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SPEECH BEFORE THE BETTER BUSINESS BUREAU OF METRO. CHICAGO

MONDAY, FEB. 20, 1967

LADIES AND GENTLEMEN:

*But 2 Int. Rev
up to now we have
had excellent speakers
Great, great man*

I AM VERY HAPPY TO BE HERE WITH YOU, AND TO DEMONSTRATE MY PLEASURE I ^{will} ~~AM GOING TO~~ LET YOU IN ON A NEW ECONOMIC THEORY ADVANCED BY A NEWSPAPERMAN FRIEND OF MINE.

OVER A LONG PERIOD OF TIME GOING BACK NEARLY TO THE TURN OF THE CENTURY, THIS NEWSPAPER REPORTER HAS STUDIED THE LENGTH OF WOMEN'S SKIRTS. BY CLOSE AND UNCEASING OBSERVATION, HE HAS COME TO AN UNSHAKEABLE AND UNSWERVING CONCLUSION.

THAT CONCLUSION IS / THAT THE HEMLINE OF WOMEN'S SKIRTS RISES IN GOOD TIMES / - AS THEY SAY, THINGS ARE LOOKING UP--



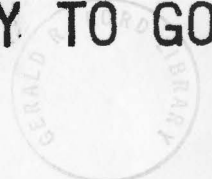
AND THE HEMLINE FALLS IN BAD TIMES.

HE ~~SAYS~~ HE HAS ^{alleges} CHARTS ^{reliable} ^{+ graphs} TO PROVE HIS POINT. IN 1927, FOR INSTANCE, WE HAD REAL GOOD TIMES. THAT WAS THE YEAR THAT GIRLS WHO BLUSH EASILY/WERE AFRAID TO SIT DOWN.

OF COURSE, WHEN THE STOCK MARKET DROPPED INTO THE CELLAR IN 1929 AND BANKERS ^{Stockbrokers & investors} BEGAN DROPPING OUT OF HOTEL WINDOWS, HEMLINES ON SKIRTS FELL TOO. THE OUTLOOK THEN WAS REALLY DEPRESSING!

- ① auto sales & production \uparrow
- ② Home building still in the doldrums
- ③ Inventories have accumulated
- ④ Profits are lagging

TODAY THE ECONOMY IS UNSTABLE. SO WHAT'S HAPPENED TO SKIRTS? WELL, THE GIRLS JUST CAN'T MAKE UP THEIR MINDS-- ANY MORE THAN THE ECONOMY CAN. THE PLUNGERS ARE WEARING MINISKIRTS. THE MORE CAUTIOUS ^{of the former sex} ~~WOMEN~~ ARE KEEPING HEMLINES CLOSE TO THE KNEE. AND SOME JUST DON'T KNOW WHICH WAY TO GO.



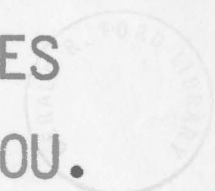
TODAY THE FEDERAL GOVERNMENT IS BIG BUSINESS. IT MAY NOT BE DICTATING THE LENGTH OF WOMEN'S HEMLINES, BUT IT CERTAINLY HAS A LOT TO SAY ABOUT THE STATE OF THE ECONOMY. THE GOVERNMENT OCCUPIES A MIGHTY BIG ROLE IN YOUR LIFE AND MINE.

although there are some bureaucrats who have researched the idea & have a plan

THE PEOPLE WHO MAKE WOMEN'S SKIRTS WOULD LIKE GOVERNMENT TO MIND ITS OWN BUSINESS. BUT FOR OTHER BUSINESSMEN, GOVERNMENT IS A BIG CUSTOMER. SO THEY ^{out of necessity} CULTIVATE BIG BROTHER.

WHEN BIG GOVERNMENT REGULATES, BUSINESS NATURALLY COMPLAINS. WHEN BIG GOVERNMENT TALKS, BUSINESS LISTENS. WHEN BIG GOVERNMENT ORDERS, BUSINESS OBEYS.

IS BIG GOVERNMENT IMPORTANT TO YOU MEMBERS OF THE CHICAGO BETTER BUSINESS BUREAU? YOU BET IT IS! GOVERNMENT DOES A LOT THAT AFFECTS YOU, AND GOVERNMENT DOES A LOT TO YOU.



*I feel the most important private business is the public business,
However, how one defines that interest & operates within that interest is an individual decision*

SOME BUSINESSMEN LOOK UPON WASHINGTON AS THE SOURCE OF ALL WISDOM AND POWER, THE PROPER VEHICLE FOR SOLVING MOST PROBLEMS, THE MEANS OF KEEPING THE COMPETITION CLEAN AND OF AVOIDING RECESSIONS.

OTHERS ARE HAPPY TO POCKET WHATEVER PROFITS BIG GOVERNMENT CHANNELS THEIR WAY BUT LOOK UPON WASHINGTON AS THEIR NATURAL ENEMY.

STILL OTHERS FIGURE BIG GOVERNMENT IS TOO BIG BUT DECIDE THE BEST APPROACH IS TO PLAY THE GAME, TUNE IN AT THE TAP AND TRY TO LIVE WITH THE MONSTER.

WASHINGTON IS MANY THINGS TO MANY PEOPLE. BUT THAT THE GOVERNMENT IS BIG--OF THAT THERE IS NO DOUBT.

