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THE WHITE HOUSE

REMARKS OF THE PRESIDENT
AND QUESTION AND ANSWER SESSION
AT THE
SOCIETY OF PROFESSIONAL JOURNALISTS,
SIGMA DELTA CHI

DEL WEBB TOWNE HOUSE

6:04 P.M. MST

THE PRESIDENT: President Otwell, Gene Pulliam, Governor Williams, Senator Fannin, distinguished guests, ladies and gentlemen:

It is a great privilege and pleasure to participate in another meeting of this wonderful organization of professional journalists. I have had several, and I have enjoyed every one, and I am looking forward to this one.

I understand the hour for this occasion was fixed for our meeting not by my Press Secretary, not by the networks, but rather in order to ensure the attendance of all of the late strays from the Lazy R and G Ranch party which Gene Pulliam put on last night. (Laughter) Gene is not only a great host, but a great publisher, and I am sure I will neither be the first nor the last speaker at this convention to salute him as one of the founders of Sigma Delta Chi, the Society of Professional Journalists.

Between Bob Hartmann and Bill Roberts of my own Presidential staff and half of your Washington professional chapter in the White House press room, I am hardly out of sight of one of your members at any time, and I must say I enjoy their company, and I admire their professionalism -- most of the time, anyway. (Laughter)

In doing my homework for this visit, I was browsing through your magazine, the Quill, and I read as follows: "National SPJ-SDX President Ralph Otwell is asking local chapters to contact their Congressmen to urge them to override President Ford's veto of a bill to strengthen the Freedom of Information Act.

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Otwell criticized Ford's actions, saying -- and I quote -- "For a President who is publicly committed to a more open and honest Administration to oppose significant reforms in Freedom of Information legislation is both startling and disappointing. President Ford's veto **suggests** his Administration is pursuing a discredited policy of cover-up as usual."

First, I want to assure your fine President, Ralph Otwell, that I have not come here today or tonight to argue, but to enlighten and, in fact, I may be the first President, probably the first President in history, to come all the way to Phoenix just to hold a press conference. And when I get here, I find out that Dan Rather is going to get the last word anyhow. (Laughter)

Before we go to questions, I would like to make two brief observations, if I might, both of which bear on the business of the Congress, which will be returning to Washington next Monday.

First, about my veto of the Freedom of Information Act amendment. I think, incidentally, that the veto is a constitutional power given to the President in order to require Congress to take a hard, second look at legislation which the President, who is obliged to faithfully execute the law, considers to be unwise or unworkable in whole or in part.

I really don't think my veto suggests a discredited policy of cover-up as usual. Uncovering cover-ups has to be done without the help of any law but by tough reporters and tough editors.

However, before you write all your Congressmen to override my veto, I would like to tell you my side of the story. I do support the Freedom of Information Act, and most of the reforms contained in the current amendments.

There are, however, three amendments that bother me both on principle and practicality, and these were the basis of my veto. I have written the leaders of both the House and Senate to express my hope that when Congress returns, instead of trying to override the veto, they will make three small, but very significant, changes in these three sections and send me another bill which I can and will sign.

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My first objection is to that section that would allow any Federal judge to examine privately or in camera the classified records of any Government agency, including our most sensitive national security and diplomatic secrets, and remove the agency's classification if he found the plaintiff's position to be reasonable.

In other words, no credibility was given to the Government's initial decision. I think that is wrong. As a matter of fact, this change in the proposed law would overturn a 1973 Supreme Court ruling which limited judicial review to the determination of whether or not in the initial classification there was in fact a classification according to law.

With all due respect, I do not believe many Federal judges are experts in the complex weighing of defense and intelligence needs for security or secrecy. I also think that the transfer of this judgment from the Executive to the Judicial Branch of Government may be unconstitutional.

My proposed modification, which I think is reasonable, would accept judicial review, but require judges to uphold the original classification if there is a reasonable basis to support it.

My second objection is far less dramatic. In my view, one section sets unrealistic time limits on the Government's response to a request for a specific document. I have proposed that a 30-day deadline in contested cases be increased to a total of 45 days with extra time for complex cases at the option of the court.

The third reason for the veto was an amendment granting public access to investigatory files such as the so-called raw data reports of the Federal Bureau of Investigation. For example, I am told there was actually pending before the Department of Justice a request for the entire files accumulated by the FBI in their investigation of the Communist Party.

If opening such files had been proposed in the so-called McCarthy era, you would all have denounced it as exposing innocent people to vicious rumor and unproven smears, and you would have been right.

On a practical level, it would have required a brand new bureaucracy and millions and millions of man hours of the FBI simply to review those files over a period of several decades to determine what now be safely made public without injuring innocent parties or compromising their sources of information.

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I have proposed a more flexible and realistic set of ground rules that would preserve what I consider to be the essential confidentiality of investigatory files of law enforcement agencies. I hope that professional journalists will take another look at this section of the freedom of information bill and see if you don't agree that this Pandora's Box should remain shut.

There is a second matter I will discuss briefly before this distinguished society, whose members I know have a strong sense of history in the making as well as an insatiable interest in good government, both of which I applaud. That is the vacancy in the office of the Vice President.

I supposed I can properly claim to be the world's champion or world's expert on the subject of filling the Vice Presidency under the Twenty-Fifth Amendment. When I suddenly found myself nominated for this position on October 12, 1973, I did some research on the debate in the House and the Senate on this important constitutional amendment which was proposed by the Congress in 1965 and ratified by the legislatures of 47 States in 1967. Frankly, I was curious as to what I might have said on the subject, particularly Section 2, which deals with vacancies in the office of the Vice President.

The fact is, I found I had not said anything in the debate except to vote "aye", and the main subject of the debate was the matter of dealing with Presidential successions in the event of a President's disability or inability to discharge the duties of his office.

The replacement of a Vice President was incidental to this, but it seems fair to infer that the Framers, like the Founding Fathers, considered that office to be essential to the conduct of the Federal Government, and the orderly succession of Executive power in any emergency.

It is implicit in the adoption of the Twenty-Fifth Amendment as part of the Constitution that a prolonged vacancy in the second office of the land is undesirable as public policy, and that such vacancies should be filled as promptly as careful consideration by the President and the Congress will permit.

In my case, despite one of the most exhaustive investigations ever undertaken of anybody not on the FBI's Ten Most Wanted List, the Congress moved expeditiously and confirmed me within eight weeks of my nomination, although I do have to admit it, it seemed a little longer than that eight weeks to me.

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When I suddenly found myself President on August 9, 1974, and the Nation again without a Vice President, I made it my first or highest priority, aside from the Cyprus crisis, which I walked into, to search out and to select the most capable and qualified person I could find for that high office.

I finished the task in 11 days and sent to the Senate and to the House the name of Nelson Rockefeller of New York. That was almost three months ago, and while I recognize the need of the Congress to take the month off for campaigning -- I did it 13 times myself -- I believe that the time has come for them to fish or cut bait in this matter.

I have been assured by Speaker Albert and by Senator Mansfield, the Majority Leader of the Senate, that they will make every effort to bring the nomination to a final floor vote before the 93rd Congress adjourns sine die probably in late December.

I am delighted to have their cooperation because I believe it is what the Constitution mandates and what the American people want from their Representatives. I am as convinced as ever that Governor Rockefeller is the right man for the job, and I am anxious to have him as a working partner in our Federal Government.

For the future, however, I will propose to the next Congress a re-examination of the Twenty-Fifth Amendment which has been tested twice in as many years to see if the provisions of Section 2 cannot be tightened up, either by constitutional amendment, or by public law.

There should be, in my judgment, a specific deadline for the President to nominate and for the Congress to confirm a Vice President. If this reasonable period passes without affirmative action, the Congress would then be required to promptly begin confirmation hearings on another nominee.

It has been suggested to me -- and I underline suggested -- that if, because of a partisan deadlock between the President and the Congress, the Congress fails to act within the deadline, the next constitutional successor, presently the Speaker of the House of Representatives, should be required to actually assume the Office of the [Vice] President. Although I am not prepared to advocate such a step, I must say there is really no way, despite secret briefings and all that, that anyone can even partially be prepared to take over the duties of the Presidency on a moment's notice without all the participation in the Executive process that a President can extend to his Vice President.

In this dangerous age, as the Twenty-Fifth Amendment attests, we need a Vice President at all times, and I speak as one who ought to know.

I will be glad to answer your questions.

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QUESTION: Michael Pakenham of the Philadelphia Enquirer.

Mr. President, on Tuesday the word "recession" made its debut in the official diagnostic language of your Administration. Could you tell us if you are of a mind now to press forward with any significant economic policies that are new, beyond and perhaps including wage and price controls?

THE PRESIDENT: At the time that we put together the 31-point program that I submitted to the Congress on October 8, 1974, which was a finely-tuned program to meet the challenges of a softening economy -- and there were definite signs at that time -- and on the other hand to tamp down inflation. We believed then, and I believe now, that the plan is sound, that it is constructive, that it will meet the two problems that we face.

And may I add most affirmatively, putting wage and price controls on in a period of recession would be just the absolute wrong approach to the solution of a weakening economy. I never heard of the proposal to use wage and price controls to stimulate an economy. The only time I have heard of wage and price controls being advocated was when we had inflation as our major problem.

I happen to think we have got two problems -- a weakening economy and an inflation that is too high. The proposals that I submitted, 31 in number, try to meet both and at the moment, I see no justification for any major revisions.

QUESTION: Mr. President, Gaylord Shaw, with AP.

You said just a few moments ago that in this dangerous age we need a Vice President at all times. My question is this: Would you withdraw Governor Rockefeller's nomination if it is not confirmed before Congress adjourns next month, or to put it another way, are there any conditions under which you would withdraw the nomination and submit another name.

THE PRESIDENT: There are no conditions that I can imagine or know of under which I would withdraw Governor Rockefeller's name. As I said in my prepared remarks, I think he is the most qualified person to be Vice President.

I intend to do all I can to see that he gets confirmed, and I hope that the Congress will respond constructively and act before adjournment sine die in 1974.

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QUESTION: Good evening, Mr. President. I am Bill Close from KOOL Radio and Television in Phoenix.

