have no say in future lending operations of the agencies involved. The committees will not be standing in the way to say this is as far as you go. They may as well hang up a "gone fishing" sign over their doors.       # # #



CONGRESSMAN  
**GERALD R. FORD**  
HOUSE REPUBLICAN LEADER

**NEWS  
RELEASE**

FOR FRIDAY P.M.'s RELEASE--MAY 13, 1966

STATEMENT BY HOUSE MINORITY LEADER GERALD R. FORD, R-MICHIGAN.

The Americans for Democratic Action are opposing President Johnson's plan to sell shares in government-owned loans. This may be the one and only time the ADA has ever subscribed to an official position of the Republican Party. In any case, I am pleased to say that the ADA is right on this issue.

It is significant that the ADA is against Mr. Johnson's financing scheme for several of the reasons I cited in declaring my opposition to it when the President first sent his loan pool bill to Congress.

The ADA points out, as I did, that this plan will provide a windfall for banking interests and that it will cost the taxpayer millions more a year because it is an expensive way for the government to borrow needed funds.

It should be added that this move to channel private investors' funds to various government agencies is a devious device to permit greater government spending without having it show up in Mr. Johnson's demonstrably fictitious budget.

Groups which have previously come out against this bill include the National Farmers Union, the Grange, and the National Association of Home Builders. The latest from AFL-CIO President George Meany is that his organization has not taken a position on it as yet.

It has been said that GOP opposition to this bill flies in the face of traditional Republican philosophy. This is utter nonsense.

Republicans favor getting the government out of business. But this phoney financing plan does not accomplish that objective. On the contrary, it is a scheme to get business into government in order to promote bigger government through deficit spending cloaked with the high-interest-cost use of private funds.

Under this loan pool proposal, the taxpayer will suffer and suffer grievously. This is why Republicans oppose it. This is why it should be defeated if it comes to the House Floor next week.

If it is not defeated, it will be because the taxpayer has no lobby in Washington.

# # #



(Not printed at Government expense)

# Congressional Record

PROCEEDINGS AND DEBATES OF THE 89<sup>th</sup> CONGRESS, SECOND SESSION

## Write, Wire, or Call the Big Spenders

SPEECH  
OF  
HON. FRANK T. BOW

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 20, 1966

Mr. BOW. Mr. Chairman, yesterday morning the President held a conference at the White House with House and Senate leaders and with members of the Appropriations Committees of both bodies.

In short, the purpose of the meeting was to let us know that Congress is exceeding the President's budget request for fiscal 1967 by \$5 to \$6 billion and if an effort is not made in Congress to cut back the result will be either a monumental deficit or a tax increase.

According to news stories on the President's background briefing of the press after our meeting with him, he indicated the following courses of action that might be taken to curb our already overheated economy:

First, the imposition of wage and price controls;

Second, the reduction of Federal expenditures; and

Third, face the alternative of a monumental Federal deficit or a tax increase.

These are precisely the same hard choices that I have pointed to here in the well of the House ever since January 24, when the President submitted his fiscal 1967 budget to us.

I have tried to cut the budget for 1967 and failing that effort I have tried to reduce appropriation bills back to the level of the President's requests. Republicans have supported my efforts but I am sorry to say that most members of the President's own party have rejected his leadership on budget matters and have failed to support my efforts to curtail 1967 appropriations and spending. They have even refused to follow the thoughtful admonitions uttered by our distin-

guished chairman of the House Appropriations Committee, the gentleman from Texas [Mr. MAHON], when the budget was submitted to us.

The Bow expenditure limitation amendment has been offered on three bills this year. Simply stated, this amendment would have limited Federal spending to 95 percent of what the President had proposed in his January budget to spend on items included in these three bills. If the amendment had been adopted each time it was offered, Federal spending in fiscal 1967 would have been reduced by \$1.5 billion.

Let me tell you just how much support I got from members of the President's own party each time this amendment was offered.

On the Department of Interior and related agencies appropriation bill, the amendment received the support of 30 Democrats.

On the Departments of Treasury and Post Office bill, Democrat votes totaled only 16.

On the Departments of Labor and Health, Education, and Welfare bill, Democrat votes for my amendment went up to the grand total of 36.