HOW BIG IS BIG BROTHER? HE HAS ROUGHLY 2,281,000 CIVIL

EMPLOYEES ON HIS PAYROLL--ABOUT 280,000 IN WASHINGTON AND
THE REST SCATTERED THROUGHOUT THE COUNTRY.

*or will have 5-
that many if the
President's budget
is approved*

HE DISPENSES NEARLY \$200 BILLION A YEAR, AND HIS
MONTHLY WORLDWIDE ^{civilian} PAYROLL COMES TO A WHOPPING \$1.5 BILLION
A MONTH.

FOR BUSINESSMEN, THIS GIANT BUREAUCRACY ^{inevitably} ~~OFTEN~~ MEANS A
MOUNTAIN OF RED TAPE AND A STEEPER PAPERWORK BURDEN.

LET'S BE HONEST ABOUT IT. BIG BROTHER IS A MEDDLER.
HE CALLS THIS MEDDLING PROTECTING THE PUBLIC INTEREST.
MANY AMERICANS AGREE WITH HIM. MANY OTHERS FEEL SMOTHERED
AND OVERWHELMED.

THE TONE AND AMOUNT OF FEDERAL MEDDLING ARE PRETTY
MUCH DETERMINED BY THE MAN IN THE WHITE HOUSE, ~~CURRENTLY~~



LYNDON JOHNSON. I DON'T HAVE TO TELL YOU HOW LYNDON JOHNSON OPERATES WITH BUSINESSMEN. [OF COURSE, IT'S ONLY REALLY BIG BUSINESSMEN HE DOES BUSINESS WITH.] ^{2 believe it fair to say} ~~IN FACT~~, THIS ADMINISTRATION HAS FAVORED BIG BUSINESS TO THE POINT THAT REPUBLICANS IN CONGRESS HAD TO MOUNT AN ALL-OUT CAMPAIGN ^{in 1966} TO RESCUE THE SMALL BUSINESS ADMINISTRATION FROM EXTINCTION.

I AM SURE THERE ARE DEMOCRATS AND INDEPENDENTS IN THIS AUDIENCE, AS WELL AS REPUBLICANS. SOME PEOPLE SAY THE TWO MAJOR PARTIES ARE PRETTY MUCH THE SAME. LET ME POINT OUT A BASIC DIFFERENCE.

LIBERAL DEMOCRATS ^{+ 2 believe this element predominates in the opposition} TEND TO LOOK UPON ALL BUSINESSMEN AS SUSPECT. 'BUSINESSMEN ARE GUIDED BY THE PROFIT MOTIVE, THEREFORE THEY ARE NOT CONCERNED WITH THE PUBLIC GOOD, 'THE SO-CALLED LIBERAL PHILOSOPHY GOES.



THIS, OF COURSE, IS NONSENSE EXCEPT AS IT APPLIES TO THOSE FEW HARD-NOSED BUSINESSMEN WHO ARE SO BENIGHTED THAT THEY STILL EMBRACE THE ROBBER BARON PHILOSOPHY OF THE PAST. NEARLY EVERY BUSINESSMAN TODAY RECOGNIZES THAT THE BEST PUBLIC RELATIONS IS TO BE VERY MUCH CONCERNED WITH COMMUNITY BETTERMENT, THE WELFARE OF JOHN Q. CITIZEN, AND THE PROGRESS OF THE NATION. THAT KIND OF CONCERN, HE KNOWS, IS GOOD BUSINESS. IT MAKES SENSE.

Business
THE LIBERAL PHILOSOPHY ^{*rules out*} ~~DOES NOT ALLOW FOR~~ THE KIND OF ENLIGHTENMENT I HAVE JUST DESCRIBED. THE LEGISLATION PIOUSLY LABELED "TRUTH IN PACKAGING" IS A GOOD EXAMPLE OF THAT VIEWPOINT.

EVERY PACKAGER AND EVERY MERCHANDISER INVOLVED IN THE SALE OF GROCERY AND DRUG ITEMS WAS A VILLAIN LAST YEAR.

unanimously in the House of enough independent Democrats

IT WAS ONLY BECAUSE REPUBLICANS¹ HELD OUT FOR A COMMON-SENSE COMPROMISE THAT THE PACKAGING BILL AS FINALLY ENACTED PROVIDED FOR SOME SELF-POLICING BY INDUSTRY.

THERE ARE MANY DIFFERENCES BETWEEN THE TWO MAJOR POLITICAL PARTIES. ^{*Thank goodness - competition is good*} BOTH PARTIES HAVE LOFTY GOALS. BOTH ARE DEDICATED TO PROMOTING THE WELL-BEING OF THE NATION. BUT THERE IS A BASIC DIFFERENCE IN APPROACH.

THE DEMOCRATIC PARTY BELIEVES IN BIG GOVERNMENT AND SWINGING A BIG STICK. THE REPUBLICAN PARTY BELIEVES IN LIMITED GOVERNMENT AND THE CARROT, WITH THE STICK PLACED WITHIN REACH ONLY WITH THE HOPE IT WON'T BE NEEDED. THE CARROT IS THE BETTER WAY.

so-called

THE FAIR PACKAGING AND LABELING ACT WILL BECOME EFFECTIVE IN FIVE MONTHS. NOW THE PRESIDENT IS SAYING



OF THIS LEGISLATION, "IT REFLECTS OUR STRONG BELIEF THAT AMERICAN PRODUCERS CAN MEET--AND WANT TO MEET--THE TEST OF TRUTH." BUT ^{as many of you know} THAT WASN'T THE STORY FROM THE WHITE HOUSE LAST YEAR WHEN THE TRUTH IN PACKAGING BILL WAS UNDER CONSIDERATION IN THE CONGRESS. *The administration at that time was "gung-ho" for the toughest bill possible.*

REFUSAL TO USE THE CARROT APPROACH TO PROGRESS IS A BIG STUMBLING BLOCK TO THE FORWARD MOVEMENT OF THIS COUNTRY.

