I have read in the Wall Street Journal of how happy many members of the business community are with the Johnson Administration. I've read the pictures of popularity polls. I've heard the commentators. I've seen the happy diners, lunckers, brunchers, swimmers, and chatters leaving the White by House engulfed madem Lyndon's famous hug.

I gather from all of this that at least a certain segment of the population has concluded that we don't really need two parties any more. Lyndon is enough. He offers all things to all men--and you can't do better than that if you are looking for bargains, can you?

It also reminds me of a comic strip manual Pogo. One of the strips showed a farmany Pogo creature exclaiming that "we has found the enemy--and he is us!" Maybe that's the explanation. The business community really likes the idea of growing government control, so long as the hand on the switch belongs to man who tells your kind of jokes--at least, to you.

Well, I am a businessman. I am a conservative. And I am a politician.

And I am coming to the conclusion that the enemy really is us.

It's the ease wh with which a few kind words can obscure the basic realities of the political choice we have to make in this country.

It's the low price we place on principles and the hard value we accord promises.

It's the fantastic apathy that can make sensible men and women really communicate buy a sit-tight slogan that just adds up to "don't rock the boat." Fortunately for the future good health of this nation, I do not think that these are lasting symptoms of a permanent sickness. I think they are then hangover feelings of from the sincere good wishes that every one of us this new Administration when it took office under such tragic circumstances.

But

I think that this Administration is trying to jam all Americans under surround the roof of a political structure that will turn out to be nothing but a house of cards--and a house built with a stacked deck, at that.

The real Johnson will when the surely be exposed when that house of cards tumbles. And then, maybe, a lot of Americans will want to take a second look, a look beyond the smile and the affable handshakes; a look beyond the promises and the shotgun wedding of conservative talk and radical action.

Then the roots of the man and the program will, judged--not just the flowery growths on top. Then we will see the programs for what they are--warmed over versions of the old, repudiated depression medicine of the New Deal. Then we will see the man for what he is--a good, free-wheeling, fast-dealing politician who never forgot that his teacher's greatest lesson was to spend and spend and elect and elect.

Let me, as a preview, introduce you to the real philosophy of this Administration, as opposed to the par neon and tinsel trappings of its speeches. Will Will We real Lyndon Johnson please Tandup)

On January 15, President Johnson spoke to a group in the White House.

His press office released a transcript of his remarks. Here is

the one that may interest you:

"We are going to take all of the money that we think is unnecessarily being spent and take it from the 'haves' and give it to the 'have nots' that need it so much."

Now I didn't make that up. Lyndon Johnson believes it. He said it.

Is that the concept of a man who believes in the same things you

believe in? Is that a concept that is friendly to a system that has
rewarded all of us, top to bottom, more than any other ever has

rewarded any other people on earth?

This nation and its enterprise system is geared to enlarging wealth participate.

so that all may make in ever greater portion, according to their And ALSO ability, energy, and enterprise. It has proven its ability, to care for those who cannot share through their own efforts.

But the Johnson philosophy is something when altogether different.

It is the the oldest deal in politics -- spread the poverty: shamemake weakthy share the wealthy rob peter, pay pauly plunder the energetic and buy the others.

Every voter in this nation has to work out an answer for himself to the terms of this sort of political claptrap. They have to make decide how much their vote is worth, or how much they will sell it for.

There is a buyer for every that is for sale. And the buyer is the Federal supermarket that this Administration is trying to set up.

Some business leaders have set their price already. It's just a smile. I say the price is too low and I say they'll realize it before it's too late.

The price must be quite different. It must be honesty and real understanding.

And the price for a honest vote will continue to be a honest Administration. If it ever changes, we really will have reached the

tive when two parties are <u>not</u> necessary. Other countries have reached that point. And so could we.

But what of the frugal For tone of this Administration? What of an Administration that turns out the lights to cut down the bills? That puts a few limousines in the garage the save on gas? That claims to be cutting and chopping away at the budget?

