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THE WHITE HOUSE

REMARKS OF THE PRESIDENT
AND
QUESTION AND ANSWER SESSION

NORTH PARK INN CONVENTION CENTRE

8:58 A.M. CDT

THE PRESIDENT: Ed, Senator Tower, Mayor Folsom, Russ Perry, Tom Unis, Tom Landry, our distinguished guests, ladies and gentlemen:

It is a great privilege and a very high honor for me to have the opportunity of participating in this meeting of the Dallas Chamber of Commerce. Many of you may have been in the audience a few weeks ago when I spoke to the SMU Business/Management Seminar at the Fairmont Hotel. If you were, you know that I am pretty optimistic about the economic recovery underway in the United States today.

Furthermore, there has been more and more and more good economic news compared to last year and I am reading about it more and more and frankly liking it better and better, and I think so are 215 million other Americans.

With the help of some very common sense, down-to-earth policies that I initiated at the opening of the recession, such as policies for tax cuts for individuals, tax incentives for business expansion and job production and extended assistance for those Americans who lost their jobs during the recession, the American people today are working their way back to prosperity after the worst recession in 40 years.

We are celebrating our Bicentennial year with more cause for hope, more reasonable expectations of economic progress than even the optimists would have dared to imagine just a few short months ago. It is very encouraging to know as we look back over the past 12 months that the American people did not panic in the face of adversity and the American private enterprise system did not fail to respond to one of its greatest and most complex problems. For that, some 215 million Americans, including all of you in the Dallas area, have my congratulations and my thanks and appreciation.

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As I indicated a few moments ago, every week now we are hearing more and more good economic news. Just last week it was announced that the Gross National Product for the first quarter of 1976 rose at an annual rate of 7-1/2 percent. The Consumer Price Index for the first quarter of this year rose at the annual rate of only 2.9 percent, the lowest rate of inflation since the summer of 1972.

86,700,000 Americans are today at work, and that means more Americans are gainfully employed in March of 1976 than ever before in the history of the United States. Considering where we started from, I would say that is a pretty good come-back.

New factory orders in February totaled over \$90 billion and new orders for durable goods in March increased by a very impressive 6.5 percent over the previous month. Real earnings for the average American have increased very significantly in recent months. The index of consumer confidence, which is a vital criteria by which we judge the future is double what it was a year ago.

The list could go on and on but even good economic statistics get boring after a while.

But let me emphasize one thing: These statistics are not political fiction; they are hard economic facts and they are pointing us on the road to a new prosperity in the United States of America.

Now there are some politicians -- who shall be nameless, I hope, and winless tomorrow (Laughter) -- who say that the economic recovery isn't real. They say it is an election year illusion and the roof is going to fall in after the election in November. But the truth is that this recovery is not based on any Government imposed wage and price controls or make-work Government employment jobs or massive new Government spending.

I have consistently and firmly, and I think constructively, fought attempts by the Congress to impose on our wonderful economic system such quick fix gimmicks. In fact, over the last 20 months I have vetoed 48 bills sent to me by the Congress. Forty of those vetoes have been sustained and those 40 vetoes will save the American taxpayers \$13 billion.

I think it ought to be mentioned, in addition, that some of those vetoes which I sent back to the House and the Senate, they knew in advance they couldn't override so they never brought them up. And let me mention one of those vetoes which I think is of some interest here that falls in that category, and it is the veto of the common situs picketing bill, which I was very happy to veto about six months ago.

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I think the record is very clear. I am committed to holding Federal spending to the lowest possible levels. With your help we can achieve a balanced budget in fiscal year 1979 and I will veto in the future any of the additional spending bills that the Congress sends me. I will veto them again and again and again and I hope in the process the Congress will learn what they can do and what they can't do.

When you come right down to it, I think we can honestly say that this recovery is not based on the shifting sands of political expediency but on the solid rock of the American free enterprise system, and that is the reason that our good economic news will last in the future beyond this election, and we expect for many, many years to come.

The first thing that we must do is to realize that the serious problems that have plagued our economy for years cannot be solved overnight. Despite what some politicians say or would have us believe, there are no quick fixes, no magic potion, no easy answers to the complex problems of the world's most dynamic and the most complex economic system.

The best estimates are that we will need 18 to 19 million new jobs in America within the next 10 years and the vast majority of these jobs must come from the private sector. The facts are that 5 out of 6 jobs in America today are in the private sector and in order to give these 18 or 19 million young people primarily a job opportunity, we have to give the private sector the greatest incentives that we possibly can and that is what this Administration has done and will continue to do for the next four months.