TAKE THE PRESIDENT'S RECENT MESSAGE ON AIR POLLUTION, FOR EXAMPLE. IT'S FULL OF THE BIG STICK, MAKES NO USE OF THE CARROT.

WHAT THE PRESIDENT SAID IN EFFECT WAS THAT THE STATES HAVE FAILED TO ACT ON AIR CONTROL, SO THE FEDERAL GOVERNMENT IS GOING TO CRACK THE WHIP. YOU COULD SEE THE MAILED FIST BENEATH THE VELVETY LANGUAGE THROUGHOUT THE MESSAGE.

AM I ARGUING THAT WE SHOULD NOT ATTACK AIR POLLUTION?
NOT AT ALL! I SAY THE PRESIDENT ^{went too far down the wrong street} DIDN'T GO FAR ENOUGH.
BY THAT I MEAN HIS APPROACH IS WRONG. YOU HAVE TO ATTACK
AIR POLLUTION AT THE SOURCE. WHAT IS THE SOURCE? PRIMARILY,
IT'S INDUSTRY.

THERE ARE TWO POSSIBLE WAYS TO HANDLE THE PROBLEM:
EITHER YOU FASHION A BIG STICK ^{with regulations & controls} AND BEAT INDUSTRY OVER THE
HEAD WITH IT. OR YOU OFFER INDUSTRY AN INDUCEMENT TO GET
IT TO DO WHAT WE ALL KNOW IS IN THE PUBLIC INTEREST--CLEAN
UP THE AIR.

IF YOU SIMPLY BLUDGEON INDUSTRY INTO ACTION, THE
TREMENDOUS COST OF AIR POLLUTION CONTROLS WILL HAVE TO BE
PASSED ALONG TO THE CONSUMER BECAUSE FORCED POLLUTION
CONTROL WILL ADD GREATLY TO THE COST OF DOING BUSINESS.



INEQUITIES AND RESISTANCE ARE INEVITABLE. INDIVIDUAL BUSINESSES UNDERSTANDABLY WILL NOT WANT TO BE THE FIRST TO BE SADDLED WITH THESE EXTRA COSTS--WILL NOT WANT TO BE PLACED AT A COMPETITIVE DISADVANTAGE EVEN FOR A SHORT TIME.

THE OTHER APPROACH--ONE TAKEN BY MORE THAN ^{of my} 20 ^{colleagues} REPUBLICAN CONGRESSMEN WHO HAVE INTRODUCED IDENTICAL BILLS--IS TO OFFER INDUSTRY A 20 PERCENT FEDERAL TAX CREDIT AND FAST TAX WRITEOFFS FOR INVESTMENTS IN AIR POLLUTION PROGRAMS THAT ^{reasonable} MEET STATE AND FEDERAL REQUIREMENTS.

THIS SAME APPROACH SHOULD BE TAKEN TO ESCALATE OUR WAR AGAINST WATER POLLUTION.

WE HAVE LIVED WITH POISONED WATER AND AIR TOO LONG and all reports agree the problem will become far worse & much more serious in the years ahead



I BELIEVE OUR VERY EXISTENCE IS AT STAKE. AND THE BIG STICK ALONE WON'T SAVE US.

I am proud to say
1
REPUBLICANS PRESERVED THE PRINCIPLE OF THE TAX CREDIT FOR INVESTMENTS IN AIR AND WATER POLLUTION CONTROLS BY INSISTING THE 7 PERCENT INVESTMENT TAX CREDIT BE CONTINUED FOR THAT PURPOSE WHEN IT WAS DROPPED FOR INDUSTRY GENERALLY AS AN ANTI-INFLATION MOVE LAST YEAR. NOW WE MUST EXPAND IT.

I FIRMLY BELIEVE THAT WITH ADDED TAX CREDIT INCENTIVES FOR INDUSTRY AND A FRESH FOCUS ON AIR AND WATER POLLUTION DANGERS, WE CAN DEVELOP AN INDUSTRY-GOVERNMENT PARTNERSHIP THAT WILL WORK IN THIS CRITICAL PROBLEM AREA. WILLING COOPERATION FROM INDUSTRY IS THE VITAL INGREDIENT, AND I HAVE FAITH IT WILL BE FORTHCOMING.



Abraham Lincoln had a

~~THE REPUBLICAN PARTY HAS~~ FAITH IN PEOPLE, AND ~~THE~~
~~REPUBLICAN PARTY~~ ^a HAS FAITH IN OUR FREE ENTERPRISE ECONOMY.

we, the inheritors of his philosophy
THAT IS WHY ~~REPUBLICANS~~ IN CONGRESS WOULD EMPLOY A
DIFFERENT STRATEGY THAN ~~THE OTHER PARTY~~ ^{our opposition} IN FIGHTING POVERTY.
WE WOULD, FOR INSTANCE, PLACE GREATER EMPHASIS ON WAYS IN
WHICH PRIVATE INDUSTRY COULD BEEF UP OUR FIGHT AGAINST THE
FORCES OF MISERY AND WANT.