Congressman John Rhodes is seated over there, and my question concerns him. A move is underway in the House to challenge John Rhodes of Arizona as the Republican Minority Leader. In your opinion, is John Rhodes doing a satisfactory job, or would you rather see someone else in his place?

THE PRESIDENT: John Rhodes, in my judgment, is an outstanding Member of the House of Representatives. He has done a superb job, as the Republican leader in the House, since he took over when I became Vice President.

I see no reason whatsoever for any change in that position in the House of Representatives on the Republican side.

QUESTION: Hampden Smith, Washington and Lee University in Lexington, Virginia.

Another political question, if I may, sir. The Republican Party lost 45 seats in the House of Representatives, five in the Senate and six Governorships in last Tuesday's election, and further public opinion polls seems to indicate that the percentage of Americans who consider themselves Republican has been declining for quite a while, even before the Watergate reaction set in.

My question, sir, is how could you explain this seeming decline in the Republican Party?

THE PRESIDENT: You know, it was bad enough, but it is not quite as bad as the numbers you used. We didn't lose quite as many Republicans in either the House or the Senate. I concede it was not good from our point of view, but I would also like to add this:

As people have indicated, they are leaving the Republican Party, and you are accurate in that the polls show that. They have not gone to the Democrats, they have gone to the Independent category. The Democrats, as a matter of fact, have either lost a little or maintain only their former numerical position. So, the net result is that more and more people are becoming Independents rather than party affiliates.

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I can argue it both ways, but what it really shows, in my judgment, in this last election, is that the Republican Party was in the White House at the time where we had 10 or 11 percent inflation, where we had some softening of the economy, and where we had the heritage of Watergate.

Now, those are pretty tough problems to overcome in the political arena. Those are transitory. We are going to solve the inflation. We are going to strengthen the economy, and Watergate is ended. This Administration had no connection with it, so we are going to be strong come 1976.

QUESTION: Mr. President, Helen Thomas, United Press International.

Mr. President, do you plan to retire General Brown as Chairman of the Joint Chiefs of Staff, and I have a follow-up.

THE PRESIDENT: I have publicly disavowed the comments made by General Brown. I had General Brown to the Oval Office this morning at 7:15 before I took the plane and I indicated to him very directly my strong feeling concerning the statements that he made, and reaffirmed to him directly my disavowal of those comments that were recorded at Duke University Law School.

I think it ought to be said that General Brown has publicly apologized to those that might have been involved in the comments that he made. I have no intention of asking General Brown to resign. General Brown has been an excellent Air Force officer; he has been an excellent Chairman of the Joint Chiefs of Staff. He made a mistake; he has recognized it. He is going to continue as the Chairman of the Joint Chiefs of Staff.

QUESTION: Mr. President, do you think that the Defense Secretary was remiss or some of your White House aides, perhaps, in not informing you earlier of General Brown's remarks so that you could have been apprised?

THE PRESIDENT: Well, the truth is that I had about 12 to 15 hours advance notice. I could not have remedied the situation any better than we have tried if I had known a few hours earlier.

I just want to say very candidly I disapprove and disavow of what he said. I not only said that publicly, but to General Brown directly. It was a mistake, but he is a fine officer and he has done a good job, and I don't think he should be fired for that one mistake.

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QUESTION: Peggy Roberson, the Birmingham News, Birmingham, Alabama.

Mr. President, recently we have seen horrifying pictures of starving people in the world, and we have learned that energy and food are unbreakably linked. Are we prepared to use food as a weapon to force down energy prices so farmers can produce low-cost food to feed these people?

THE PRESIDENT: We are not going to use food as a weapon. We must recognize, however, that food is just as important to the world as oil, and that in order to get a better distribution of oil that is held in vast reserves by other nations and food that is produced by us to a greater extent than any other nation in the world, we must get together and cooperate to make sure that that which is available in both cases is spread throughout the world for the benefit of all people.

Dr. Kissinger, the Secretary of State, has put together the group of oil-consuming nations. We expect to work with the oil-producing nations. I believe that there can be an understanding achieved that will be to the mutual benefit of the producers in food and oil, and the consumers in both.

QUESTION: Jules Witcover of the Washington Post.

Mr. President, Secretary of Interior Morton told reporters yesterday he is still interested in the possibility of a new gasoline tax as a weapon to fight the energy crisis and inflation. Your Press Secretary on your behalf has repeatedly said that you are not considering it.

Can you clear up exactly what the Administration's position is on a new gas tax?

THE PRESIDENT: I certainly will, Julius. I don't know how many times I have to say that we are not considering an additional gasoline tax. I said it the first time, I think out in Sioux Falls, South Dakota, and I have repeated it many times thereafter.

I thought that others in the Executive Branch got the word, and I hope this word is conveyed to my good friend, the Secretary of the Interior. We are not considering an increase in the gasoline tax.

QUESTION: Norman Dohn, Ohio University. That is where Bill Hess is a football coach, not Woody Hays.

My question is in regard to foreign policy. Senator-elect John Glenn of Ohio and others have suggested that despite Dr. Kissinger's very fine track record, that perhaps a foreign policy is such a complex and delicate matter that the machinery of foreign policy ought to be spread out over a broader base. Do you have any plans to do this under your Administration?

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THE PRESIDENT: I have no such plans. I can't imagine someone who really is not an expert in the field of foreign policy giving advice to a man who has conducted foreign policy with great skill and great success. If you have got someone who is doing a good job, I don't understand why anyone in seriousness would advocate that he be taken off part of the job and turn it over to someone who might not do as good a job.

I respect the right of the Senator-elect to make the suggestion, but I don't think it makes very much sense.

QUESTION: Tom Jarriell with ABC, Mr. President.

I would like to follow up the answer you gave on the economy a moment ago. You said that wage-price controls would be the wrong approach to combat inflation. Some of your aides are saying inflation is the cause of recession. Should the recession continue and should you see a need to combat inflation in order to halt the recession, would you then reconsider the possibility of wage-price controls, or is this categorically ruled out?

THE PRESIDENT: I have no intention of requesting the Congress to enact mandatory or standby wage and price controls, and I have been told by the Democratic leaders that there is no prospect of the Democratic Congress enacting wage and price controls. There are no circumstances that I foresee today that would justify the heavy hand of wage and price controls in the present economic circumstances.

QUESTION: Have you any tax-raising proposals to replace the 5 percent surtax should that not be acted on by Congress?

Your Press Secretary has said, I believe, you would have an open mind on it. Have you any other proposals in mind?

THE PRESIDENT: No. I would hope that the Congress would take a serious look at this constructive proposal which would affect only 28 percent of the personal income taxpayers, with 72 percent of the income taxpayers not being affected at all. Even a person with a \$20,000 a year taxable income would only have to pay an additional \$42 or 12 cents a day. I think somebody making \$20,000 a year would be willing to make that kind of sacrifice if that would be helpful in whipping inflation and if that would be helpful in helping the people who are less fortunate who need some help during this transition phase from a recession to a healthier economy. It is a good proposal. I hope the Congress does take affirmative action.

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QUESTION: Mr. President, Bernie Wynn of the Arizona Republic.

In light of the GOP disasters at the polls, on Tuesday, would you rather have waited maybe until after November 5 to pardon Mr. Nixon, to have granted amnesty to draft dodgers?

THE PRESIDENT: Not at all. I think the timing in both instances was right. I could see no justification for another two months of delay in the action in pardoning President Nixon. I did it because I think we had very important business to get on with, both domestically and internationally in the United States, and it was obvious to me that with the prospective court action and all the controversy that would be stimulated by it, that it was wise for me to exercise the right of pardon when I did, and waiting two months would have made no difference.

In the case of earned amnesty for draft dodgers and draft evaders, I think the sooner we acted in that case the better, and I am glad to say that from where I had an opportunity to examine it, it has worked well. It has not given a free ride to individuals, and it has given those who wanted to earn their way back a second opportunity, and we have had quite a few who have applied.

I think in both instances I acted right, and in both instances the timing was correct.

QUESTION: Mr. President, Bob Johnson, WHAS, Louisville.

A number of critics say that the people in this country are going to have to adopt a far simpler lifestyle than they have shown their willingness to do voluntarily, something that goes beyond cleaning their plates, eating a great deal less, driving a great deal less.

Do you agree that this will be necessary, and if so, how is it going to be done? What type of leadership are you going to offer?

THE PRESIDENT: I think we may have to tighten our belts a little bit. I think buyers will have to be better Yankee traders, and salesmen will have to be more aggressive salesmen; in other words, we have got to restore some competition on the one hand, and people have to be wiser on the other, saving energy, hopefully, in a voluntary way.

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If not, we may have to impose some limitations or restrictions. But I don't see us having to retrogress. I don't see us having to go backwards, which in my judgment is so contrary to the philosophy of America. We have got a great country; we can make it grow and prosper. We just have to tighten our belts and get rid of the fat, and the excesses, and we will be a lot better off as a country and as individuals.

QUESTION: Mr. President, Norman Kempster of The Washington Star News.

You have spoken of the danger of the Nation being without a Vice President. On Sunday you are planning a trip to Japan where some violence is threatened. What do you expect to achieve on this trip to Japan that could make it worth the risk?

THE PRESIDENT: There are three very important countries that I am visiting, and I should preface that with a comment that a President has two major responsibilities, one in the field of domestic policy and the other in the field of foreign policy.

And where we have three extremely important countries, two where we have good relationships, treaties where we are allies--Japan and South Korea, where we want to strengthen that relationship; and the third, the Soviet Union, where we have been trying to achieve a detente, and broaden it -- where we are going to hopefully lay a broader foundation for SALT II.

When you add up the plusses, I think that there is convincing evidence that I, as President, should go to Japan, to expand our good relations with Japan; go to South Korea, a staunch and strong ally and to work out some differences, if any, and to broaden our relations there, and to go to the Soviet Union to hopefully make some progress in detente in the reduction of arms.

I think it is a very worthwhile trip.

QUESTION: Mr. President, if I may follow up, what is the urgency that would not permit waiting until Governor Rockefeller is confirmed?

