

APRIL 3, 1975

Office of the White House Press Secretary
(San Diego, California)

THE WHITE HOUSE

TEXT OF REMARKS OF THE PRESIDENT
TO THE WHITE HOUSE CONFERENCE
SAN DIEGO, CALIFORNIA

I am delighted to be here today on the beautiful shores of San Diego bay -- America's cleanest bay in terms of size and traffic. I am especially pleased because this is a showcase of what Americans can do on a local level to solve problems and respond to the future with creativity and confidence.

San Diego has demonstrated that environmental quality is good business. Even the animals in your famous zoo are thriving because of your achievements in preserving our natural heritage as you develop the most modern recreational and industrial facilities. I commend your carefully managed residential growth. San Diego is truly a city on which others could be modeled.

I am especially proud of the role of the United States Navy as a good citizen in San Diego, among our greatest Naval bases. And I pledge to you today, as one who sailed from here during World War Two, that I remain committed to a Navy second to none in readiness, capability and dedication to our nation's highest ideals.

I know that the concerns of this area go beyond your vital Navy installations and the wonders of the San Diego zoo. Too many in this region are without employment. Prices and taxes are too high. New sources of energy are essential.

I also know that local problems are best solved by local people. This administration responded to your pioneering of growth management strategy to preserve the residential environment. The Department of Housing and Urban Development has just approved San Diego's application for \$9.1 million under the historic new community development block grant legislation. This confers upon San Diego the distinction of being one of the very first major cities to receive such assistance.

Your able mayor, Pete Wilson, tells me that one of the ways this grant will be used is to speed economic development by attracting new business and industries to San Diego. Funds from this new block grant approach are available for the first time to prepare sites and, together with the on-the-job training programs of the Department of Labor, offer an extra inducement for new enterprises to locate in your already world-renowned climate.

This kind of local initiative and planning proves we are on the right track with block grants instead of trying to run everything from Washington, and demonstrates my firm conviction that the best features of community development should neither be sacrificed in the current economic climate nor stifled by Federal red tape.

San Diego is a showcase of the good neighbor policy. The nearby Mexican border is the busiest international crossing in the world, making this a gateway city with a unique challenge. San Diego and Tijuana share the same air and water and seek joint solutions to problems that cross national boundaries.

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I commend Fronteras 1976, the San Diego community's bicentennial project, jointly sponsored by the city and the University of California at San Diego. This project will advance regional and international understanding -- demonstrating to the world the potential of creative cooperation and interdependence among sovereign nations.

Serious problems confront the American people at home. Yet unemployment and the growth of our economy, as well as our national security, are directly related to relations with the rest of the world.

In recent weeks we witnessed discouraging and tragic events in the Middle East on which we depend for far too much of our energy needs. These developments dramatized the urgency of moving ahead in San Diego and throughout America with constructive action to make this nation independent of foreign sources of energy.

Today I renew my challenge to the Congress to act before the end of this month on the urgently-needed energy program I requested last January. We can afford no more delays.

I would not be frank and honest with you if I were to ignore the serious setbacks we have suffered in recent weeks in our quest for peace in the Middle East and, more recently and more dramatically, in Southeast Asia.

Even as I speak, the dimensions of the human catastrophe in Southeast Asia increase. Whether from your evening news shows or morning headlines or from my top secret reports, it is impossible not to be moved and shaken by the sudden and tragic developments in South Vietnam. All Americans are shocked and saddened and wondering what we can do.

First, we are taking all the humanitarian measures we can to relieve the innocent civilian refugees in South Vietnam whose plight touches the heart of America. At the same time, we are providing for the safety of all the Americans who from a deep sense of duty might be endangered by swift changes in the battle zone.

Second, as soon as they return from their Easter recess and I have opportunity to address them, I will ask the members of the Congress for a firm American commitment to humanitarian assistance for the helpless victims of North Vietnamese aggression in flagrant violation of the Paris accords, which sought to end the suffering and bloodshed on a civilized basis.

Finally, I must say with all the certainty of which I am capable: no adversaries or potential enemies of the United States should imagine that America can be safely challenged; and no allies or time-tested friends of the United States should worry or fear that our commitments to them will not be honored, because of the current confusion and changing situation in Southeast Asia. We stand ready to defend ourselves and support our allies as surely as we always have.

As it always has, adversity is creating a new sense of national unity among Americans in these sad and troubled times. I will not engage in recriminations or attempts to assess blame, nor should any of us. Not all the facts are known. What is essential now is that we keep our nerve and our essential unity as a powerful but peace-loving nation.

As President and Commander-in-Chief, it is my sworn duty to maintain and strengthen the power for peace which the United States possesses both at home and abroad.

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The military strength of this Nation depends, as it always has, on its economic strength and the will power and self-discipline of its people.

The credibility of the United States in the world, both among our allies and our adversaries, depends upon their assessment of our moral, economic and military strength and staying power. All three of these elements are essential.

Let me consider briefly the problem of ensuring and increasing our economic strength. In this, the obvious priority is to get out of the recession we have been experiencing, and particularly to increase employment and get the jobless back into productive jobs.

But along with that urgent goal goes another priority, less obvious to some, which is to end the recession without adding unnecessarily to the inflationary pressures which have plagued us for many years prior to the recession and which helped to bring it on. We must make more jobs and reverse the recession without recklessly inviting a new round of double-digit inflation, rising interest rates and higher prices which in the long run would cancel out whatever stimulus and expansionary incentive we can apply to the economy in the short run.

That is why I am determined to hold the line on all the massive Federal spending programs which are moving through the Congress. That is why I have drawn the line at a maximum budget deficit of \$60 billion, which is where we stand now and is as far as we dare to go without endangering economic recovery.