With a present House membership of 294 Democrats and 139 Republicans, it is a pretty sorry economy effort when only 30 Democrats, and 16 Democrats, and 36 Democrats vote to support a modest cut of 5 percent in Federal spending on three bills. We all know very well that such a cut could be absorbed by almost any Department or agency of the Government without adverse effect on any essential program.

On my motion to recommit the second supplemental appropriation bill for 1966 to the House Appropriations Committee with instructions to eliminate the initial funding of the rent supplement program, only 65 Democrats voted in the affirmative. Of course, the initial funding of the rent supplement program, as well as

the National Teachers Corps was much desired by the President and, as a consequence thereof, Larry O'Brien and his legislative liaison troops marched up here and twisted enough arms to assure its approval.

On six economy rollcalls in the House this year, an average of 82 percent of the Democrats voted for more spending while an average of 93 percent of the Republicans voted for cuts or savings. A tabulation of the percentages on these six rollcalls appears at the end of my remarks.

After I had tested the temper of the House and had found almost no support among Democrats for cutting the appropriation requests for 1967, I offered amendments to cut individual appropriation items back to the level of the President's requests. And even then, the majority party refused to support my efforts.

I have suggested here in the well of the House that the President veto those authorization and appropriation bills that exceed his requests. And, I might note that he failed to mention that alternative at his press briefing yesterday. Up to this time, he has not seen fit to follow my suggestion but I do hope that in the days ahead he will give this serious consideration. Earlier Presidents have vetoed such bills and, insofar as I am concerned, there is no reason why President Johnson should not do so.

The President has taken great pride in the fact that the budget deficit for fiscal 1966, which ended 2 weeks ago, was only \$2.3 billion. That small deficit did not come about as the result of any general economy efforts by the administration, or the Congress. It was occasioned instead by growth in the economy and by the acceleration of corporate and individual tax payments.

In the calendar quarter that ended just 2 weeks ago on June 30, the gross national product increased by only \$10.8 billion, the smallest gain since the fall of 1964. But more alarming than this small gain, is the fact that \$6.5 billion of the gain was eaten up by inflation. Thus, the real gain in the output of goods and services in that quarter was only \$4.3 billion. What do you think

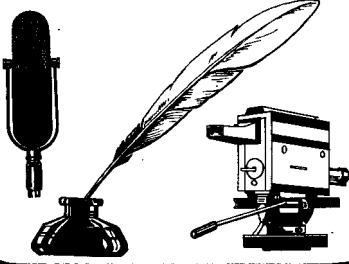
is causing this alarming increase in the inflation of prices? Well, I can tell you the greatest single cause is the astronomical Federal spending binge which we have been on for the past 2 years. And that binge has been made worse by the fact that we are now incurring rapidly and sharply rising expenditures for the war effort in Vietnam.

If the majority party in this House sincerely wants to curtail nondefense spending and will offer amendments to effect such economies, I am certain members of the minority party will give overwhelming support to such efforts. But, these efforts will have to go down the line on all nondefense spending because we can ill afford a policy of political picking and choosing which programs are to be fully funded or which are to be cut back.

This afternoon at 4 o'clock, the President will be holding a press conference with live radio and television coverage. I would like to suggest that during that conference he make an appeal to the public to write, wire, or call their Members of Congress and demand across-the-board economies in nondefense spending. Such an appeal might awaken the big spenders here in Congress to the fact that we cannot spend and spend and tax and tax without doing irreparable damage to the economy of our beloved country.

*6 economy rollcalls in the House, 1966*

	Democrats voting for spending more (82-percent average)	Republicans voting for cuts or savings (93-percent average)
5-percent cut in Interior appropriations, Apr. 6, 1966.....	Percent 88	Percent 95
5-percent cut in Treasury-Post Office appropriations, Apr. 6, 1966.....	93	89
\$12,000,000 supplemental for rent subsidies, Mar. 29, 1966.....	75	95
\$750,000 new authority for H.H.H. house, Mar. 22, 1966.....	76	95
\$4,600,000 new authority for Alaska Centennial, Mar. 2, 1966.....	79	94
\$9,500,000 new authority for Florida "Interama," Feb. 3, 1966.....	83	87



CONGRESSMAN  
**GERALD R. FORD**  
HOUSE REPUBLICAN LEADER

**NEWS  
RELEASE**

FOR THURSDAY P.M.'S RELEASE  
JULY 21, 1966

STATEMENT BY HOUSE MINORITY LEADER GERALD R. FORD, R-MICHIGAN.