THE PRESIDENT: Well, if I knew the Congress was going to act, there might be some justification for it, but I can't sit and twiddle my thumbs and not do something, which I think is important for the benefit of foreign policy of the United States.

We have to do things on an affirmative basis, which I think are necessary, and to sit and wait until Congress acts on this -- and I think they ought to act a lot more quickly than they have -- I think would be wrong.

Some things that we have to achieve here are vitally important, and I think the trip ought to go on, and as far as I am concerned, it is.

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QUESTION: Jennifer Schanno, College of Catherine in St. Paul, Minnesota.

Mr. President, there seems to be some argument as to what direction the Republican Party should go to avoid another landslide defeat. Some are saying it should go in a moderate direction; some in a more conservative.

In which direction do you feel it should go?

THE PRESIDENT: I think the Republican Party ought to continue to be a middle-of-the-road party, a party that has a strong, internationally-oriented foreign policy, a party that has a middle-of-the-road to conservative domestic policy -- certainly conservative in the field of fiscal affairs.

I think that is a good policy and I don't see why we should abandon a good policy just because we took a licking on November 5.

If you go back in the history, in 1946 when Mr. Truman was President, the Democrats took a worse beating, and the 80th Congress came in with more Republicans in the House and Senate by a substantial number. Mr. Truman and the Democrats didn't abandon their policies. They went out and fought for them. They went out and made an effort to sell them. And Mr. Truman and the Democrats were successful in November of 1948.

I think that is what we ought to do as Republicans in 1976.

QUESTION: Mr. President, Lester Coggins of AP.

Why do the Democrats seem to have better luck in electing Democratic Congresses than Republicans do? Why can't the Republicans have won?

THE PRESIDENT: Well, I am glad you pointed out that the Democrats have controlled the Congress -- the House and the Senate -- 38 out of the last 42 years. So all of the evils that you have had, you can blame on them, not on us.

QUESTION: Mr. President, Forrest Boyd, Mutual Broadcasting.

I would like to take that just one step further. As Senator Dole suggested that you shed your Boy Scout image and get tough with Congress, and if necessary, go over their heads to the people, what will be your tactics?

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THE PRESIDENT: Well, let me preface the answer to the one part of your question that I was a Boy Scout. I am proud of that experience. I have no apologies for it.

I think they have done a great deal of good for lots of young people and I am not going to back off from the five or six years that I enjoyed being a Boy Scout and doing the things that I think are good for America.

Now, to answer your other question. I wish there would be a lot more Boy Scouts.

Now I am going to try to work with the Congress. It is a Democratic Congress, better than two-to-one in the House, and I think about 62 percent in the Senate. I think we ought to try and work together. They do have some sort of a mandate. They have an obligation, they have a responsibility, but they also have an accountability.

I want to work with them. I hope we can. But if we find that they are going to try and override, dominate with policies that I think are wrong, I will have to disagree with them.

But I am going to start out with the assumption that they are as interested as I am in what is good policy, both at home and abroad, and hopefully that will continue. So let's wait and see.

QUESTION: My name is Tim Rife. I am from the University of Nebraska at Omaha.

Mr. President, does your willingness here to show up here to a Sigma Delta Chi convention reflect a new attitude in your Administration towards the press?

THE PRESIDENT: I don't think coming here is a reflection of any new attitude toward the press on my part. I think most of the press from Washington would agree that I have always been open and candid with the members of the press. The fact that I became Vice President or President I don't think has changed me. I acted in the past as I am acting now. We don't agree on some things, but I have always felt that I should treat them as I would want to be treated, and vice versa, and I think that is a good relationship.

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QUESTION: Mr. President, I am Russ Ward of NBC News.

There has been some recent talk in the Middle East about a possible reimposition of the Arab oil embargo. Do you have contingency plans for dealing with such a move, and might those plans include a possible change in our relationships over there, either with Israel or the PLO?

THE PRESIDENT: Our plans are aimed at trying to get the Israelis to negotiate a settlement or additional settlements with the Egyptians and the other Arab nations. Those are the plans we have which are affirmative and plans that I think if we continue constructively, can bring about some success.

Until we have failed and, I don't think we will, in trying to get the parties to work together, I don't think it is appropriate to discuss what we will do if we don't achieve success.

QUESTION: Are you suggesting, Mr. President, that Israel should deal directly with the PLO? It has been the Israeli objection all along against recognizing the PLO as a bonafide political organization.

THE PRESIDENT: I didn't say that. I did say that the Israelis should negotiate with the Egyptians and other Arab parties. The Israelis have said they will never negotiate with the PLO. We are not a party to any negotiations. I think we have to let the decision as to who will negotiate to be the responsibility of the parties involved.

QUESTION: Gene McLain, KTAR Television and Radio, Phoenix.

Mr. President, you are approaching your first 100 days in office. How do you size up your pluses and minuses, your major disappointments and successes?

THE PRESIDENT: I think the best things we have done -- number one, nominating Nelson Rockefeller; number two, the conducting of the economic summit meetings, I think 12 all over the country, with two in Washington and the formulation of a good, sound economic plan that meets the problems of a weakening economy and inflation.

I believe that we have laid additional ground-work for success in the Middle East. We have redirected some of our policies in the subcontinent areas. We have, in addition, enhanced the possibility of Strategic Arms Limitation agreement number two, which I think will be enhanced by the meeting I am going to have in Vladivostok in about 12 days, hopefully to be followed by a meeting in Washington some time in the summer of 1975.

Some of the disappointments -- we had a few bad breaks. I think the Congress was dead wrong when they handicapped myself and Secretary Kissinger in the efforts that we could make in the settlement of the Cyprus question between Greece and Turkey.

I think that was a terrible disappointment, and some of the things we warned about might happen and it won't be helpful to Greece. That was a bad break.

Another was the failure on the part of the Congress to act more affirmatively on behalf of the nomination of Nelson Rockefeller. It should have been done before the campaign recessed. I think the Congress also might have moved ahead more rapidly in some of the economic suggestions.

We have had some plusses and we have had some minuses, but I believe so far we are a little ahead of the game.

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QUESTION: Mr. President, Bob Watkins from the University of Houston.

In response to an earlier question, you said that disenchanted Republicans were becoming Independents and not Democrats. Well, many Democrats are becoming Independents, too. Do you see this desertion as a preface to a large-scale third party movement in 1976?

THE PRESIDENT: I don't see that as a third party movement. I think it does suggest that political parties, the traditional ones, are weakening. I think that is sad, however. I think the two major political parties ought to be strengthened, but nevertheless the trend is just the opposite.

I hope that in the months ahead that we, as Republicans, can regain some of those by the performance both at home and abroad in our policy actions. I don't hope that ~~my~~ Democratic friends improve their situation, but if they do, I still think it would be healthy to have more responsible people in political parties than as Independents.

QUESTION: Good Evening, Mr. President. Walt Rogers of the Associated Press.

I am sure you have read newspaper accounts suggesting that perhaps the United States faces another Great Depression similar to 1930. Your Administration has already admitted that we have slipped into a recession and that unemployment will go even higher than the current rate of 6 percent. How much more slippage do you expect in the economy? First, when will the slump bottom out, and specifically, will unemployment go over 7 percent?

THE PRESIDENT: I can't give you categorical answers to those three questions. I think we will have some increase in unemployment, but I do believe that if the Congress cooperates with me, we can reverse that trend in 1975. I believe that we have certain safeguards today that we did not have in the 1930s. I remember the Depression, Wally; you're too young.

In those days, we didn't have any unemployment compensation insurance which is a very helpful protection. We didn't have in the 1930s the kind of additional payments that the auto workers, for example, get from the auto unions to bolster the amounts they get from unemployment compensation.

We have a lot of excellent safeguards that protect our economy today from falling into the depression. I don't think we are going to have one because we have these safeguards.

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What we have to do is to prevent reactions that will really be harmful to the economy, restimulating or reigniting inflation which is actually starting to recede at the present time. We have to follow a very narrow path, and the Congress can help, and if they do, we can avoid the pitfalls of more inflation and economic conditions worse than we have today.

MORE

QUESTION: By way of a follow-up, Mr. President, if I could, I would like to try to pin you down on the unemployment figure. Have any of your economists suggested that unemployment might go to 7 percent or do you entertain that possibility?

THE PRESIDENT: I have not heard any of the economists that advise me saying that unemployment would go to 7 percent or over. They do indicate that it may increase above the 6 percent, which was last reported.

QUESTION: John Kolbe, from the Phoenix Gazette.

Mr. President, early this week you withdrew your nomination of Mr. Gibson as the new energy administrator in the midst of some discussions and some disclosures about his severance agreement from an oil company. The White House reported that apparently you personally knew nothing of that agreement before you made the nomination.

Have you taken or do you intend to institute any new staff-type procedures in the White House that will prevent this kind of embarrassing situation in the future, and if so, what do you intend to do?

THE PRESIDENT: Yes, we have. The procedure we intend to follow in the future is to say that a person is being considered and undertake the FBI or investigation review prior to making any specific announcement that we are sending a name up to the Senate for confirmation, which gives the individual some protection and gives us some protection.

In the case of Andy Gibson, he was an excellent head or director, administrator of the Maritime Administration. He took a Maritime industry and an agency in the Federal Government in 1969 that was dead and really made it into an effective Maritime Administration.

He was a first-class administrator. I regret that the circumstances developed because I asked him to serve in a position which requires a first-class administrator. We have not had that kind of firm direction over in the Federal Energy Administration. Andy Gibson would have been a good one.

I regret very much that he didn't make it, and I regret that our procedure at that time was inadequate. We made a mistake. It won't happen again.

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QUESTION: Do some of the disclosures that have come out about Governor Rockefeller fit in that same category as Mr. Gibson?

THE PRESIDENT: None whatsoever. In the case of Governor Rockefeller, prior to the nomination I submitted three names to the FBI and asked them to give me an updating of their files and to let me know whether there was anything whatsoever in the files of the FBI concerning Mr. Rockefeller and two others. I think that was a sound procedure.

The gifts that Governor Rockefeller has given, in my judgment, are the kinds of gifts that a person, if you have that much money ought to have the right to give, and there is no political chicanery involved at all. He was generous to people that he thought ought to be helped, and there is no connection, no relationship between the Rockefeller situation and the Gibson matter.