I am gratified that some of the responsible members of the Senate and the House, on both sides of the political aisle, have spoken publicly of the danger of more massive deficits. Not merely the Administration, but the country needs their help and will need their votes when the showdowns come. But I have no wish to wage a veto war with Congress. We have enough real wars and rumors of war. What I would prefer is for the Congress to exercise its constitutional power of the purse with the responsibility and prudence that the people expect of it. Congress must cut rather than spend; it must reduce existing programs instead of creating new ones. It cannot go on giving away more and more government benefits without considering how to pay for them, and the damage that will be done by borrowing to pay for them.

When the American people are tightening their belts to get through the worst recession of recent times -- caused in large part by decades of deficits and ever-growing government programs -- the Congress should not ask them to suffer the consequences of more of the same fiscal folly.

I would like the Congress to fix an absolute ceiling on Federal spending for the coming year. The ceiling where I drew the line. To do this effectively, the Congress must go one step further -- put the already enacted procedures of the Congressional Budget and Impoundment Control Act of 1974 into effect a whole year ahead of schedule, starting this July 1.

In the face of a huge deficit that could reach \$100 billion if my budget is overridden, it is hard to see how Congress can refuse to do this and retain any fiscal credibility.

Excessive Federal spending for years has fueled the fires of inflation and imposed the unfairest tax of all on the American people -- robbing the retired of their pensions, the elderly of their Social Security, the hard-working majority of their paychecks' full value in the supermarket. Runaway inflation can ruin the productive growth and essential strength of the free enterprise system and cripple our entire American economy.

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That is why my economic recovery program contains two elements, each essential to its success. One, a quick one-time tax cut to stimulate buying power and new investment in job-producing expansion. The other, spending cuts and a one-year moratorium on new spending by the government -- except for emergency and energy needs. Federal tax cuts alone will not work without simultaneous Federal spending restraints.

I am deeply concerned, however, that some elements in Congress will try to pay for additional spending programs by dangerously stripping billions from the defense budget. At a time like this, nothing could be more shortsighted or devastating to our safety.

Individually, many of the domestic spending programs proposed in the Congress may have attractive aspects. They provide help to some worthy group.

It is hard for Members of Congress to oppose them -- it will be hard for me to veto them if Congress enacts them. But it is not the individual programs that are unacceptable but the sum total of them -- adding up easily to \$30 billion or more to bring the deficit into the \$100 billion range.

Defense spending, on the other hand, provides no benefits except the most precious benefit of all -- the freedom of our country and the last hope for peace in the world. As President Eisenhower so wisely observed, only the strong are free. Certainly we have ample reason to believe this truth today.

My budget recommendations for national defense are the minimum I believe to be essential for our safety.

It is now a popular idea that because Americans are not fighting anywhere, because we are seeking to broaden every avenue of peace, that we can expand social benefit programs and pay for them out of defense cutbacks. Simple arithmetic disproves this. I have seen careful mathematical projections that show, if welfare and other transfer payments continue merely at their present rate of growth -- about 9% annually for the past 20 years -- half of the American people will be living off the other half by the year 2000.

Except for vastly increasing taxes on those who work, the only way such payments can be continued indefinitely is to take them away from our national defense. Other superpowers are doing nothing of the kind. I pledge to you today that I will resist stripping America's defense capability in every legal way available to me.

But if the men and women you send to the Congress fail to face up to these inescapable realities, refuse to exercise the balanced judgment their own new budget committee has been set up to enforce, then by simple arithmetic it will only be a few short decades before our defenses will be down to a single soldier with a single rifle with a single round of ammunition.

I have more faith in America than that. I have always been an optimist. And wherever I can get away from Washington and see Americans as they really live and work and play and plan for their children, my sense of what's right with our country is recharged and reinforced.

I am very pleased to be here today in the optimistic atmosphere and problem-solving climate of Southern California. I am among people with great experience and great courage. Many of the heroic POW's, who were liberated from North Vietnam are here in San Diego. They know the need for an orderly and peaceful world. They also know -- as men who live on the brink of doom, the danger of pessimism. They know that the objective facts are not as bad as a mood of frustration and futility to which some of our countrymen are tempted to succumb.

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Today I want to appeal to the common sense and courage of the American people. This is not a moment for despair or fatalism. Obviously it is not the time to dismantle our defense capabilities -- including our intelligence capacities.

We will go on helping people to help themselves. It is in keeping with our religious heritage, our decency and our own self-interest. We will preserve partnerships with people striving for freedom.

I reject the prophets of doom who see nothing but depression at home and despair abroad. I will reject any advice to pull down the stars and stripes and sail home from the seas of the world to the safe anchorage of San Diego Bay. If we do so, this anchorage will no longer be safe. You know it. And I know it.

Under my Presidency, we will neither furl the flag nor abandon hope. We will maintain constancy and credibility in American policy, at home and abroad. We are living in a complicated and troubled time. Events are moving very rapidly. But we will not withdraw inward nor surrender to a state of shock.

America is being put to the test. It is not just a test of our moral authority in the world. It is a test of our will to develop our own energy resources, to reduce bureaucratic waste, and to preserve our dollar by guarding against non-essential spending with the same vigilance that we continue the watchfulness and strength of our armed forces.

It is a test of our will to provide for the economic security of our families while assuring the military security of our nation. We can meet this test only by reducing vulnerability to weaknesses in our economy and energy capacities. That is why an adequate security program goes hand-in-hand with sound economic policies and prompt, effective energy legislation.

America has the will. America has the resources. America has the know-how. And American has the faith.

I share your belief in America. If you despaired of this nation and its future, you would not be here today. Together, we will build a new and better tomorrow.

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