WHAT WE NEED IS STIMULUS AND DESIRE.

WHAT WE NEED TO REMEMBER IS THAT THE MOST EFFECTIVE
JOB TRAINER IN THE WORLD IS AMERICAN BUSINESS AND INDUSTRY.

WE MUST ALSO RECOGNIZE THAT THERE ARE TODAY AN ESTIMATED
TWO MILLION JOBLESS AMERICANS WHO ARE UNEMPLOYED ONLY
BECAUSE THEY LACK NECESSARY SKILLS.



IT'S A MOST INTERESTING AND SIGNIFICANT PARALLEL THAT THERE ARE TODAY SOME TWO MILLION JOBS GOING UNFILLED SIMPLY BECAUSE WE DON'T HAVE THE SKILLED PEOPLE TO FILL THEM.

WE KNOW THAT RETRAINING UNDER GOVERNMENT GRANT, TRAINING UNDER THE MANPOWER DEVELOPMENT TRAINING ACT OF 1962, ^{of the job corps} HAS NOT BEEN FULLY EFFECTIVE.

WHERE DO WE GO FROM HERE? IS IT MORE GOVERNMENT TRAINING PROGRAMS, AN EXPANDED JOB CORPS?

THE ANSWER IS TO INVEST IN PEOPLE THROUGH WHAT REPUBLICANS CALL THE HUMAN INVESTMENT ACT OF 1967. MORE THAN 120 REPUBLICAN MEMBERS OF THE HOUSE AND NEARLY 30 REPUBLICAN MEMBERS OF THE SENATE RECENTLY INTRODUCED THIS LEGISLATION. WE WANT TO MAKE IT WORTHWHILE FOR INDUSTRY TO GREATLY INCREASE ITS ON-THE-JOB TRAINING. ^{What is our solution} ~~SO~~ WE OFFER A TAX CREDIT



AMOUNTING TO 10 PERCENT OF ALLOWABLE EMPLOYEE TRAINING EXPENSES, WITH A MAXIMUM OF \$25,000, PLUS 50 PERCENT OF THE TAX LIABILITY IN EXCESS OF \$25,000.

THIS IS THE ^{typical} AMERICAN WAY TO LICK POVERTY. THIS IS THE FREE ENTERPRISE WAY. IT'S ALSO THE MOST EFFECTIVE WAY. LET US NEVER FORGET THAT LARGE-SCALE ON-THE-JOB TRAINING PROGRAMS AND A SINGLE PERCENTAGE POINT INCREASE IN THE RATE OF OUR NATIONAL ECONOMIC GROWTH CAN DO MORE TO ERASE HUMAN MISERY AND WANT IN AMERICA THAN ALL THE GOVERNMENT RETRAINING AND WAR ON POVERTY PROGRAMS ROLLED TOGETHER.

^{With no apologies}
THIS ADMINISTRATION CLOTHES ALL OF ITS PUBLIC ACTIONS IN THE LANGUAGE OF SELF-RIGHTEOUSNESS. IT ALL ADDS UP TO A GIGANTIC SALES CAMPAIGN, ~~A BIG SNOW JOB~~. THE MIRACLE IS THAT IT HASN'T WORKED.

SHAKESPEARE, WHO HAD SUCH A FACILITY WITH WORDS, SAID SIMPLY: "THE TRUTH WILL OUT." ABRAHAM LINCOLN DECLARED THAT "THE PEOPLE ARE ALWAYS NEARER THE TRUTH THAN POLITICIANS SUPPOSE."

THIS IS WHY FEW PEOPLE ARE REALLY FOOLED WHEN THE ADMINISTRATION PREACHES ECONOMY BUT GOES RIGHT ON SPENDING MONEY LIKE A DRUNKEN SAILOR. *in federal spending*

The federal budget for next year does demand more spending for both butter + guns - rifles + ruffles. Federal planners have an insatiable

ADMIRAL HYMAN RICKOVER, WHO HAS A DELIGHTFUL SENSE OF *appetite for more federal funds.* HUMOR, PUTS IT THIS WAY: "IF THE RUSSIANS WERE TO ANNOUNCE PLANS TO SEND A MAN TO HELL, THERE WOULD BE PEOPLE FROM AT LEAST TWO GOVERNMENT AGENCIES ON CAPITOL HILL THE NEXT DAY TRYING TO GET THE FUNDS TO SEND AN AMERICAN THERE FIRST."

WHAT CAN YOU DO ABOUT IT...THIS BIG GOVERNMENT THAT

PERVADES ALL, THIS BIG BROTHER WHO INTRUDES EVERYWHERE?
I OFFER YOU WHAT I CALL A POSITIVE APPROACH TO POLITICS
FOR BUSINESSMEN.

YOU MUST ASSUME RESPONSIBILITY FOR PROMOTING GOOD
GOVERNMENT IN THIS COUNTRY. TO SHIRK THAT DUTY IS TO
FAIL YOUR NATION. *I end where I began - The most important private business*
is the public business.

YOU MEN AND WOMEN IN BUSINESS ARE IMPORTANT PEOPLE.
YOU ARE IMPORTANT NOT ONLY IN BUSINESS BUT IN POLITICS.