The federal deficit for fiscal 1967 will run between \$10 and \$15 billion because President Johnson and the Democrats have refused to make allowances for the cost of the Vietnam War.

Last January we Republicans asked that the President assign priorities to federal spending in view of the war's tremendous cost. We were appalled when Mr. Johnson chose instead to ask Congress for an additional \$3.2 billion for Great Society programs. We were amazed when Mr. Johnson told Congress the nation could afford both ruffles and rifles.

It is because the President let them loose last January that the spendthrift Democrats in the House and Senate have gone wild with the people's money and that of American children still unborn.

My prediction of a \$10 to \$15 billion deficit this fiscal year is not something picked out of the air. It is based on the Democrats' own figures.

The President originally predicted a \$1.8 billion deficit. He says Democrats in Congress already have added a billion dollars to his non-defense budget requests and threaten to add on a total of \$6 billion. Now comes House Appropriations Chairman George Mahon, D-Tex., with the statement that the Defense Department will ask for as much as \$10 billion extra for the Vietnam War in January.

Even if we were charitable with the Democrats and figured there would be no add-ons to non-defense spending besides the billion dollars, the projected

(OVER)

LBJ AND ECONOMY STATEMENT

deficit for this fiscal year would run to nearly \$13 billion. This assumes that the supplemental appropriation for the Vietnam War is \$10 billion and is charged entirely to the fiscal 1967 budget.

Mr. Johnson's pose as a champion of economy would be believable if he had assumed it last January when he sent his 1966-67 budget to Congress and had acted accordingly. But it is only now that the big-spending Democrats in Congress have added a billion to his non-defense spending requests that the gentleman from Texas says whoa. It is Lyndon Johnson and the Democrats who have put the federal government on a wild spending spree. Is the President now to be hailed as a hero for applying the checkrein to his Democratic foremen--straw bosses who have threatened to inflate his spending requests by \$6 billion?

If the President were sincere about spending cutbacks, he would veto one of the appropriations bills in excess of his budget and toss it back at Democrats in Congress. He also could freeze federal spending in various non-defense categories.

At the opening of this session of Congress, we Republicans sought priorities on federal spending. Now that the cost of the Vietnam War is approximating \$2 billion a month, the President is belatedly admitting we were right by tardily trying to hold back free-spending Democrats in Congress.

# # #

**FOR THE SENATE:**

**Everett M. Dirksen**  
of Illinois  
**Thomas H. Kuchel**  
of California  
**Bourke B. Hickenlooper**  
of Iowa  
**Margaret Chase Smith**  
of Maine  
**George Murphy**  
of California  
**Milton R. Young**  
of North Dakota  
**Hugh Scott**  
of Pennsylvania

**PRESIDING:**

**The National Chairman**  
**Ray C. Bliss**

**THE REPUBLICAN LEADERSHIP  
OF THE CONGRESS**

Press Release

Issued following a  
Leadership Meeting

February 2, 1967

**FOR THE HOUSE  
OF REPRESENTATIVES:**

**Gerald R. Ford**  
of Michigan  
**Leslie C. Arends**  
of Illinois  
**Melvin R. Laird**  
of Wisconsin  
**John J. Rhodes**  
of Arizona  
**H. Allen Smith**  
of California  
**Bob Wilson**  
of California  
**Charles E. Goodell**  
of New York  
**Richard H. Poff**  
of Virginia  
**William C. Cramer**  
of Florida

STATEMENT BY SENATOR DIRKSEN

Every American family knows the meaning of the word "budget".

Every American family knows what it is to try to make ends meet -- especially these days. Every American family knows that, while it can perhaps for a little while live beyond its means, it cannot do so for very long without finding itself on the short and rocky road to the poor house.