THE PRESS: Thank you, Mr. President. Thank you very much.

END (AT 6:55 P.M. MST)

FOR IMMEDIATE RELEASE

JANUARY 13, 1975

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

ADDRESS BY THE PRESIDENT
ON
LIVE TELEVISION AND RADIO

THE LIBRARY
THE RESIDENCE

9:00 P.M. EST

Good evening.

Without wasting words, I want to talk with you tonight about putting our domestic house in order. We must turn America in a new direction. We must reverse the current recession, reduce unemployment and create more jobs.

We must restore the confidence of consumers and investors alike. We must continue an effective plan to curb inflation. We must, without any delay, take firm control of our progress as a free people. Together we can and will do this job.

Our national character is strong on self-discipline and the will to win. Americans are at their very best when the going is rough. Right now, the going is rough, and it may get rougher. But if we do what must be done, we will be on our way to better days. We have an historic opportunity.

On Wednesday I will report to the new Congress on the State of the Union and ask for its help to quickly improve it. But neither Congress nor the President can pass laws or issue orders to assure economic improvement and instant prosperity.

The Government can help by equalizing unfair burdens, by setting an example of sound economic actions and by exerting leadership through clear and coordinated national recovery programs.

Tonight I want to talk to you about what must be done. After all, you are the people most affected.

MORE

Since becoming your President five months ago, economic problems have been my foremost concern. Two elements of our problem are long-range -- inflation and energy. Both are affected not only by our actions, but also by international forces beyond our direct control.

The new and disturbing element in the economic picture is our worsening recession and the unemployment that goes with it. We have made some progress in slowing the upward spiral of inflation and getting interest rates started down, but we have suffered sudden and serious setbacks in sales and unemployment.

Therefore, we must shift our emphasis from inflation to recession, but in doing so, we must not lose sight of the very real and deadly dangers of rising prices and declining domestic energy supplies.

Americans are no longer in full control of their own national destiny, when that destiny depends on uncertain foreign fuel at high prices fixed by others. Higher energy costs compound both inflation and recession, and dependence on others for future energy supplies is intolerable to our national security.

Therefore, we must wage a simultaneous three-front campaign against recession, inflation and energy dependence. We have no choice. We need within 90 days the strongest and most far-reaching energy conservation program we have ever had.

Yes, gasoline and oil will cost even more than they do now, but this program will achieve two important objectives -- it will discourage the unnecessary use of petroleum products, and it will encourage the development and substitution of other fuels and newer sources of energy.

To get started immediately on an urgent national energy plan, I will use the Presidential emergency powers to reduce our dependence on foreign oil by raising import fees on each barrel of foreign crude oil by \$1 to \$3 over the next three months.

A more comprehensive program of energy conservation taxes on oil and natural gas to reduce consumption substantially must be enacted by the Congress. The revenues derived from such taxes will be returned to the economy. In addition, my energy conservation program contains oil allocation authority to avoid undue hardships in any one geographic area, such as New England, or in any specific industry or areas of human need where oil is essential.

MORE

The plan prevents windfall profits by producers. There must also be volunteer efforts to cut gasoline and other energy use.

My national energy conservation plan will urge Congress to grant a five-year delay on higher automobile pollution standards in order to achieve a 40 percent improvement in miles per gallon.

Stronger measures to speed the development of other domestic energy resources, such as coal, geothermal, solar and nuclear power are also essential.

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This plan requires personal sacrifice. But if we all pitch in, we will meet our goal of reducing foreign oil imports by one million barrels a day by the end of this year and by two million barrels before the end of 1977. The energy conservation measures I have outlined tonight will be supplemented by use of Presidential power to limit oil imports as necessary to fully achieve these goals.

By 1985 -- 10 years from now -- the United States will be invulnerable to foreign energy disruptions or oil embargoes such as we experienced last year. Of course, our domestic needs come first. But our gains in energy independence will be fully coordinated with our friends abroad. Our efforts should prompt similar action by our allies.

If Congress speedily enacts this national energy program, there will be no need for compulsory rationing or long waiting lines at the service station. Gasoline prices will go up, though not as much as with a 20 cent a gallon gas tax. Furthermore, the burden of the conservation taxes on oil will be shared by all petroleum users, not just motorists.

Now, let me talk about the problem of unemployment. This country needs an immediate Federal income tax cut of \$16 billion. Twelve billion dollars, or three-fourths of the total of this cut, should go to individual taxpayers in the form of a cash rebate amounting to 12 percent of their 1974 tax payments -- up to a \$1,000 rebate. If Congress acts by April first, you will get your first check for half the rebate in May and the rest by September.

The other one-fourth of the cut, about \$4 billion, will go to business taxpayers, including farmers, to promote plant expansion and create more jobs. This will be in the form of an increase in the investment tax credit to 12 percent for one year. There will be special provisions to assist essential public utilities to step up their energy capacity. This will encourage capital spending and productivity, the key to recovery and growth.

As soon as the new revenues from energy conservation taxes are received, we will be able to return \$30 billion to the economy in the form of additional payments and credits to individuals, business and State and local governments. Cash payments from this total also will be available to those who pay no income taxes because of low earnings. They are the hardest hit by inflation and higher energy costs. This combined program adds up to \$46 billion -- \$30 billion in returned energy tax revenues to compensate for higher fuel costs and \$16 billion in tax cuts to help provide more jobs. And the energy conservation tax revenues will continue to be put back into the economy as long as the emergency lasts.

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This economic program is different in emphasis from the proposals I put forward last October. The reason is that the situation has changed. You know it, and I know it. What we need most urgently today is more spending money in your pockets rather than in the Treasury in Washington. Let's face it, a tax cut to bolster the economy will mean a bigger Federal deficit temporarily, and I have fought against deficits all my public life. But unless our economy revives rapidly, Federal tax revenues will shrink so much that future deficits will be even larger. But I have not abandoned my lifelong belief in fiscal restraint. In the long run, there is no other real remedy for our economic troubles.

While wrestling with the budgets for this year and next, I found that at least three-quarters of all Federal expenditures are required by laws already on the books. The President cannot, by law, cut spending in an ever-growing list of programs which provide mandatory formulas for payments to State and local governments and to families and to individuals. Unless these laws are changed, I can tell you there are only two ways to go -- still higher Federal taxes or the more ruinous hidden tax of inflation. Unchecked, Federal programs mandated by law will be prime contributors to Federal deficits of \$30 to \$50 billion this year and next. Deficits of this magnitude are wrong -- except on a temporary basis in the most extenuating circumstances.

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Reform of these costly mandated Federal spending programs will take time. Meanwhile, in order to keep the budget deficit as low as possible, I will do what I can.

In my State of the Union and subsequent messages, I will not propose any new Federal spending programs except for energy, and the Congress -- your representatives in Washington -- share an equal responsibility to see that no new spending programs are enacted.

I will not hesitate to veto any new spending programs the Congress sends to me. Many proposed Federal spending programs are desirable and have had my support in the past. They cost money--your tax dollars. Mainly it is time to declare a one-year moratorium on new Federal spending programs.

I need your support in this. It is vital that your representatives in Congress know that you share this concern about inflation.

I believe the Federal Government ought to show all Americans it practices what it preaches about sacrifices and self-restraint. Therefore, I will insist on a 5 percent limit on any Federal pay increases in 1975, and I will ask Congress to put the same temporary 5 percent ceiling on automatic cost of living increases in Government and military retirement pay and Social Security.

Government alone cannot bring the cost of living down, but until it does start down, Government can refrain from pushing it up. For only when the cost of living comes down can everybody get full value from a pension or a paycheck. I want to hasten that day.

Tonight I have summarized the highlights of my energy and my economic programs. They must go hand in hand, as I see it.

On Wednesday I will spell out these proposals to the Congress. There will be other recommendations, both short-term and long-range, to make our program as fair to all as possible.

I will press for prompt action and responsible legislation. The danger of doing nothing is great. The danger of doing too much is just as great.

We cannot afford to throw monkey wrenches into our complex economic machine just because it isn't running at full speed. We are in trouble, but we are not on the brink of another Great Depression.

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Our political and economic system today is many times stronger than it was in the 1930s. We have income safeguards and unemployment cushions built into our economy. I have taken and will continue to take whatever steps are needed to prevent massive dislocations and personal hardships and, in particular, the tragedy of rising unemployment.

But sound solutions to our economic difficulties depend primarily on the strong support of each one of you. Self-restraint must be exercised by big and small business, by organized and unorganized labor, by State and local governments, as well as by the Federal Government.

No one will be allowed to prosper from the temporary hardships most of us willingly bear, nor can we permit any special interests to gain from our common distress.

To improve the economic outlook we must rekindle faith in ourselves. Nobody is going to pull us out of our troubles but ourselves, and by our own bootstraps.

In 200 years as a Nation we have triumphed over external enemies and internal conflicts and each time we have emerged stronger than before. This has called for determined leaders and dedicated people, and this call has never gone unheeded.

In every crisis, the American people have closed ranks, rolled up their sleeves and rallied to do whatever had to be done.

I ask you and those who represent you in the Congress to work to turn our economy around, declare our energy independence and resolve to make our free society again the wonder of the world.

The beginning of our Bicentennial is a good time to reaffirm our pride and purpose as Americans who help themselves and help their neighbors no matter how tough the task. For my part, I will do what I believe is right for all our people--to do my best for America as long as I occupy this historic house.

We know what must be done. The time to act is now. We have our Nation to preserve and our future to protect. Let us act together.

May God bless our endeavors. Thank you, and good night.

END (AT 9:22 P.M. EST)

O.C. /

FOR IMMEDIATE RELEASE

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JANUARY 15, 1975

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

STATE OF THE UNION ADDRESS
OF
PRESIDENT GERALD FORD
TO A JOINT SESSION OF THE CONGRESS

THE HOUSE CHAMBER

1:06 P.M. EST

Mr. Speaker, Mr. Vice President, Members of the 94th Congress, and distinguished guests:

Twenty-six years ago, a freshman Congressman, a young fellow, with lots of idealism who was out to change the world, stood before Sam Rayburn in the well of the House and solemnly swore to the same oath that all of you took yesterday, an unforgettable experience, and I congratulate you all.

