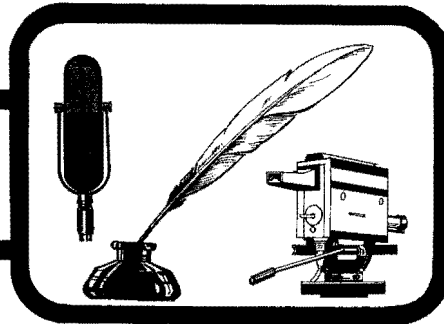


The original documents are located in Box D24, folder “Howard County Lincoln Day Dinner, Frederick, MD, April 23, 1968” of the Ford Congressional Papers: Press Secretary and Speech File at the Gerald R. Ford Presidential Library.

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CONGRESSMAN
GERALD R. FORD
HOUSE REPUBLICAN LEADER

**NEWS
RELEASE**

--FOR RELEASE AT 6:30 P.M. TUESDAY--
April 23, 1968

Excerpts from a Howard County, Md., Lincoln Day Dinner Speech by Rep. Gerald R. Ford, R-Mich., at Frederick, Md.

A recession and rising unemployment await America unless President Johnson and the Democratic-controlled Congress meet the financial crisis which now plagues us.

Determined belt-tightening is the only answer for the inflation which the Johnson-Humphrey Administration and free-spending Democrats have fed so recklessly and irresponsibly.

The adjustment will be difficult--whether it takes the form of deep spending cuts or a package of lesser cuts and an income tax increase.

But the alternative--devaluation of the dollar, a breakdown of the international monetary system and a paralysis of world trade--would be far worse.

Abraham Lincoln once remarked that "it is an old maxim and a very sound one that he that dances should always pay the fiddler."

Lincoln was saying that fiscal foolishness cannot go unpunished. Unfortunately, while it is the Johnson-Humphrey Administration and the Democratic majority in the Congress who have been fiscally foolish, it is the people who have paid and will continue to pay. This is sad.

It is President Johnson and the Democratic majority in the Congress who have overcommitted and overspent this country both at home and abroad. It is incumbent upon them, therefore, to grasp the nettle and take whatever steps are necessary to clean up the fiscal mess. It is a mess of their making, and nobody else's.

Let none delude himself. We talk of putting our fiscal house in order, and indeed we must. But deep spending cuts and an income tax increase are not going to make all of our problems disappear overnight. For a time this will create new problems. Going on a diet can be just as painful as over-eating. But going through a difficult period of readjustment is far better than letting the inflationary bubble keep swelling until it finally bursts.

Republicans have sought to hold down federal spending ever since the American economy started running an inflation fever early in 1966. The huge Democratic majority in the 89th Congress refused to forego excessive spending. President Johnson ignored our demands until last year when a bipartisan economy

(more)

bloc forced him to make some cutbacks.

The President didn't want an income tax increase in 1966 when it would have done the most good. He wants one now but the Democratic majority won't give it to him.

There will be deep spending reductions, I predict. There will be no tax increase unless the President publicly consents to spending cuts totalling perhaps \$6 billion and personally works to round up Democratic votes for a tax boost.

The Federal Reserve Board felt that the economy couldn't wait, so they raised the wholesale price of money.

This latest increase in interest rates threatens a replay of the 1966 "Credit Crunch"--something we could all do without.

The Federal Reserve Board is saying this: Inflation is now so great a danger in this country that it threatens all Americans with financial disaster. Since the President and the Democratic-controlled Congress have not acted to halt inflation, the Federal Reserve Board must use the biggest anti-inflation weapon it has---tightening up the Nation's money supply.

What is the best answer to the fiscal situation which confronts us? It is not merely to cut spending across the board. The sound answer is to reorder our priorities and ultimately bring federal spending into line with income.

We face still another crisis which has eclipsed even Vietnam in immediate importance.

This is the crisis of disorder in our cities--the desperate need to rebuild, to wipe out shameful slum conditions, to help every one of our citizens attain dignity, and to create an atmosphere of good will in this Nation which will promote domestic tranquillity.

Can we reduce spending, reorder our priorities and still embark upon a program of rebuilding and reconciliation? More than 70 House Republicans have joined in formulating a list of 23 areas in the fiscal 1969 budget where deferrals totalling \$6.6 billion can be effected. At the same time, they propose rechanneling \$2.5 billion of this amount into "human renewal" spending, with the emphasis on jobs, education and economic development. Republicans also urge an immediate program of tax credits to get industry to offer on-the-job training and good jobs to the hard-core unemployed and the underemployed. We offer a new approach, too, to better housing for low-income families through our National Foundation for Home Ownership.

This is what America needs today--action, not promises; performance, not idle talk. This is what the Republican Party, the party of Lincoln, offers the American people.

*Distribution: Full 12:30 p.m. 4/23/68
70 Copies Mr. Ford*

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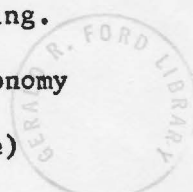
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