A government -- any government -- is no exception for a government is, after all, nothing more nor less than a collection of families. Like a family, a government cannot rely on hoped-for income nor can it endure economically for very long if needless expenditures which it can't afford are permitted. I suggest, therefore, that rather than dealing in countless billions of dollars and confusing ourselves with endless strings of zeros, we think hereafter of the operation of this government in family terms.

As has been emphasized already by the news media throughout the country and as has been emphasized already by members of the Congress, this Administration's budget for the coming fiscal year is difficult to comprehend. It contains sums that are astronomical. It contains, to be sure, provision for necessities -- especially as regards the fearful conflict in Viet Nam -- but it contains also a large number of absolutely non-essential items which, in aggregate, can and should and will be eliminated if the still-heavy Democratic majorities in the Congress will cooperate with us.

The budget of the United States, as submitted to the Congress by

the Johnson-Humphrey Administration, is as big as a metropolitan telephone directory and every page contains print just as small. The Republican members of the Congress will, without exception, in the days immediately ahead, be examining every line and item of this budget with clear and knowledgable eyes. We are determined to vote to retain every item of necessity both in domestic and defense programs but are equally determined, if the Democrat majorities in the Congress can be so persuaded, to eliminate every single item, large, middling or small, that should be cut. Our recommendations in the days ahead will be specific, clear and unmistakable. In this area of non-essential expenditures, we are prepared to wield a swinging meat-cleaver or use a delicate scalpel as the operation may require.

From our school-day reading we have ever more occasion to recall, from Dicken's "David Copperfield", the timeless and timely lesson in budgeteering given young Copperfield by the seasoned and sensible Mr. Micawber:

"Annual income twenty pounds, annual expenditure nineteen nineteen six, result happiness. Annual income twenty pounds, annual expenditure twenty pounds ought and six, result misery, The blossom is blighted, the leaf is withered, the God of day goes down upon the dreary scene and you are, in short, flat."

If the Johnson-Humphrey Administration and its still dominant Democrat majorities in the Congress persist in the course they have now mapped out for the American people we too will be "in short, flat". This the Republican members of the Congress will do everything within their minority power to prevent. Let those in the seats of majority and authority be advised.

STATEMENT BY REPRESENTATIVE FORD

The "Big If" budget of the United States for the coming fiscal year, as presented to this Congress by the Johnson-Humphrey Administration, is a big budget. It should be returned to the President by the Congress immediately, with the demand that it be reviewed and revised into a document that makes sense to the Congress and to the American people.

This budget is misleading. We don't believe in it. The people don't believe in it. At a time when the living costs of every American family have never been higher -- at a time when family income just can't keep up -- at a time when we are fighting the third largest war in our history -- this budget tries to provide for both guns and butter. It actually contains a great deal of lard.

The American people will not tolerate such fiscal manipulation. They will no longer permit such insults to their intelligence and raids on their pocketbooks. The budget is agonizing table-talk in every American home. The press is already echoing the same angry feeling. One illustration -- shown here from a recent column in the Washington Daily News -- makes the point dramatically. By any estimate hundreds of dollars will be added to each family's burden.

This budget should be labelled the "Big If" budget. It is the biggest and the "iffiest" in American history:

if the Administration's estimate of the cost of Viet Nam is anywhere near accurate;

if the Congress votes a postal fee increase;

if the Congress approves an income tax increase;

if the Congress approves the various tax measures the Administration recommends;

if the program cutbacks promised actually occur;

if the economy, despite the Administration's manipulations, proves healthy.

We cannot as a people, gamble on so many and such big "ifs".

If a business were operated with a budget like this, it would go bankrupt in a week. If a family budget depended on any such reasoning, the family would be cold, hungry and without a roof almost overnight.

What must be done can be done by this Congress to make this bad budget a good one. What must be done can be done by the Congress if the Democrat majorities in the Congress will heed the people's demand for economy. The Republican minorities in the Congress are determined to act. Let the Democrat leadership take heed.



For Release Friday A.M.s  
June 9, 1967

JOINT STATEMENT BY REPRESENTATIVES  
GERALD R. FORD (R-MICH.) HOUSE MINORITY LEADER, AND  
JOHN J. RHODES (R-ARIZ.) CHAIRMAN OF THE HOUSE REPUBLICAN POLICY COMMITTEE

On March 22, 1967, we introduced identical House Resolutions, (H. Res. 406 and H. Res. 407) respectfully requesting the President to reconsider his fiscal 1968 budget and to indicate where substantial reductions in spending could best be made. (See text.)