The American businessmen, you are the best job-makers in the history of this country and the challenge of the future is greater than any one of us have faced before.

I happen to have with me a copy of the Humphrey-Hawkins bill supported by all but one of the opposition candidates. It is not the answer, and I can assure you that I will oppose it all the way because it is the wrong direction for the American economy to go.

By conservative estimates, we will need at least \$4 trillion in new capital investments over the next 10 years, including a trillion dollars for energy development itself to keep pace of a strong and growing economy in America. Increasing Government control, increasing Government taxes, increasing Government spending will not solve the long-range problems of the American economy. They would only add to the problems that we have today.

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What we really need in the future and what I propose for the future is a major revitalization of personal initiative and private investment in America. This initiative, this investment, this freedom is what made America great in the first place, not a bureaucracy-bound Government in the Nation's Capital, and it is this freedom that will make America greater still in the third century of our independence.

This is what you want and what I want, and this is what we have to fight for together.

Thank you very much, and now I will be delighted to answer any of your questions.

QUESTION: Mr. President, would you comment on the prospects of deregulation of natural gas in the current session of Congress?

THE PRESIDENT: As most of you know, in January of 1975 when I submitted to the Congress and to the American people my State of the Union message, I included my recommendations for the deregulation of domestic oil production by April 1 and the immediate deregulation of new natural gas.

Earlier this year, over a year later, the United States Senate passed a modified version of what I proposed. I wanted total deregulation of new natural gas but they passed a bill that I supported because it was the best we could get through the Senate -- the Bentsen-Pearson bill -- that would be acceptable. We made a massive effort to try and get the House of Representatives to go along with a comparable piece of legislation, a bill sponsored by Representative Kreuger of Texas.

We supported that. Again, it wasn't perfect but it was a major step in alleviating the current situation. Tragically, it lost by three or four votes in the House of Representatives, the House substituting a Smith bill which was a step backward rather than a step forward.

So we are now at an impasse -- a Senate bill which I support and a House bill which I oppose. We are trying to find a way to mesh them to find a compromise, but I have to be honest with you and say that the House bill is so bad I see no possibility of getting affirmative action.

The sad part is we lost by 206 to 203, as I recall -- unbelievable. So the prospects right now are not encouraging. It is a sad and tragic situation, but we are going to keep putting the pressure on.

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I don't understand people who want to continue what we have had, which is the regulation of interstate transmission of natural gas. We have got to do something to provide an incentive and, if so, we have to get rid of regulation.

I pledge to you, as I have tried since I have been President, to try and get rid of that legislation which hamstrings us, which hurts us, but right now the prospects are not encouraging. We have to get some new faces in the Congress, that is the problem.

QUESTION: Mr. President, we strongly believe in this private sector initiative you are talking about. Our company is owned by 56 Dallas banks and corporations and we are in the business of helping small businesses. We have helped a young man in a wheelchair expand his business with financial assistance. We helped create the fifth largest black-owned business here in Dallas. We have helped create the first Spanish language radio station owned here in Dallas. We have done a job that has been recognized nationally.

Senator Tower is well aware of what we are doing. Russ Perry sits on our board; Dick Gallon of American Petrocena.

Unfortunately, we are regulated by the Small Business Administration, Mr. President, and for six years those regulations have hampered our ability, and in the last few months the trend has been worse.

I was on Capitol Hill three weeks ago testifying on Senator Tower's bill, which the SBA opposed.

My question is simply this, sir (Laughter): By way of background, for 18 months we have attempted to bring this to your attention through ordinary channels, and I appreciate the opportunity to do it now. Can we visit with you, or will you take some initiative to help us in the private sector operate efficiently and economically to do this job and work within the confines of the free enterprise system and not be hampered by the Small Business Administration?

THE PRESIDENT: To be honest with you, I don't understand why SBA should be hampering and hurting your efforts along the lines that you suggested. I must admit, I was not familiar with the request that you had to discuss this matter with me.

I am going to be spending all day with John Tower and, if Senator Tower's bill achieves or accomplishes what you suggest, I certainly will talk in depth with John Tower about it during the day and I have nothing but the highest respect for John Tower in the legislation he opposes or sponsors.

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So you will have an effective voice with me all day long and we will find out what is the problem, and we will try to do something about it.

QUESTION: Thank you, sir.

QUESTION: Mr. President, on your 62nd birthday, I sent you a letter congratulating you for being such an outstanding example for people who are in their sixties. (Laughter)

THE PRESIDENT: You don't have to remind me of that. (Laughter)

QUESTION: But I do. You are running for re-election and if you win, look forward to a nice term without any thought of people asking you to retire in the next two or three years because you will be 65. So that is my question.