IF YOU ARE TO HAVE A HAND IN SHAPING LEGISLATION.
YOU MUST PARTICIPATE IN THE LEGISLATIVE PROCESS--RUN FOR
PUBLIC OFFICE YOURSELF OR PERSUADE OTHER CAPABLE AND
ATTRACTIVE MEN AND WOMEN TO DO SO, COMMUNICATE WITH OTHERS
ON ISSUES AND CANDIDATES, URGE YOUR EMPLOYEES TO MAKE
CONTRIBUTIONS TO THE POLITICAL PARTY OF THEIR CHOICE.



DISCUSS LEGISLATION AND ISSUES AND THEIR IMPORTANCE TO THE BUSINESS COMMUNITY AND TO THE ECONOMY, GIVE YOUR EMPLOYEES TIME OFF TO VOTE ON ELECTION DAY.

YOU CAN ENCOURAGE WOMEN, ESPECIALLY YOUR OWN WIVES, TO BECOME ACTIVE IN POLITICS. THIS SUGGESTION OF COURSE HAS NOTHING TO DO WITH THE LENGTH OF HEMLINES OR THE STATE OF THE ECONOMY. BUT, BOY, WHAT A POWER FOR GOOD WOMEN CAN BE WHEN THEY WANT TO. AS LINCOLN SO BEAUTIFULLY EXPRESSED IT: "WOMAN IS MAN'S BEST ^{gift} ~~PRESENT~~ FROM HIS MAKER."

LABOR HAS MADE ITSELF A FORCE IN AMERICAN POLITICS BY ENGAGING IN POLITICAL ACTION. ^{in business because of education + necessity} YOU CAN BECOME A FORCE FOR GOOD GOVERNMENT AND A SOUND SOCIETY. Churchill -

OUR FORM OF GOVERNMENT, AS MOLDED BY THE FRAMERS OF



THE FEDERAL CONSTITUTION, IS A MOST PRECIOUS GIFT. YOU AND I MUST DO EVERYTHING WITHIN OUR POWER TO PRESERVE IT.

WHEN THE MEN WHO WROTE THE CONSTITUTION COMPLETED THEIR TASK, THEY GATHERED UP THEIR NOTES AND DEPARTED FROM THE CONSTITUTIONAL CONVENTION. AS HE LEFT, BENJAMIN FRANKLIN WAS STOPPED BY A BYSTANDER.

"WHICH HAVE YOU GIVEN US," THE MAN ASKED HIM, "A MONARCHY OR A REPUBLIC?" "A REPUBLIC," FRANKLIN ANSWERED, "IF YOU CAN KEEP IT!"

THAT IS THE TASK YOU HAVE. THAT IS THE RESPONSIBILITY YOU BEAR AND SHARE. IT IS FOR US TO REDEDICATE OURSELVES TO THAT HIGH PURPOSE. AND IT IS MY DEEP CONVICTION THAT YOU--ALL OF YOU--WILL PASS ON THE TORCH OF FREEDOM TO



CHILDREN BECAUSE YOU WILL DARE TO STAND UP AND BE COUNTED
FOR AMERICA.

-----THANK YOU-----

-----END-----



ADDRESS BY REP. GERALD R. FORD, R-MICH.

BEFORE THE BETTER BUSINESS BUREAU OF METROPOLITAN CHICAGO

I am very happy to be here with you, and to demonstrate my pleasure I am going to let you in on a new economic theory advanced by a newspaperman friend of mine.

Over a long period of time going back nearly to the turn of the century, this newspaper reporter has studied the length of women's skirts. By close and unceasing observation, he has come to an unshakeable and unswerving conclusion.

That conclusion is that the hemline of women's skirts rises in good times--as they say, things are looking up--and the hemline falls in bad times.

He says he has charts to prove his point. In 1927, for instance, we had real good times. That was the year that girls who blush easily were afraid to sit down.

Of course, when the stock market dropped into the cellar in 1929 and bankers began dropping out of hotel windows, hemlines on skirts fell too. The outlook then was really depressing.

Today the economy is unstable. So what's happened to skirts? Well, the girls just can't make up their minds--any more than the economy can. The plungers are wearing miniskirts. The more cautious women are keeping hemlines close to the knee. And some just don't know which way to go.

Today the Federal Government is Big Business. It may not be dictating the length of women's hemlines, but it certainly has a lot to say about the state of the economy. The government occupies a mighty big role in your life and mine.

The people who make women's skirts would like government to mind its own business. But for other businessmen, government is a big customer. So they cultivate Big Brother.

When Big Government regulates, business naturally complains. When Big Government talks, business listens. When Big Government orders, business obeys.

Is Big Government important to you members of the Chicago Better Business Bureau? You bet it is. Government does a lot that affects you, and Government does a lot to you.

Some businessmen look upon Washington as the source of all wisdom and power, the proper vehicle for solving most problems, the means of keeping the competition clean and of avoiding recessions.

Others are happy to pocket whatever profits Big Government channels their way but look upon Washington as their natural enemy.

Still others figure Big Government is too big but decide the best approach is to play the game, tune in at the tap and try to live with the monster.

(MORE)



Washington is many things to many people. But that the Government is BIG--of that there is no doubt.

How big is Big Brother? He has roughly 2,281,000 civil employees on his payroll--about 280,000 in Washington and the rest scattered throughout the country.

He dispenses nearly \$200 billion a year, and his monthly worldwide payroll comes to a whopping \$1.5 billion a month.

For businessmen, this giant bureaucracy often means a mountain of red tape and a steeper and steeper paperwork burden.