Two days later, that same freshman stood at the back of this great Chamber, over there someplace, as President Truman, all charged up by his single-handed election victory, reported as the Constitution requires on the State of the Union.

When the bipartisan applause stopped, President Truman said, "I am happy to report to the 81st Congress that the State of the Union is good. Our Nation is better able than ever before to meet the needs of the American people and to give them their fair chance in the pursuit of happiness. It is foremost among the nations of the world in the search for peace."

Today, that freshman Member from Michigan stands where Mr. Truman stood, and I must say to you that the State of the Union is not good. Millions of Americans are out of work. Recession and inflation are eroding the money of millions more. Prices are too high and sales are too slow.

This year's Federal deficit will be about \$30 billion; next year's probably \$45 billion. The national debt will rise to over \$500 billion. Our plant capacity and productivity are not increasing fast enough. We depend on others for essential energy.

Some people question their Government's ability to make hard decisions and stick with them. They expect Washington politics as usual.

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Yet, what President Truman said on January 5, 1949 is even more true in 1975. We are better able to meet our peoples' needs. All Americans do have a fairer chance to pursue happiness. Not only are we still the foremost Nation in the pursuit of peace, but today's prospects of attaining it are infinitely better.

There were 59 million Americans employed at the start of 1949. Now there are more than 85 million Americans who have jobs. In comparable dollars, the average income of the American family has doubled during the past 26 years.

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Now, I want to speak very bluntly. I have got bad news, and I don't expect much, if any, applause.

The American people want action and it will take both the Congress and the President to give them what they want.

Progress and solutions can be achieved and they will be achieved. My message today is not intended to address all of the complex needs of America. I will send separate messages making specific recommendations for domestic legislation, such as the extension of General Revenue Sharing and the Voting Rights Act.

The moment has come to move in a new direction. We can do this by fashioning a new partnership between the Congress on the one hand, the White House on the other, and the people we both represent.

Let us mobilize the most powerful and most creative industrial Nation that ever existed on this earth to put all our people to work.

The emphasis on our economic efforts must now shift from inflation to jobs. To bolster business and industry and to create new jobs I propose a one-year tax reduction of \$16 billion. Three-quarters would go to individuals and one-quarter to promote business investment.

This cash rebate to individuals amounts to 12 percent of 1974 tax payments -- a total cut of \$12 billion, with a maximum of \$1,000 per return.

I call on the Congress to act by April 1. If you do -- and I hope you will -- the Treasury can send the first check for half of the rebate in May and the second by September.

The other one-fourth of the cut, about \$4 billion, will go to business, including farms, to promote expansion and to create more jobs.

The one-year reduction for businesses would be in the form of a liberalized investment tax credit increasing the rate to 12 percent for all business.

This tax cut does not include the more fundamental reforms needed in our tax system but it points us in the right direction -- allowing taxpayers rather than the Government to spend their pay.

Cutting taxes now is essential if we are to turn the economy around. A tax cut offers the best hope of creating more jobs. Unfortunately, it will increase the size of the budget deficit. Therefore, it is more important than ever that we take steps to control the growth of Federal expenditures.

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Part of our trouble is that we have been self-indulgent. For decades, we have been voting ever-increasing levels of Government benefits and now the bill has come due.

We have been adding so many new programs that the size and growth of the Federal budget has taken on a life of its own.

One characteristic of these programs is that their cost increases automatically every year because the number of people eligible for most of the benefits increases every year.

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When these programs were enacted, there is no dollar amount set. No one knows what they will cost. All we know is that whatever they cost last year, they will cost more next year.

It is a question of simple arithmetic. Unless we check the excessive growth of Federal expenditures, or impose on ourselves matching increases in taxes, we will continue to run huge inflationary deficits in the Federal budget.

If we project the current built-in momentum of Federal spending through the next 15 years, State, Federal and local government expenditures could easily comprise half of our Gross National Product. This compares with less than a third in 1975.

I just concluded the process of preparing the budget submissions for fiscal year 1976. In that budget, I will propose legislation to restrain the growth of a number of existing programs. I have also concluded that no new spending programs can be initiated this year, except for energy.

Further, I will not hesitate to veto any new spending programs adopted by the Congress.

As an additional step towards putting the Federal Government's house in order, I recommend a 5 percent limit on Federal pay increases in 1975. In all Government programs tied to the Consumer Price Index, including Social Security, civil service and military retirement pay and food stamps, I also propose a one year maximum increase of 5 percent. None of these recommended ceiling limitations, over which Congress has final authority, are easy to propose because in most cases they involve anticipated payments to many, many deserving people. Nonetheless, it must be done.

I must emphasize that I am not asking to eliminate, to reduce, to freeze these payments. I am merely recommending that we slow down the rate at which these payments increase and these programs grow. Only a reduction in the growth of spending can keep Federal borrowing down and reduce the damage to the private sector from high interest rates.

Only a reduction in spending can make it possible for the Federal Reserve System to avoid an inflationary growth in the money supply and thus restore balance to our economy. A major reduction in the growth of Federal spending can help dispel the uncertainty that so many feel about our economy and put us on the way to curing our economic ills.

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If we don't act to slow down the rate of increase in Federal spending, the United States Treasury will be legally obligated to spend more than \$360 billion in fiscal year 1976, even if no new programs are enacted.

These are not matters of conjecture or prediction, but, again, a matter of simple arithmetic. The size of these numbers and their implications for our everyday life in the health of our economic system are shocking.

I submitted to the last Congress a list of budget deferrals and recissions. There will be more cuts recommended in the budget I will submit. Even so, the level of outlays for fiscal year 1976 is still much, much too high. Not only is it too high for this year, but the decisions we make now will inevitably have a major and growing impact on expenditure levels in future years.

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I think this is a very fundamental issue that we, the Congress and I, must jointly solve. Economic disruptions we and others are experiencing stems in part from the fact that the world price of petroleum has quadrupled in the last year.

But in all honesty, we cannot put all of the blame on the oil exporting nations. We, the United States, are not blameless. Our growing dependence upon foreign sources has been adding to our vulnerability for years and years, and we did nothing to prepare ourselves for such an event as the embargo of 1973.

During the 1960s, this country had a surplus capacity of crude oil which we were able to make available to our trading partners whenever there was a disruption of supply. This surplus capacity enabled us to influence both supplies and prices of crude oil throughout the world.

Our excess capacity neutralized any effort at establishing an effective cartel, and thus the rest of the world was assured of adequate supplies of oil at reasonable prices.

By 1970 our surplus capacity had vanished and, as a consequence, the latent power of the oil cartel could emerge in full force. Europe and Japan, both heavily dependent on imported oil, now struggle to keep their economies in balance.

Even the United States, our country, which is far more self-sufficient than most other industrial countries, has been put under serious pressure.

I am proposing a program which will begin to restore our country's surplus capacity in total energy. In this way we will be able to assure ourselves reliable and adequate energy and help foster a new world energy stability for other major consuming nations.

But this Nation, and in fact the world, must face the prospect of energy difficulties between now and 1985. This program will impose burdens on all of us, with the aim of reducing our consumption of energy and increasing our production.

Great attention has been paid to the considerations of fairness, and I can assure you that the burdens will not fall more harshly on those less able to bear them.

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I am recommending a plan to make us invulnerable to cutoffs of foreign oil. It will require sacrifices, but it -- and this is most important -- it will work.

I have set the following national energy goals to assure that our future is as secure and as productive as our past.

First, we must reduce oil import by one million barrels per day by the end of this year and by two million barrels per day by the end of 1977.

Second, we must end vulnerability to economic disruption by foreign suppliers by 1985.

Third, we must develop our energy technology and resources so that the United States has the ability to supply a significant share of the energy needs of the free world by the end of this century.

To attain these objectives, we need immediate action to cut imports. Unfortunately, in the short-term there are only a limited number of actions which can increase domestic supply. I will press for all of them.

I urge quick action on the necessary legislation to allow commercial production at the Elk Hills, California Naval Petroleum Reserve.

In order that we make greater use of domestic coal resources, I am submitting amendments to the Energy Supply and Environmental Coordination Act, which will greatly increase the number of power plants that can be promptly converted to coal.

Obviously, voluntary conservation continues to be essential, but tougher programs are needed and needed now. Therefore, I am using Presidential powers to raise the fee on all imported crude oil and petroleum products.

The crude oil fee level will be increased \$1 per barrel on February 1, by \$2 per barrel on March 1 and by \$3 per barrel on April 1.

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I will take action to reduce undue hardships on any geographical region. The foregoing are interim administrative actions. They will be rescinded when the broader but necessary legislation is enacted.

To that end, I am requesting the Congress to act within 90 days on a more comprehensive energy tax program. It includes: excise taxes and import fees totalling \$2.00 per barrel on product imports and on all crude oil; deregulation of new natural gas; and enactment of a natural gas excise tax.

I plan to take Presidential initiative to de-control the price of domestic crude oil on April 1. I urge the Congress to enact a windfall profits tax by that date to insure that oil producers do not profit unduly.

The sooner Congress acts the more effective the oil conservation program will be and the quicker the Federal revenues can be returned to our people.

I am prepared to use Presidential authority to limit imports, as necessary, to guarantee success.

I want you to know that before deciding on my energy conservation program, I considered rationing and higher gasoline taxes as alternatives. In my judgment, neither would achieve the desired results and both would produce unacceptable inequities.

A massive program must be initiated to increase energy supply, to cut demand and provide new standby emergency programs to achieve the independence we want by 1985. The largest part of increased oil production must come from new frontier areas on the Outer Continental Shelf and from the Naval Petroleum Reserve No. 4 in Alaska. It is the intent of this Administration to move ahead with exploration, leasing and production on those frontier areas of the Outer Continental Shelf where the environmental risks are acceptable.

Use of our most abundant domestic resource -- coal -- is severely limited. We must strike a reasonable compromise on environmental concern with coal. I am submitting Clean Air Amendments which will allow greater coal use without sacrificing clean air goals.