What about it? Have you looked at the budget? Does the idea of going five billion more dollars into debt, at a time when we should be paying off debts, instead of crediting new ones--does that strike you as the sort of Administration that is truly frugal?

And how would you feel in business someone handed you a budget that claimed to be a sharp drop over last year's but which windminest things accomplished the cut by mis-estimating the previous budget wromand and by shoving new programs into it instead of including them in the new budget?

You'd yell for the sheriff!

But look at this Administration's budget.

It calls for 103.8 billion dollars in new obligational authority.

It says that last year's budget called for 102.5 billion. So there's really not much of an increase is there? But what of the facts?

The current budget, as actually enacted, includes only 98.3 billions in new obligational authority. The Johnson budget is higher by five-and-a-half billion dollars:

Spending the same sort of bookkeeping trickery. The Johnson budget estimates current spending at 98.4 billion dollars. It asks for only 97.9. Now there's a saving it shouts and boasts!

But the spending as actually enacted by Congress in this budget actually only comes to 97.3 billion dollars. Again, the Johnson budget is higher, not lower.

And then there is the juggling with supplemental appear requests to the current budget. Supplementals proposed for new obligational authority in the fiscal '64 budget amount to 4.2 billion dollars.

Where Expenditure supplementals come to 1.8 billion dollars.

Part of the money, of course, is to finance programs created or expanded by legislation late in in the 1963 calendar year—but the larger part of the larger amount, the new obligational authority, is for newly proposes programs or proposed expansions of existing programs.

That money should show up in the new budget, not be brushed under someone else's rug! But it is typical of this Administration that that is precisely what rugs are and for. Their rugs are even big enough to hide stereo sets!

If a man in private business rigged his budget figures the way

President Johnson has rigged his, the stockholders probably would take him

to court. Every voter is a stockholder in America. In November they will

have a chance to take President Johnson before their own court, the ballot

box.

He should stand accused, when that happens, of trying to buy votes by the most deceptive budget of our time.

It is called a conservative budget. It is not. It reflects the spend and spend, elect and elect programs of the New Deal. It revives virtually every program of the New Frontier that had been rejected by Congress in previous budgets.

The man who proposed the budget is no conservative. And this is perhaps the most important message you can carry from Washington to your homes. Those who see conservatism in President Johnson see a pitchman's image of conservatism, but no real conservatism. They should heed instead what the man himself says, not what his image makers claim.

Listen, for instance, to what the syndicated columnist Donald Rogers reports President Johnson as saying to a meeting here in Washington earlier this month: "We are going to take all the money that we think is unnecessarily being spent and take it from the haves and give it to the have-nots that need it so much."

There's the real LBJ! Not a Texas Ranger but just a highwayman of the bureaucratic spoils system. Not a conservative, not a builder, but a taker.

The Johnson budget is called an economizing budget. It is not. It is a spender's contraption of mirrors, tinsel, and neon. Its savings are written in invisible ink. Its truths are written in red ink.

Several billion dollars of claimed savings in this new budget are to be achieved by nothing more or less than fiscal sleight-of-hand. Money that should be included in this new budget, money that would show it up for the spendthrift budget it really is, this money is hidden away in requests for supplemental spending authorization in this current budget.

One item alone adds up to \$1.4 billion hidden in that way--in itself more than enough to give the lie to any claims that this budget represents a real cut as compared to the current one.

How is it done? Well, in this case, \$1.4 billion for the urban renewal fund, to finance operations in 1965 and 1966, is being proposed as a supplemental spending authorization within the <u>current</u> budget. This permits the Johnson budget to pretend that it is asking <u>no</u> new spending authority in this area for fiscal 1965. Mathematically this shows up as a reduction of \$1.4 billion in new obligational authority for 1965!