These resolutions were referred to the Committee on Appropriations which has taken no action upon them. Meanwhile the Administration's own estimates of the probable deficit under the 1968 budget have increased and the House of Representatives, by yesterday's vote of 210 to 197 rejecting the Administration's request to raise the national debt ceiling to a record \$365 billion, has emphatically reflected the strong sentiment of the American people that ever-rising deficits and runaway spending must be curbed in this time of international and fiscal crisis.

We are therefore today introducing a Special House Resolution under Rule 27, Section 4 of the Rules of the House of Representatives, calling for immediate floor consideration of our earlier proposal to send the budget back to President Johnson for revision downward. Under this rule, when a public bill or resolution has remained in a standing committee 30 days or more without action, members may file a special resolution with the Rules Committee to bring the bill or resolution up for immediate consideration by the Committee of the Whole House. (See text.)

\* \* \*

SPECIAL RESOLUTION

That upon the adoption of this resolution the House shall immediately resolve itself into the Committee of the Whole House on the State of the Union for the consideration of H. Res. 406, requesting the President to submit to the House of Representatives recommendations for budget reductions. After general debate, which shall be confined to the resolution and shall continue not to exceed 3 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations, the resolution shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the resolution for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

\* \* \*

H. RES. 406

Whereas the House of Representatives must, in the public interest, make substantial reductions in the President's budget for the fiscal year 1968: Now, therefore, be it

Resolved, That the President be respectfully requested to indicate the places and amounts in his budget for the fiscal year 1968 where he thinks substantial reductions may be made.

Resolved, That a copy of this resolution be submitted to the President.

For Release Friday A.M.s  
June 9, 1967

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21 June 1967



U. S. HOUSE  
OF REPRESENTATIVES

# REPUBLICAN POLICY COMMITTEE

REP. JOHN J. RHODES, (R.-ARIZ.) CHAIRMAN • 140 CANNON HOUSE OFFICE BUILDING • TELEPHONE 225-6168

## HOUSE REPUBLICAN POLICY COMMITTEE STATEMENT ON PUBLIC DEBT CEILING - H.R. 10867

We are opposed to H.R. 10867. It is in substance and effect the same bill which was rejected by the House of Representatives on June 7, 1967. It would eventually increase the borrowing authority of the Treasury to a maximum of \$365 billion. Cleverly camouflaged by step increases and a "sliding scale" debt ceiling, the proposed bill is again designed to accommodate prospective deficits of \$29 billion. It represents on the part of the Johnson-Humphrey Administration, an arrogant demand that the House repudiate its earlier position and without any additional information sanction the Administration's dangerous and irresponsible approach to federal spending and budget deficits.

The vote on the earlier Debt Ceiling Bill reflected a strong sentiment on the part of the American people that ever-rising deficits must be curbed. Despite this fact, the Johnson-Humphrey Administration has refused to heed the request of House Republicans to revise its 1968 Budget, and to cut back on nonessential spending. It has once again resorted to juggling and gimmickry, evasiveness and fiscal sleight-of-hand.

Following the rejection of the earlier request for a \$29 billion increase in the Debt Ceiling, a member of the Federal Reserve Board cautioned that spending on the war in Vietnam "undoubtedly" would exceed the figure contained in President Johnson's Budget.

An editorial in the June 11, 1967 New York Times pointedly stated:

"There is sound basis for criticizing the Administration's handling of the debt. Its estimates for the new fiscal budget are clearly unrealistic; spending will be well above estimates, largely because of Vietnam, while receipts will be lower, largely because of the slowdown in domestic business activity...The Administration ought to present a revised Budget."

(over)

A June 14, 1967 release by the Chairman of the Joint Economic Committee

warned:

"The Joint Economic Committee is and has been very much concerned about the state of the economy and the growing prospects that the Nation faces, the largest Budget deficit since World War II in the coming fiscal year.