I vetoed the strip mining legislation passed by the last Congress. With appropriate changes, I will sign a revised version when it comes to the White House.

I am proposing a number of actions to energize our nuclear power program. I will submit legislation to expedite nuclear leasing and the rapid selection of sites.

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In recent months, utilities have cancelled or postponed over 60 percent of planned nuclear expansion and 30 percent of planned additions to non-nuclear capacity. Financing problems for that industry are worsening. I am therefore recommending that the one year investment tax credit of 12 percent be extended an additional two years to specifically speed the construction of power plants that do not use natural gas or oil.

I am also submitting proposals for selective reform of State utility commission regulations.

To provide the critical stability for our domestic energy production in the face of world price uncertainty, I will request legislation to authorize and require tariff import quotas or price floors to protect our energy prices at levels which will achieve energy independence.

Increasing energy supplies is not enough. We must take additional steps to cut long-term consumption. I therefore propose to the Congress legislation to make thermal efficiency standards mandatory for all new buildings in the United States; a new tax credit of up to \$150 for those home owners who install insulation equipment; the establishment of an energy conservation program to help low income families purchase insulation supplies; and legislation to modify and defer automotive pollution standards for five years which will enable us to improve automobile gas mileage by 40 percent by 1980.

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These proposals and actions, cumulatively, can reduce our dependence on foreign energy supplies from three to five billion barrels per day by 1985.

To make the United States invulnerable to foreign disruption, I propose standby emergency legislation and a strategic storage program of one billion barrels of oil for domestic needs, and 300 million barrels for national defense purposes.

I will ask for the funds needed for energy research and development activity. I have established a goal of one million barrels of synthetic fuels in shale oil production per day by 1985 together with an incentive program to achieve it.

I have a very deep belief in America's capabilities. Within the next ten years, my program envisions 200 major nuclear power plants, 250 major new coal mines, 150 major coal-fired power plants, 30 major new refineries, 20 major new synthetic fuel plants, the drilling of many thousands of new oil wells, the insulation of 10 million homes, and the manufacturing and the sale of millions of new automobiles, trucks and buses that use much less fuel.

I happen to believe that we can do it. In another crisis, the one in 1942, President Franklin D. Roosevelt said this country would build 60,000 military aircraft. By 1943, production in that program had reached 125,000 annually. They did it then. We can do it now.

If the Congress and the American people will work with me to attain these targets, they will be achieved and will be surpassed. From adversity, let us seize opportunity. Revenues of some \$30 billion from higher energy taxes designed to encourage conservation must be returned to the American people in a manner which corrects distortions in our tax system wrought by inflation.

People have been pushed into higher tax brackets by inflation with consequent reduction in their actual spending power. Business taxes are similarly distorted because inflation exaggerates reported profits resulting in excessive taxes.

Accordingly, I propose that future individual income taxes be reduced by \$16.5 billion. This will be done by raising the low income allowance and reducing tax rates. This continuing tax cut will primarily benefit lower and middle income taxpayers.

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For example, a typical family of four with a gross income of \$5,600 now pays \$185 in Federal income taxes. Under this tax cut plan, they would pay nothing. A family of four with a gross income of \$12,500 now pays \$1,260 in Federal taxes. My proposal reduces that total by \$300. Families grossing \$20,000 would receive a reduction of \$210.

Those with the very lowest incomes, who can least afford higher costs, must also be compensated. I propose a payment of \$80 to every person 18 years of age and older in that very limited category.

State and local governments will receive \$2 billion in additional revenue sharing to offset their increased energy costs. To offset inflationary distortions and to generate more economic activity, the corporate tax rate will be reduced from 48 percent to 42 percent.

Now let me turn, if I might, to the international dimensions of the present crisis. At no time in our peacetime history has the state of the Nation depended more heavily on the state of the world and seldom, if ever, has the state of the world depended more heavily on the state of our Nation.

The economic distress is global. We will not solve it at home unless we help to remedy the profound economic dislocation abroad. World trade and monetary structure provides markets, energy, food and vital raw material for all nations.

This international system is now in jeopardy. This Nation can be proud of significant achievements in recent years in solving problems and crises.

The Berlin agreement, the SALT agreements, our new relationship with China, the unprecedented efforts in the Middle East are immensely encouraging, but the world is not free from crisis.

In a world of 150 nations where nuclear technology is proliferating and regional conflicts continue, international security cannot be taken for granted.

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So, let there be no mistake about it, international cooperation is a vital factor of our lives today. This is not a moment for the American people to turn inward. More than ever before, our own well-being depends on America's determination and America's leadership in the whole wide world.

We are a great Nation -- spiritually, politically, militarily, diplomatically and economically. America's commitment to international security has sustained the safety of allies and friends in many areas -- in the Middle East, in Europe and Asia. Our turning away would unleash new instabilities and dangers around the globe, which, in turn, would threaten our own security.

At the end of World War II, we turned a similar challenge into a historic opportunity, and I might add, historic achievement. An old order was in disarray; political and economic institutions were shattered. In that period, this Nation and its partners build new institutions, new mechanisms of mutual support and cooperation. Today, as then, we face an historic opportunity.

If we act imaginatively and boldly as we acted then, this period will in retrospect be seen as one of the great creative moments of our Nation's history. The whole world is watching us to see how we respond.

A resurgent American economy would do more to restore the confidence of the world in its own future than anything else we can do. The program that this Congress passes can demonstrate to the world that we have started to put our own house in order. If we can show that this Nation is able and willing to help other nations meet the common challenge, it can demonstrate that the United States will fulfill its responsibilities as a leader among nations. Quite frankly, at stake is the future of industrialized democracies, which have perceived their destiny in common and sustained it in common for 30 years.

The developing nations are also at a turning point. The poorest nations see their hopes of feeding their hungry and developing their societies shattered by the economic crisis. The long-term economic future for the producers of raw materials also depends on cooperative solutions.

Our relations with the Communist countries are a basic factor of the world environment. We must seek to build a long-term basis for coexistence. We will stand by our principles. We will stand by our interests. We will act firmly when challenged. The kind of a world we want depends on a broad policy of creating mutual incentives for restraint and for cooperation.

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As we move forward to meet our global challenges and opportunities, we must have the tools to do the job.

Our military forces are strong and ready. This military strength deters aggression against our allies, stabilizes our relations with former adversaries and protects our homeland. Fully adequate conventional and strategic forces cost many, many billions, but these dollars are sound insurance for our safety and for a more peaceful world.

Military strength alone is not sufficient. Effective diplomacy is also essential in preventing conflict and in building world understanding. The Vladivostok negotiations with the Soviet Union represent a major step in moderating strategic arms competition. My recent discussions with the leaders of the Atlantic Community, Japan and South Korea have contributed to our meeting the common challenge.

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But we have serious problems before us that require cooperation between the President and the Congress. By the Constitution and the tradition, the discussion of foreign policy is the responsibility of the President. In recent years, under the stress of the Vietnam war, legislative restrictions on the President's ability to execute foreign policy and military decisions have proliferated.

As a Member of the Congress I opposed some and I approved others. As President I welcome the advice and cooperation of the House and the Senate.

But if our foreign policy is to be successful, we cannot rigidly restrict in legislation the ability of the President to act. The conduct of negotiation is ill-suited to such limitation. Legislative restrictions, intended for the best motives and purposes, can have the opposite result, as we have seen most recently in our trade relations with the Soviet Union.

For my part, I pledge this Administration will act in the closest consultation with the Congress as we face delicate situations and troubled times throughout the globe.

When I became President only five months ago, I promised the last Congress a policy of communication, conciliation, compromise and cooperation. I renew that pledge to the new Members of this Congress.

Let me sum it up. America needs a new direction, which I have sought to chart here today, a change of course which will put the unemployed back to work, increase real income and production, restrain the growth of Federal Government spending, achieve energy independence and advance the cause of world understanding.

We have the ability. We have the know-how. In partnership with the American people, we will achieve these objectives. As our 200th anniversary approaches, we owe it to ourselves, to posterity, to rebuild our political and economic strength.

Let us make America once again and for centuries more to come what it has so long been, a stronghold and a beacon light of liberty for the whole world.

Thank you.

END (AT 1:50 P.M. EST)

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

REMARKS OF THE PRESIDENT
AT THE
REPUBLICAN SENATE-HOUSE DINNERWASHINGTON HILTON HOTEL

10:15 P.M. EDT

Mary Louise, Guy Vander Jagt, distinguished Republican leaders in the House and Senate, Members of the House and Senate, distinguished guests, ladies and gentlemen:

Really, it is a tremendous privilege and a pleasure for me to be here tonight, especially with Betty, and both of us thank you from the bottom of our hearts for your warm welcome and your contributions to what both of us think is a great cause, the cause of a better America through the kind of political participation that you can make -- and many others we hope will make -- in the months and days ahead.

Ted, I am especially pleased with your kind observations and introduction. Personally, I have always felt a very special affinity for the great State of Alaska because there is something about Alaska's weather that always makes me a bit nostalgic.

Alaska's weather always reminds me of all those Democrats who used to say it will be a cold day when Jerry Ford becomes President. (Laughter)

Well, I might just keep this cold wave going a little longer than they think. (Laughter)

Incidentally, you may be interested to know that another one of the Democratic candidates is getting ready to give up the race. I won't say who, but yesterday he told Bob Strauss, the Democratic National Chairman, "I am getting very discouraged."

You know Bob Strauss is a great guy and, as Mary Louise knows, a fine Chairman, and he is an optimist. He said, "Why?" The candidate said, "Why? I will tell you why. In the last Gallup Poll, 1500 votes were cast, and I got 13." Bob Strauss said, "This is no time to get superstitious." (Laughter)

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As I indicated at the outset, it is a great privilege and pleasure to be here tonight. And in the great spirit of the times, let me welcome each and every one of you to the Republican Party's first, no frills, economy, \$1,000 a plate dinner.

But thinking positively, how often can each and every one of you go home from a dinner like this and realize that every carrot you left on your plate cost you \$14.75.