Let's be honest about it. Big Brother is a meddler. He calls this meddling protecting the public interest. Many Americans agree with him. Many others feel smothered and overwhelmed.

The tone and amount of federal meddling are pretty much determined by the man in the White House, currently Lyndon Johnson. I don't have to tell you how Lyndon Johnson operates with businessmen. Of course, it's only really big businessmen he does business with. In fact, this Administration has favored Big Business to the point that Republicans in Congress had to mount an all-out campaign to rescue the Small Business Administration from extinction.

I am sure there are Democrats and independents in this audience, as well as Republicans. Some people say the two major parties are pretty much the same. Let me point out a basic difference.

Liberal Democrats tend to look upon all businessmen as suspect. Businessmen are guided by the profit motive, therefore they are not concerned with the public good, the so-called liberal philosophy goes.

This, of course, is nonsense except as it applies to those few hard-nosed businessmen who are so benighted that they still embrace the robber baron philosophy of the past. Nearly every businessman today recognizes that the best public relations is to be very much concerned with community betterment, the welfare of John Q. Citizen, and the progress of the Nation. That kind of concern, he knows, is good business. It makes sense.

The liberal philosophy does not allow for the kind of enlightenment I have just described. The legislation piously labeled "Truth In Packaging" is a good example of that viewpoint.

Every packager and every merchandiser involved in the sale of grocery and drug items was a villain last year. It was only because Republicans held out for a common-sense compromise that the Packaging Bill as finally enacted provided for some self-policing by industry.

There are many differences between the two major political parties. Both

parties have lofty goals. Both are dedicated to promoting the well-being of the Nation. But there is a basic difference in approach.

The Democratic Party believes in Big Government and swinging a big stick. The Republican Party believes in Limited Government and the carrot, with the stick placed within reach only with the hope it won't be needed. The carrot is the better way.

The Fair Packaging and Labeling Act will become effective in five months. Now the President is saying of this legislation, "It reflects our strong belief that American producers can meet--and want to meet--the test of truth." But that wasn't the story from the White House last year when the Truth in Packaging Bill was under consideration in the Congress.

Refusal to use the carrot approach to progress is a big stumbling block to the forward movement of this country.

Take the President's recent message on air pollution, for example. It's full of the big stick, makes no use of the carrot.

What the President said in effect was that the states have failed to act on air control, so the federal government is going to crack the whip. You could see the mailed fist beneath the velvety language throughout the message.

Am I arguing that we should not attack air pollution? Not at all. I say the President didn't go far enough. By that I mean his approach is wrong. You have to attack air pollution at the source. What is the source? Primarily, its's industry.

There are two possible ways to handle the problem. Either you fashion a big stick and beat industry over the head with it. Or you offer industry an inducement to get it to do what we all know is in the public interest--clean up the air.

If you simply bludgeon industry into action, the tremendous cost of air pollution controls will have to be passed along to the consumer because forced pollution control will add greatly to the cost of doing business. Inequities and resistance are inevitable. Individual businesses understandably will not want to be the first to be saddled with these extra costs--will not want to be placed at a competitive disadvantage even for a short time.

The other approach--one taken by more than 20 Republican congressmen who have introduced identical bills--is to offer industry a 20 percent federal tax credit and fast tax writeoffs for investments in air pollution programs that meet state and federal requirements.

This same approach should be taken to escalate our war against water pollution.

We have lived with poisoned water and air too long. I believe our very existence is at stake. And the big stick alone won't save us.

Republicans preserved the principle of the tax credit for investments in air

and water pollution controls by insisting the 7 percent investment tax credit be continued for that purpose when it was dropped for industry generally as an anti-inflation move last year. Now we must expand it.

I firmly believe that with added tax credit incentives for industry and a fresh focus on air and water pollution dangers, we can develop an industry-government partnership that will work in this critical problem area. Willing cooperation from industry is the vital ingredient, and I have faith it will be forthcoming.

The Republican Party has faith in people, and the Republican Party has faith in our free enterprise economy.

That is why Republicans in Congress would employ a different strategy than the other party in fighting poverty. We would, for instance, place greater emphasis on ways in which private industry could beef up our fight against the forces of misery and want.

What we need is stimulus and desire.

What we need to remember is that the most effective job trainer in the world is American business and industry.

We must also recognize that there are today an estimated two million jobless Americans who are unemployed only because they lack necessary skills.

It's a most interesting and significant parallel that there are today some two million jobs going unfilled simply because we don't have the skilled people to fill them.

We know that retraining under government grant, training under the Manpower Development Training Act of 1962, has not been fully effective.

Where do we go from here? Is it more government training programs, an expanded Job Corps?

The answer is to invest in people through what Republicans call the Human Investment Act of 1967. More than 120 Republican members of the House and nearly 30 Republican members of the Senate recently introduced this legislation. We want to make it worthwhile for industry to greatly increase its on-the-job training. So we offer a tax credit amounting to 10 percent of allowable employee training expenses, with a maximum of \$25,000, plus 50 percent of the tax liability in excess of \$25,000.

This is the American way to lick poverty. This is the free enterprise way. It's also the most effective way. Let us never forget that large-scale on-the-job training programs and a single percentage point increase in the rate of our national economic growth can do more to erase human misery and want in America than all the government retraining and war on poverty programs rolled together.

This Administration clothes all of its public actions in the language of self-righteousness. It all adds up to a gigantic sales campaign, a big snow job. The miracle is that it hasn't worked.