Deficits of these magnitudes, if realized, coming on top of the built-in cost-push inflationary pressures caused by wage and price increases over and above the guidelines, would in all probability bring about a return of excessively high interest rates and tight money conditions similar to, if not worse than, last year. This is a meat-axe approach to the solution of the problems of the Nation which could produce great harm to just those sections of the economy least able to bear its burdens, namely, consumers, small businessmen, farmers and home buyers.

And on June 15, 1967, the former Commissioner of Internal Revenue in the Johnson-Humphrey Administration predicted that an escalating Budget deficit may require an income tax increase as high as 10% for 1968.

In this fiscal crisis, the Republican Resolution which would return the 1968 Budget to the President and request that he indicate the places and amounts where he believes that reductions can be made, should receive priority consideration. To date the Democratic Leadership has refused to schedule this important measure even though the Republican Leadership has introduced a special Discharge Resolution under Rule 27, Section 4 of the Rules of the House of Representatives.

Until the Johnson-Humphrey Administration has reviewed and reassessed its fiscal policies and forwarded to Congress up-to-date and credible information regarding anticipated expenditures and revenues, the requested Debt Ceiling increase should not be granted. The Debt Limit should be continued at the present \$336 billion level. This will be adequate to finance the Government expenditures through September 30, 1967. The Republican Leadership and the Republican Members of the Ways and Means Committee have introduced a bill (H.P. 10661) which would accomplish this result. We urge its enactment and the rejection of H.R. 10867.

Statement by Rep. Gerald R. Ford, R-Mich.

January 9, 1968

The President currently is working on the fiscal 1969 budget, which as I understand it will be submitted to the Congress about Jan. 29 in an entirely new format.

The new budget ostensibly will be a consolidation of the three budgets formerly presented to Congress by the President--the Administrative Budget with which most of us are familiar, the National Income Accounts Budget and the Cash Budget.

I would sound a note of caution concerning the new budget for fiscal 1969. It should be remembered that the Johnson Administration has a habit of changing the rules of the game whenever the score starts to go against it. Too often in the past we have found the Johnson Administration tending to fuzz up what it does not conceal and making estimates fantastically far from the mark.

The budgetary record of the Johnson Administration has been abysmally poor--and the proposed budget for fiscal 1969 must be viewed in the light of that record.

Let us not forget that President Johnson forecast a fiscal 1968 deficit of \$8.1 billion in January, 1967, only to raise that deficit estimate in August to \$23.6 billion with a tax increase and \$29 billion without it. Currently, as you know, the outlook is for a \$19 to \$20 billion fiscal 1968 deficit without a tax increase--pared down as a result of congressional pressure for spending reductions.

Let us not forget, either, that President Johnson predicted a fiscal 1967 deficit of only \$1.8 billion in January of 1966 but wound up that fiscal year with an actual deficit of \$9.9 billions.

This scorecard indicates you have to take a Johnson deficit estimate and multiply by at least three.

This is President Johnson's budgetary record as he persists in pursuing his mistaken guns-and-butter policy. Whether looked upon as promises or projections, the most recent annual forecasts made by the President in his budget documents appear hardly to be worth the paper they are written on. If a housewife managed the family budget that way, her husband would say she was suffering from a Credibility Gap.

This is tragic in a time when the federal budget--a financial report to the American people--should be looked upon as the most important financial document in the world.

President Johnson's budget should be a model of integrity. It affects the lives and pocketbooks of all Americans and the financial underpinnings of the western world. Its standards should be the highest.

The Johnson Administration's budgetary record can only fill us with misgivings.

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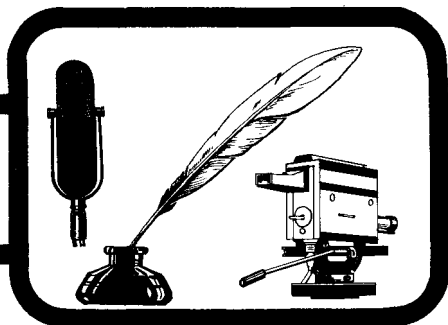
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CONGRESSMAN  
**GERALD R. FORD**  
HOUSE REPUBLICAN LEADER

**NEWS  
RELEASE**

--FOR IMMEDIATE RELEASE--  
January 29, 1968

President Johnson is overcommitting the American people in his 1969 budget.