But before proceeding one word further, I want to make an announcement -- and I haven't consulted with Betty -- but she, you know, feels very strongly about the Republican Party, as I do, and very strongly about equal rights. I have her check book here. (Laughter) And by law, I am authorized to sign her name. She has authorized me to sign her name for a \$1,000 contribution for her part in this dinner tonight.

But to prove my own willingness to be a participant, and I believe so strongly in the Republican Party that I am as delighted as Betty is, and to set a precedent, here is my check out of my bank account for the Republican cause.

Marv Louise, I haven't filled in anything except our signatures, but I will rely on your good judgment to do just that. I don't believe in freeloaders.

Obviously, I am delighted to see so many old friends here tonight, as well as some new ones, both from the House as well as from the Senate. And I congratulate those who are new in the Legislative Branch.

May I express a very special welcome to all of those who have made a contribution and participated in making this dinner possible.

I think all of us recognize that the new campaign laws created a new ball game in financing House and Senate races. As a contributor, each and every one of you are limited to a maximum contribution of \$1,000 for each candidate for each Federal office.

In practice, this means -- and I think we have to be cognizant of the problems -- that our party must attract even more thousands of small, individual contributors.

Our record in the past of such broad support is really excellent despite some of the things that are written. And as I look at what I know has happened in my own Congressional district and in our State and even nationally, I am proud of what we have accomplished.

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But the facts of life are that if we are to compete we must do infinitely better. I believe this trend to a larger number of small contributors will be a great blessing.

It has long been my conviction -- and I am sure Ted, Guy and Marv Louise share it -- that anyone who gives as little as \$1.00 becomes committed by this individual action to helping either a candidate or a party.

By your presence here tonight -- and I thank you and I am most grateful -- each and every one of you are demonstrating the long-time faith all of us -- those of us here on the platform as well as you -- share in a party with principles and its most fundamental goals.

Obviously, I am delighted to have seen so many young people. I had the privilege during dinner, and before, to meet so many of them, so many young people from many states here this evening.

I don't like to say something that isn't a matter of record, but it is. I was an early sponsor of lowering the voting age to 18. Now, some throughout the country disagreed with that point of view in those days when we were battling that issue, fearing that young people would automatically vote for the other party.

But I felt then, and I feel even more strongly now, that the intelligent judgment of youth would attract very, very many -- in fact a majority -- to our party. And I must say, as I have looked at some of the statistics that I am gratified with the results and I am optimistic that we will do even better in the future.

Young people today are a vital source of new Republican energy, Republican idealism and Republican ideas. To young Republicans everywhere, I say we welcome you, and most emphatically, we need you.

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As Ted, Guy and Mary Louise have said, the proceeds from this dinner go to the Republican National Committee and to the House and Senate campaign committees, whose combined efforts are vital to our goals.

After eight months in the White House, I know better than anyone -- and I mean anyone -- the importance of Republicans in the Congress of the United States. I promise you this: I do not choose to run in 1976 for myself alone. My 1976 campaign will be for all Republicans everywhere, from the local to the State to the national level.

This dinner tonight brings a broad resurgence of Republican strength everywhere, but especially in the House, the Senate and the State Capitals. It is vital to our Administration and to our entire Nation that we work at every stage and every precinct to restore balance, which I think is essential in our national political system.

We will be partners in a common and a very crucial cause, the cause of a Republican victory.

The one thing that I learned in the hard contest once every two years, in more than a quarter of a century of political involvement, that prospects for victory are seldom so bleak or so good as they seem when you are in the thick of a fight.

Time after time after time a supposedly ruined party has been rebuilt and returned -- stronger than ever on each occasion--and repeatedly, candidates once considered unbeatable have been beaten.

Quite frankly, looking over the hopeful Democrats in the Presidential sweepstakes, I don't see any who are unbeatable.

As some of you may remember when I, in January of 1965, became Minority Leader, we were outnumbered 295 to 140 in the House. Those odds were unbelievable, and Ev Dirksen had even, as I recollect, worse odds in the United States Senate.

Yet, two years later, when the House next assembled, there was 248 to 187, a net gain of 47 seats for Republicans, and in the Senate we made some gains as well.

What I am saying is -- and we should remember this as we challenge the philosophy, the views of those that are in the political arena -- if we have good candidates, if we have the right principles, we have done it in the past, we can and we will do it again.

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So, if I might, let me make a prediction or two. This is based on some experience.

As the economy continues to improve this year and next, and it will, we will be in good shape in November of 1976 to win local, State and national seats and Governorships all over this great country, and they are vital and important as we look down the road.

But for 1975, there is a lot of spade work to be done. By your being here tonight, you have contributed a significant amount.

The Republican Party, as I see it, must reach out as never before to attract new voters, nonvoters, Independents and Democrats deserted by their leadership. Our task is not merely to strengthen our party and to broaden its appeal, as we must, but also to reverse a very dangerous trend, which finds Congressional elections won or lost with less -- and it is almost unbelievable -- won or lost by less than half of our voting age citizens actually voting.

The natural question is, what should we do about it? What can we accomplish as we look at the problem?

As a starter, we can use this time before the next national election to rebuild the Republican Party into a strong competitor in the two-party system, which has proven over many, many years in the long haul, if you want to call it, to be the best political system in the history of mankind.

Let us resolve from this night on, if we may, that our party's primary goal should be to attract the broadest spectrum of people sharing our basic beliefs.

It is my judgment -- I have no apologies for it. I really believe it -- for the strength of America lies not only in its diversity, but also in its unity.

The ultimate strength of our party lies in its commitment to principles. Our effort to broaden the base of our party does not mean that we must abandon traditional Republican principles. Far from it. It means instead that we have to clarify and emphasize those principles so that all persons of like political interests can join in supporting the candidate of the Republican Party because if we don't have candidates and we don't have elected candidates, all of our efforts really are to no avail.

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So, let me give you just -- if I might -- three principles or thoughts, if I might, on some fundamental Republican principles.

First, Republicans have a long demonstrated commitment to the free enterprise system and fiscal responsibility by the Federal Government. The record is replete, and the facts are that you can't have one without the other.

For too many years the country has been headed in the wrong direction. Constantly increasing deficits and unchecked spending have been milestones on the road to economic disaster.

As I see it, despite our present traumatic experiences both at home and abroad, we must move in a new direction, a Republican direction, toward budgetary discipline and fiscal restraints.

That doesn't mean fiscal restraint one day and fiscal irresponsibility the next. It is a consistent, strong pattern of fiscal responsibility day after day, after day, after day, after day, and that is the way we will win.

The one thing we must do -- and I speak very candidly -- is to slam the brakes on some of the spending schemes that I see coming down the legislative agenda in the House, as well as in the Senate, promoted primarily by the Democratic majority in the Congress, schemes which could, as I add the figures, run the 1976 budget -- a 12-month budget -- up by as much as \$100 billion.

Can you imagine a deficit which is totally possible, if we don't put the clamps on, of \$100 billion? What concerns me is that if we add a little every day, a little every day, a little every day, a little more every day, all with individual good promise and good prospects and good intentions, pretty soon it is a \$100 billion deficit. That ought to scare us all. It scares me.

A \$52 billion deficit is bad enough, and I am not proud of it, but every time Congress acts to add a little, a little, a little, it gets worse and worse and worse.

So, I ask you in all honesty that we end these schemes, that we hold the lid. If we don't -- and I say this with the deepest conviction as I look down the road with all the prognostication of experts -- if we don't do something in a relatively short period of time, one-half of all Americans will be living off the taxes of the other half of Americans. Is that what you want your Government function to be? I don't think so.

MORE

May I add very quickly, never forget: A Government big enough to give us everything we want is a Government big enough to take from us everything we have.

A second principle upon which Republicans are agreed, although I don't want to suggest it as a partisan principle because many fine Democrats also support it, and I thank them, is the need for a strong national defense posture as the only sure way to a peaceful world.

At a time of international uncertainty and stress such as the immediate present, the need to keep our military forces strong and alert should be obvious to every American.

We must guard our own national security and maintain the mutual strengths of our alliances in Western Europe and in the Far East, keep our vital commitments to long-term friends and keep pace in research and development of future defense systems if our recent progress toward reducing the dangers of war is to continue.

Obviously, an essential element of our modern national security system is a sound intelligence system -- and I do not intend to permit ours to be either publicized or paralyzed in times like these.

The third Republican article of faith I would mention is our basic theme or our basic belief in freedom -- the freedom of State and local governments to make their own decisions in the best use of their resources, the freedom of employees and employers to reach their own economic terms without Government coercion, the freedom of every individual to aspire and to achieve his own goals within his own concepts of a good life.

I say that freedom is an article of faith because it is on trial throughout the world tonight. It is no more certain now than it was for our forefathers who founded this great Republic.

When the drafters of that historic document -- the Constitution of the United States -- finished their work in Philadelphia in 1787, Benjamin Franklin was recognized as he left the hall, that historic hall, by a crowd of curious citizens gathered outside.

"What kind of a Government have you given us, Dr. Franklin?" a woman's voice called out.

"A Republic, Madam," Benjamin Franklin replied, "if you can keep it." We have kept it now for almost 200 years through many triumphs and quite a few tribulations.

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Once, when it seemed almost lost -- and history tells it vividly--the Republic was saved by a man who came from the people and whose faith in the people -- in all people -- never faltered. I will not claim that Abraham Lincoln belongs to our Republican Party, for actually, I think he belongs to all Americans.

But I do urge, and I say it as strongly and as emphatically as I can, that our Republican Party remain faithful to the principles of Abraham Lincoln.

On these principles, Republicans can and will unite, Republicans can and will increase their numbers and their political strength, Republicans can and will come back to win in 1976.

Thank you very much.

END

(AT 10:40 P.M. EDT)

FOR IMMEDIATE RELEASE

APRIL 23, 1975

OFFICE OF THE WHITE HOUSE PRESS SECRETARY
(New Orleans, Louisiana)

THE WHITE HOUSE

REMARKS OF THE PRESIDENT
TO THE
TULANE UNIVERSITY STUDENT BODY

TULANE UNIVERSTTY

8:07 P.M. CDT

Mr. President, President Hurley, Senator Johnston, my good friends from the House of Representatives, Eddie Hebert, Dave Treen, Lindy Boggs, Lieutenant Governor Fitzmorris, students, faculty, alumni and guests of Tulane University:

It is really a great privilege and a very high honor of having an opportunity of participating again in a student activity at Tulane University, and for this opportunity, I thank you very, very much.