(MORE)

Shakespeare, who had such a facility with words, said simply: "The truth will out." Abraham Lincoln declared that "The people are always nearer the truth than politicians suppose."

This is why few people are really fooled when the Administration preaches economy but goes right on spending money like a drunken sailor.

Admiral Hyman Rickover, who has a delightful sense of humor, puts it this way: "If the Russians were to announce plans to send a man to hell, there would be people from at least two government agencies on Capitol Hill the next day trying to get the funds to send an American there first."

What can you do about it...this Big Government that pervades all, this Big Brother who intrudes everywhere? I offer you what I call a positive approach to politics for businessmen.

You must assume responsibility for promoting good government in this country. To shirk that duty is to fail your Nation.

You men and women in business are important people. You are important not only in business but in politics.

If you are to have a hand in shaping legislation, you must participate in the legislative process--run for public office yourself or persuade other capable and attractive men and women to do so, communicate with others on issues and candidates, urge your employees to make contributions to the political party of their choice, discuss legislation and issues and their importance to the business community and to the economy, give your employees time off to vote on Election Day.

You can encourage women, especially your own wives, to become active in politics. This suggestion of course has nothing to do with the length of hemlines or the state of the economy. But, boy, what a power for good women can be when they want to. As Lincoln so beautifully expressed it, "Woman is man's best present from his Maker."

Labor has made itself a force in American politics by engaging in political action. You can become a force for good government and a sound society.

Our form of government, as molded by the framers of the federal constitution, is a most precious gift. You and I must do everything within our power to preserve it.

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ADDRESS BY REP. GERALD R. FORD, R-MICH.

BEFORE THE BETTER BUSINESS BUREAU OF METROPOLITAN CHICAGO

I am very happy to be here with you, and to demonstrate my pleasure I am going to let you in on a new economic theory advanced by a newspaperman friend of mine.

Over a long period of time going back nearly to the turn of the century, this newspaper reporter has studied the length of women's skirts. By close and unceasing observation, he has come to an unshakeable and unswerving conclusion.

That conclusion is that the hemline of women's skirts rises in good times--as they say, things are looking up--and the hemline falls in bad times.

He says he has charts to prove his point. In 1927, for instance, we had real good times. That was the year that girls who blush easily were afraid to sit down.

Of course, when the stock market dropped into the cellar in 1929 and bankers began dropping out of hotel windows, hemlines on skirts fell too. The outlook then was really depressing.

Today the economy is unstable. So what's happened to skirts? Well, the girls just can't make up their minds--any more than the economy can. The plungers are wearing miniskirts. The more cautious women are keeping hemlines close to the knee. And some just don't know which way to go.

Today the Federal Government is Big Business. It may not be dictating the length of women's hemlines, but it certainly has a lot to say about the state of the economy. The government occupies a mighty big role in your life and mine.

The people who make women's skirts would like government to mind its own business. But for other businessmen, government is a big customer. So they cultivate Big Brother.

When Big Government regulates, business naturally complains. When Big Government talks, business listens. When Big Government orders, business obeys.

Is Big Government important to you members of the Chicago Better Business Bureau? You bet it is. Government does a lot that affects you, and Government does a lot to you.

Some businessmen look upon Washington as the source of all wisdom and power, the proper vehicle for solving most problems, the means of keeping the competition clean and of avoiding recessions.

Others are happy to pocket whatever profits Big Government channels their way but look upon Washington as their natural enemy.

Still others figure Big Government is too big but decide the best approach is to play the game, tune in at the tap and try to live with the monster.

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Washington is many things to many people. But that the Government is BIG--of that there is no doubt.

How big is Big Brother? He has roughly 2,281,000 civil employees on his payroll--about 280,000 in Washington and the rest scattered throughout the country.

He dispenses nearly \$200 billion a year, and his monthly worldwide payroll comes to a whopping \$1.5 billion a month.

For businessmen, this giant bureaucracy often means a mountain of red tape and a steeper and steeper paperwork burden.

Let's be honest about it. Big Brother is a meddler. He calls this meddling protecting the public interest. Many Americans agree with him. Many others feel smothered and overwhelmed.

The tone and amount of federal meddling are pretty much determined by the man in the White House, currently Lyndon Johnson. I don't have to tell you how Lyndon Johnson operates with businessmen. Of course, it's only really big businessmen he does business with. In fact, this Administration has favored Big Business to the point that Republicans in Congress had to mount an all-out campaign to rescue the Small Business Administration from extinction.

I am sure there are Democrats and independents in this audience, as well as Republicans. Some people say the two major parties are pretty much the same. Let me point out a basic difference.

Liberal Democrats tend to look upon all businessmen as suspect. Businessmen are guided by the profit motive, therefore they are not concerned with the public good, the so-called liberal philosophy goes.

This, of course, is nonsense except as it applies to those few hard-nosed businessmen who are so benighted that they still embrace the robber baron philosophy of the past. Nearly every businessman today recognizes that the best public relations is to be very much concerned with community betterment, the welfare of John Q. Citizen, and the progress of the Nation. That kind of concern, he knows, is good business. It makes sense.

The liberal philosophy does not allow for the kind of enlightenment I have just described. The legislation piously labeled "Truth In Packaging" is a good example of that viewpoint.