He is trying to do too much domestically at a time when the Nation is sorely overburdened by the Vietnam War and the people are shouldering a growing tax load at the state and local levels.

This is the fifth Johnson budget which fails to set spending priorities. That is a mistake. We can move this country ahead even in time of war, but we should do it without pushing the country to the edge of bankruptcy. This budget must be reduced.

President Johnson says he wants to fight inflation but he is going off in all directions at once. He talks of taxing more to fight inflation but at the same time he seeks to spend more. There is no joy for the taxpayer in the President's budget and not much reassurance for the Nation. America deserves a better deal.

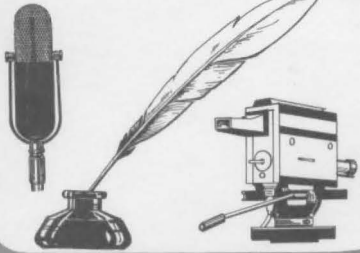
The better way to fight inflation and high interest rates is to use restraint in federal spending. There is no belt-tightening in this budget--the kind we need to avoid a tax increase.

Johnson uses the old theme that every bit of his \$10.4 billion spending increase is unavoidable and that his budget can't be cut. That's absurd and incredible. He said the same about his 1968 budget, yet Congress reduced it substantially. Small wonder the American people just don't believe this Administration any more. That's the kind of presidential talk that dug and then widened the credibility gap.

Nowhere in this budget is there an attempt to re-tailor federal programs and raise the level of efficiency in the federal government.

This is an unbelievable budget.

# # #



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**GERALD R. FORD**  
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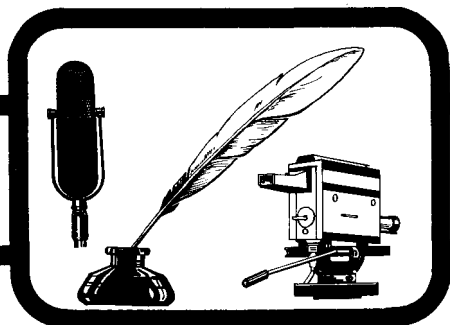
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CONGRESSMAN  
**GERALD R. FORD**  
HOUSE REPUBLICAN LEADER

**NEWS  
RELEASE**

--FOR IMMEDIATE RELEASE--  
February 1, 1968

President Johnson declares in his 1968 Economic Report issued today: "Now... restraint is essential to our economic health." I could not agree with him more.

The question is what kind of restraint.

The President proposes to increase federal spending by \$10.4 billion in fiscal 1969, to tax the American people an additional \$12 billion, to incur a fiscal 1969 deficit of \$20 to \$30 billion without an income tax increase and an \$8 to \$15 billion deficit with one. Where is the restraint?

The President says in his Economic Report: "Sharply rising Federal spending was a strong expansionary force in the economy between mid-1965 and mid-1967." He says nothing about the fact that the steep climb in Federal spending during that period was an inflationary force. He says nothing about the fact that Federal spending should have been sharply reduced beginning in late 1965 and early 1966 because the economy had become over-heated and a price rise spiral had been touched off by the Administration's over-expansionary policies.

Some of the current observations in the President's Economic Report are clearly more accurate than his review of the past. He states that "because of the already high level of defense outlays, total Federal expenditures are too large to be piled on top of private normal demand without overheating our economy. It is because private demand has now returned to normal after its temporary weakness that we now need new measures of fiscal restraint."

I agree with the President that the total expenditures he proposes for fiscal 1969 are too huge to be piled on top of private spending. His proposed budget clearly is inflationary and must be substantially reduced.

The President describes demand in the private sector as "normal." We certainly do not need an income tax increase to dampen normal demand. In fact, leading economists are predicting that the economy will slow down after mid-year without a tax increase.

The following conclusion is inescapable from the President's own Economic Report: The first place that restraint must be applied if the economy is to be restored to health is in the federal government--in the White House itself.

I applaud the President's appeal for wage and price restraint on the part of labor and management. I believe he would be more successful in such efforts if he himself would demonstrate a sense of responsibility through genuine restraint in federal spending.

# # #