

20 Statement Urging the Congress To Enact a Ceiling on Government Spending. *January 24, 1972*

THE BUDGET I send to the Congress requires spending more than we will collect in taxes.

It will be a job-creating budget and a noninflationary budget only if spending is limited to the amount the tax system would produce if the economy were operating at full employment.

Those who increase spending beyond that amount will be responsible for causing more inflation.

It is vital that the Executive and the Congress act together to stop raids on the Treasury which would trigger another inflationary spiral.

In submitting this budget I am there-

fore urging the Congress, before it considers any appropriations bills, to enact a rigid ceiling on outlays that will prevent the Government spending more than the \$246 billion requested in this budget. That ceiling on expenditures should apply equally to the Congress and to the executive branch.

We urgently need an absolute limit on Government spending. Only thus can we end inflation, stabilize the economy, and provide employment and real prosperity for all.

NOTE: On the same day, the White House released the transcript of a news briefing by George P. Shultz, Director, Office of Management and Budget, on the President's statement.