Every packager and every merchandiser involved in the sale of grocery and drug items was a villain last year. It was only because Republicans held out for a common-sense compromise that the Packaging Bill as finally enacted provided for some self-policing by industry.

There are many differences between the two major political parties. Both

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parties have lofty goals. Both are dedicated to promoting the well-being of the Nation. But there is a basic difference in approach.

The Democratic Party believes in Big Government and swinging a big stick. The Republican Party believes in Limited Government and the carrot, with the stick placed within reach only with the hope it won't be needed. The carrot is the better way.

The Fair Packaging and Labeling Act will become effective in five months. Now the President is saying of this legislation, "It reflects our strong belief that American producers can meet--and want to meet--the test of truth." But that wasn't the story from the White House last year when the Truth in Packaging Bill was under consideration in the Congress.

Refusal to use the carrot approach to progress is a big stumbling block to the forward movement of this country.

Take the President's recent message on air pollution, for example. It's full of the big stick, makes no use of the carrot.

What the President said in effect was that the states have failed to act on air control, so the federal government is going to crack the whip. You could see the mailed fist beneath the velvety language throughout the message.

Am I arguing that we should not attack air pollution? Not at all. I say the President didn't go far enough. By that I mean his approach is wrong. You have to attack air pollution at the source. ~~What is the source? Primarily, it's industry.~~

There are two possible ways to handle the problem. Either you fashion a big stick and beat industry over the head with it. Or you offer industry an inducement to get it to do what we all know is in the public interest--clean up the air.

If you simply bludgeon industry into action, the tremendous cost of air pollution controls will have to be passed along to the consumer because forced pollution control will add greatly to the cost of doing business. Inequities and resistance are inevitable. Individual businesses understandably will not want to be the first to be saddled with these extra costs--will not want to be placed at a competitive disadvantage even for a short time.

The other approach--one taken by more than 20 Republican congressmen who have introduced identical bills--is to offer industry a 20 percent federal tax credit and fast tax writeoffs for investments in air pollution programs that meet state and federal requirements.

This same approach should be taken to escalate our war against water pollution.

We have lived with poisoned water and air too long. I believe our very existence is at stake. And the big stick alone won't save us.

Republicans preserved the principle of the tax credit for investments in air

and water pollution controls by insisting the 7 percent investment tax credit be continued for that purpose when it was dropped for industry generally as an anti-inflation move last year. Now we must expand it.

I firmly believe that with added tax credit incentives for industry and a fresh focus on air and water pollution dangers, we can develop an industry-government partnership that will work in this critical problem area. Willing cooperation from industry is the vital ingredient, and I have faith it will be forthcoming.

The Republican Party has faith in people, and the Republican Party has faith in our free enterprise economy.

That is why Republicans in Congress would employ a different strategy than the other party in fighting poverty. We would, for instance, place greater emphasis on ways in which private industry could beef up our fight against the forces of misery and want.

What we need is stimulus and desire.

What we need to remember is that the most effective job trainer in the world is American business and industry.

We must also recognize that there are today an estimated two million jobless Americans who are unemployed only because they lack necessary skills.

It's a most interesting and significant parallel that there are today some two million jobs going unfilled simply because we don't have the skilled people to fill them.

We know that retraining under government grant, training under the Manpower Development Training Act of 1962, has not been fully effective.

Where do we go from here? Is it more government training programs, an expanded Job Corps?

The answer is to invest in people through what Republicans call the Human Investment Act of 1967. More than 120 Republican members of the House and nearly 30 Republican members of the Senate recently introduced this legislation. We want to make it worthwhile for industry to greatly increase its on-the-job training. So we offer a tax credit amounting to 10 percent of allowable employee training expenses, with a maximum of \$25,000, plus 50 percent of the tax liability in excess of \$25,000.

This is the American way to lick poverty. This is the free enterprise way. It's also the most effective way. Let us never forget that large-scale on-the-job training programs and a single percentage point increase in the rate of our national economic growth can do more to erase human misery and want in America than all the government retraining and war on poverty programs rolled together.

This Administration clothes all of its public actions in the language of self-righteousness. It all adds up to a gigantic sales campaign, a big snow job. The miracle is that it hasn't worked.

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Shakespeare, who had such a facility with words, said simply: "The truth will out." Abraham Lincoln declared that "The people are always nearer the truth than politicians suppose."

This is why few people are really fooled when the Administration preaches economy but goes right on spending money like a drunken sailor.

Admiral Hyman Rickover, who has a delightful sense of humor, puts it this way: "If the Russians were to announce plans to send a man to hell, there would be people from at least two government agencies on Capitol Hill the next day trying to get the funds to send an American there first."

What can you do about it...this Big Government that pervades all, this Big Brother who intrudes everywhere? I offer you what I call a positive approach to politics for businessmen.

You must assume responsibility for promoting good government in this country. To shirk that duty is to fail your Nation.

You men and women in business are important people. You are important not only in business but in politics.

If you are to have a hand in shaping legislation, you must participate in the legislative process--run for public office yourself or persuade other capable and attractive men and women to do so, communicate with others on issues and candidates, urge your employees to make contributions to the political party of their choice, discuss legislation and issues and their importance to the business community and to the economy, give your employees time off to vote on Election Day.

You can encourage women, especially your own wives, to become active in politics. This suggestion of course has nothing to do with the length of hemlines or the state of the economy. But, boy, what a power for good women can be when they want to. As Lincoln so beautifully expressed it, "Woman is man's best present from his Maker."

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