Each time that I have been privileged to visit Tulane, I have come away newly impressed with the intense application of the student body to the great issues of our time, and I am pleased tonight to observe that your interest hasn't changed one bit.

As we came into the building tonight, I passed a student who looked up from his book and said, "A journey of a thousand miles begins but with a single step." (Laughter)

To indicate my interest in him, I asked, "Are you trying to figure out how to get to your goal in life?" He said, "No, I am trying to figure out how to get to the Super Dome in September."

I don't think there is any doubt in my mind that all of you will get to the Super Dome. (Laughter) Of course, I hope it is to see the Green Wave have their very best season on the gridiron.

I have sort of a feeling that you wouldn't mind making this another year in which you put the Tigers in your tank. (Laughter)

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When I had the privilege of speaking here in 1968 at your Directions '68 forum, I had no idea that my own career and our entire Nation would move so soon in another direction. And I say again, I am extremely proud to be invited back.

I am impressed, as I undoubtedly said before, but I would reiterate it tonight, by Tulane's unique distinction as one of the only American universities to be converted from State sponsorship to private status. And I am also impressed by the Tulane graduates who serve in the United States Congress -- Bennett Johnston, Lindy Boggs, Dave Treen.

Eddie Hebert, when I asked him the question whether he was or not, and he said he got a special degree -- drop out '28. (Laughter)

But I think the fact that you have these three outstanding graduates testifies to the academic excellence and the inspiration of this historic university rooted in the past, with its eyes on the future.

Just as Tulane has made a great transition from the past to the future, so has New Orleans, the legendary city, that has made such a unique contribution to our great America.

New Orleans is more, as I see it, than weathered bricks and cast iron balconies. It is a state of mind, a melting pot that represents the very, very best of America's evolution, an example of retention of a very special culture in a progressive environment of modern change.

On January 8, 1815, a monumental American victory was achieved here -- the Battle of New Orleans. Louisiana had been a State for less than three years, but outnumbered Americans innovated, outnumbered Americans used the tactics of the frontier, to defeat a veteran British force trained in the strategy of the Napoleonic wars.

We, as a Nation, had suffered humiliation and a measure of defeat in the War of 1812. Our national capital in Washington had been captured and burned. So the illustrious victory in the Battle of New Orleans was a powerful restorative to our national pride.

Yet, the victory at New Orleans actually took place two weeks after the signing of the Armistice in Europe. Thousands died although a peace had been negotiated. The combatants had not gotten the word, yet the epic struggle nevertheless restored America's pride.

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Today, America can regain the sense of pride that existed before Vietnam, but it cannot be achieved by refighting a war that is finished as far as America is concerned.

As I see it, the time has come to look forward to an agenda for the future, to unify, to bind up the Nation's wounds and to restore its health and its optimistic self-confidence.

In New Orleans, a great battle was fought after a war was over. In New Orleans tonight, we can begin a great national reconciliation. The first engagement must be with the problems of today, but just as importantly, the problems of the future.

That is why I think it is so appropriate that I find myself tonight at a university which addresses itself to preparing young people for the challenge of tomorrow.

I ask that we stop refighting the battles and the recriminations of the past. I ask that we look now at what is right with America -- at our possibilities and our potentialities for change and growth, achievement and sharing. I ask that we accept the responsibility of leadership as a good neighbor to all peoples and an enemy of none.

I ask that we strive to become, in the finest American tradition, something more tomorrow than we are today.

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Instead of my addressing the image of America, I prefer to consider the reality of America. It is true that we have launched our Bicentennial celebration without having achieved human perfection, but we have attained a very remarkable self-governed society that possesses the flexibility and the dynamism to grow and undertake an entirely new agenda, an agenda for America's third century.

So, I ask you to join me in helping to write that agenda. I am as determined as a President can be to seek national rediscovery of the belief in ourselves that characterize the most creative periods in our Nation's history. The greatest challenge of creativity, as I see it, lies ahead.

We, of course, are saddened indeed by the events in Indochina, but these events, tragic as they are, portend neither the end of the world, nor of America's leadership in the world.

Let me put it this way, if I might. Some tend to feel that if we do not succeed in everything everywhere, then we have succeeded in nothing anywhere.

I reject categorically such polarized thinking. We can, and we should help others to help themselves, but the faith of responsible men and women everywhere in the final decision rests in their own hands, not in ours.

America's future depends upon Americans, especially your generation, which is now equipping itself to achieve the challenges of the future, to help write the agenda of America.

Earlier today, in this great community, I spoke about the need to maintain our defenses. Tonight, I would like to talk about another kind of strength, the true source of American power that transcends all of the deterrent powers for peace of our Armed Forces. I am speaking here of our belief in ourselves and our belief in our Nation.

Abraham Lincoln asked, in his own words, "What constitutes the bulwark of our own liberty and independence?" He answered, "It is not our frowning battlements or bristling seacoasts, our Army or our Navy. Our defense is in the spirit which prized liberty as the heritage of all men, in all lands everywhere."

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It is in this spirit that we must now move past the discords of the decade. It is in this spirit that I ask you to join me in writing an agenda for the future.

I welcome your invitation, particularly, tonight because I know it is at Tulane and other centers of thought throughout our great country that much consideration is being given to the kind of future that Americans want and, just as importantly, will work for.

Each of you are preparing yourselves for the future, and I am deeply interested in your preparations and your opinions and your goals. However, tonight, with your indulgence, let me share with you my own views.

I envision a creative program that goes as far as our courage and our capacities can take us, both at home and abroad. My goal is for a cooperative world at peace, using its resources to build, not to destroy.

As President, I am determined to offer leadership to overcome our current economic problems. My goal is for jobs for all who want to work, and economic opportunity for all who want to achieve.

I am determined to seek self-sufficiency in energy as an urgent national priority. My goal is to make America independent of foreign energy sources by 1985. Of course, I will pursue interdependence with other nations and a reformed international economic system.

My goal is for a world in which consuming and producing nations achieve a working balance. I will address the humanitarian issues of hunger and famine, of health and of healing. My goal is to achieve or to assure basic needs and an effective system to achieve this result.

I recognize the need for technology that enriches life while preserving our natural environment. My goal is to stimulate productivity, but use technology to redeem, not to destroy our environment.

I will strive for new cooperation rather than conflict in the peaceful exploration of our oceans and our space. My goal is to use resources for peaceful progress, rather than war and destruction.

MORE

Let America symbolize humanity's struggle to conquer nature and master technology. The time has now come for our Government to facilitate the individual's control over his or her future and of the future of America.

But the future requires more than Americans congratulating themselves on how much we know and how many products that we can produce. It requires new knowledge to meet new problems. We must not only be motivated to build a better America, we must know how to do it.

If we really want a humane America that will, for instance, contribute to the alleviation of the world's hunger, we must realize that good intentions do not feed people. Some problems, as anyone who served in the Congress knows, are complex. There are no easy answers. Willpower alone does not grow food.

We thought, in a well-intentioned past, that we could export our technology lock, stock and barrel to developing nations. We did it with the best of intentions, but we are now learning that a strain of rice that grows in one place will not grow in another; that factories that produce at 100 percent in one nation produce less than half as much in a society where temperaments and work habits are somewhat different.

Yet, the world economy has become interdependent -- not only food technology, but money management, natural resources and energy, research and development -- all kinds of this group require an organized world society that makes the maximum effective use of the world's resources.

I want to tell the world: let's grow food together, but let's also learn more about nutrition, about weather forecasting, about irrigation, about the many other specialties involved in helping people to help themselves.

We must learn more about people, about the development of communities, architecture, engineering, education, motivation, productivity, public health and medicine, arts and sciences, political, legal and social organization. All of these specialties, and many, many more, are required if young people like you are to help this Nation develop an agenda for our future, your future, our country's future.

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I challenge, for example, the medical students in this audience to put on their agenda the achievement of a cure for cancer. I challenge the engineers in this audience to devise new techniques for developing cheap, clean and plentiful energy and as a by-product, to control floods.

I challenge the law students in this audience to find ways to speed the administration of equal justice and make good citizens out of convicted criminals.

I challenge education, those of you as education majors, to do real teaching for real life.

I challenge the art majors in this audience to compose the great American symphony, to write the great American novel and to enrich and inspire our daily lives.

America's leadership is essential. America's resources are vast. America's opportunities are unprecedented.

As we strive together to perfect a new agenda, I put high on the list of important points the maintenance of alliances and partnerships with other people and other nations. These do provide a basis of shared values, even as we stand up with determination for what we believe.

This, of course, requires a continuing commitment to peace and a determination to use our good offices wherever possible to promote better relations between nations of this world.

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The new agenda, that which is developed by you and by us, must place a high priority on the need to stop the spread of nuclear weapons and to work for the mutual reduction in strategic arms and control of other weapons.

I must say parenthetically, the successful negotiations at Vladivostok, in my opinion, are just a beginning.

Your generation of Americans is uniquely endowed by history to give new meaning to the pride and spirit of America. The magnetism of an American society, confident of its own strength, will attract the good will and the esteem of all people wherever they might be in this globe in which we live.

It will enhance our own perception of ourselves and our pride in being an American. We can -- we can, and I say it with emphasis -- write a new agenda for our future.

I am glad that Tulane University and other great American institutions are reaching out to others in programs to work with developing nations, and I look forward, with confidence, to your participation in every aspect of America's future, and I urge Americans of all ages to unite in this Bicentennial year to take responsibilities for themselves, as our ancestors did.

Let us resolve tonight to rediscover the old virtues of confidence and self-reliance and capability that characterized our forefathers two centuries ago.

I pledge, as I know you do, each one of us, to do our part. Let the beacon lights of the past shine forth from historic New Orleans, and from Tulane University, and from every other corner of this land to illuminate a boundless future for all Americans and a peace for all mankind.

Thank you very much.

END (AT 8:32 P.M. CDT)