What it really shows up is the trickery of this first budget of the new leader of the old dealers. There are other examples aplenty and I have every confidence that responsible members of Congress will be calling them to your attention. I certainly intend to.

21

Because of the refusal of Congress to rush through appropriations bills, and because the Congress reduced the Kennedy requests in such areas as foreign aid, the actual spending for 1964 will be somewhere around \$95 billion. This means that President Johnson, with estimates of \$97.9 billion, is talking about several billion dollars more spending next year than this year. His statement that spending will be less, simply does not square with the facts.

When it comes to new obligational authority, the Congress cut it down to about \$101 billion from the \$107.9 billion Kennedy requested. This also means that President Johnson's request of \$103.8 billion is several billion more than was actually allowed by Congress for this year.

The trick is that President Johnson is using the requested and estimated figures of the Kennedy budget rather than the figures actually authorized by Congress.

This Congress is truly economy minded. This Administration is not.

In reaching for Federal solutions to every problem of jobs and living standards, President Johnson is slighting and even overlooking the best answer of all-the free enterprise system.

If you look at the programs advanced in the State of the Union Message, you discover that every one of them is a hangover either from the New Deal or the New Frontier. I think that what we really have is the Fast Deal and the Old Frontier. There aren't any new ideas there at all--just new Federal controls.

I am particularly disturbed by the tone of the message. President Johnson really doesn't <u>ask</u> the Congress to enact his program. He tells them they <u>must</u>. He tells them that they shouldn't even argue about it. Apparently, living in the White House has made Mr. Johnson forget what it was like to live in the Congress. Our Congressmen aren't sent to Washington to rubberstamp every proposal a President makes. They are sent there to represent the people. And when it comes to holding

down spending they've been doing a far better job than either Mr. Johnson or his predecessor.

In all of the neon-light glare of economy talk we shouldn't be blind to the fact that the spending programs proposed by the President would commit this nation to uncounted billions of dollars in future debts. You can't judge these programs on the basis of what they cost to get started. You've got to figure the long-range cost. For instance, the cost of starting just eleven of the Kennedy Administration's new programs in 1964 would have been 2.6 billion dollars. But the very conservative estimate for the five-year cost is more than 17 billion dollars. Congress only let of those programs get through—but every one it rejected is back again in the State of the Union Message.

If we are ever going to get real control over our Federal spending and not just let it soak up all of our resources, we are going to have to exercise restraint before the spending is permitted to begin. Once it starts it is almost impossible to stop. Just trimming a little here and there and then calling it economizing is political sleight of hand, not real fiscal responsibility. Fiscal responsibility means taking a long hard look at this spending before we commit ourselves to it. As it is, the White House is looking into its crystal ball, deciding what the American people should have, and then tossing the bill to Congress to be paid for out of your pockets for the rest of your lives.

I was also sorry to see that Mr. Johnson felt he had to resurrect the hate theme in referring to President Kennedy's assassination. To simply say it was an act of hate is an attempt to obscure the real issue. The assassin was a product of the sort of hate taught by Communists, not by Americans. I would like to have seen that emphasized. Instead, you can read the State of the Union Message over and over and you don't get any strong impression that Communism is our real enemy, and that the sort of Communist hatred J. Edgar Hoover has been warning us about for so many years was the real culprit in the assassination.

Where is the money coming from for all of these new spending programs? The emphasis sesms to be on getting it by cutting down on our defense funds. I don't think that the American people really want to gamble with their security in order to carry out social experiments. It's one thing to talk about trimming the fat out of our defense budget. We all want to do that. But it's another thing to say, as the State of the Union Message does, that we are deliberately going to cut down on military strength because the Communists might regard it as provocative if we are too strong. The only way we have ever halted Communist aggression is by letting them know we are strong enough to handle them come what may. I don't think that our great military strength should be trimmed just to make Khrushchev and Mao Tse-Tung feel better. Our strength doesn't provoke Communist aggression. It's the only way to deter it.