Has any thought been given to the idea of extending the mandatory retirement age in the business sector to perhaps 68 instead of 65? Mandatory, I say, because there are some who look forward to 65 and retirement but there are some who are, as the senior citizenry becomes more physically fit, not only disappointed but they have nothing to look forward to but retirement and Social Security.

This brings me to the point. If there were an extension that way, there would be three years where that sector of the population would still be paying into Social Security instead of taking away from it, and at the end of that three years they would have turned back a maximum salary into the economy instead of the minimum of the Social Security percents.

THE PRESIDENT: I don't believe the Federal Government ought to decide what the private sector wants to do about retirement. If a business organization has individuals over 65 that can contribute significantly to their operation, I don't think Uncle Sam ought to tell them those individuals can't work for that company.

That is again an illustration of what the Federal Government ought to do, and I oppose that kind of interference in this area just like I have traditionally over 27 or 28 years of public life. I vigorously oppose the Federal Government telling businessmen at one level or another that they should do this or not do that. For the Federal Government to tell people they have to, on a mandatory basis, retire at 65, I think is ridiculous.

I feel great at 62 and I expect to feel great at 66 or 68, and I don't expect to retire on January 20. (Laughter)

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QUESTION: Mr. President, my question concerns detente. Russia's stated objective is to bury us. Their system doesn't work and we continue to bail them out. They couldn't feed their people in 1973 and 1974 and we bailed them out by selling them grain. We furnish them with technology to help them close the gap.

We need oil and they won't sell it to us. It seems like to me this is a one-way street. Would you comment on this?

THE PRESIDENT: For a period of 25 years or thereabouts, we had a policy in this country, under Democratic as well as Republican Presidents, of a cold war, both with the Soviet Union and with the People's Republic of China, and during that span of time two things happened. We had the war in Korea, we had the war in Vietnam and, in addition, both of those economies, despite our cold war attitude, improved their economic status. Obviously, that policy didn't prevent war and it didn't prevent them from increasing their capability.

It seems to me that a policy of negotiation is infinitely better than confrontation, and I think we can point to some success in that regard.

Number one, by being able to talk and to negotiate, the United States has had a very, very successful effort in the Middle East. Because we were not confronting the Soviet Union but we were able to work with the Arabs on the one hand and the Israelis on the other -- and I know something personally about that -- both of them trusted us, we were able to make significant headway in the progress toward a permanent and a fair and equitable settlement in that very controversial area of the world.

Now if we had been in the cold war situation that existed for 25 years, the United States couldn't have moved into the Middle East and worked out the Sinai agreement, which is a major step forward because the Soviet Union would have confronted us as they had over a period of 25 years.

So it is my judgment, using one example after another, that if we are willing to negotiate, not giving up anything that involves our own national security, it is a lot better than going through the kind of tragedy that we had over a 25-year of a cold war period. It just makes more sense. And I deny anybody to say that the United States has given up anything that involved our national security as far as the Soviet Union is concerned, except Angola, and that wasn't my fault -- that was the problem of the Congress that turned us down.

QUESTION: Thank you.

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QUESTION: Mr. President, I am Vice President and General Counsel of Texas Instruments. My question this morning is in the event Congress were to enact legislation repealing Section 14(b) of the Taft-Hartley Act which, as you know, would eliminate the Texas right to work law, would you invoke your power of veto on such legislation?

THE PRESIDENT: I certainly would. Ever since I was sworn into the Congress on January 3, 1949, I have consistently taken the position that Section 14(b) must be a part of our labor-management legislation. That is not so easy in a State like Michigan. (Laughter)

QUESTION: That is right.

THE PRESIDENT: It is a lot more difficult than to say it down here in Texas.

QUESTION: I used to live there.

THE PRESIDENT: In the Congressional district I represented, there were 35,000 UAW-CIO-AFL families, and I took that issue to them every time for 13 elections, and I would not then and I will not now approve of the removal of Section 14(b) from the Taft-Hartley or labor-management acts.

QUESTION: Thank you.

QUESTION: Mr. President, the New York City financial situation, that concerns us all, and we would like to have your views on the appropriate role and responsibility of the Federal Government in meeting potential situations such as New York City and other cities.

THE PRESIDENT: Let me say that the Congress has passed two pieces of legislation that I think will handle present and future problems where cities through bad management get into serious financial difficulties.

Number one, I recommended to the Congress that we amend the Bankruptcy Act so that if a city mishandles its financial affairs, it can go into bankruptcy just like a poorly managed company or a poorly managed individual in the handling of his or her or that company's financial affairs.

Believe me, that is a deterrent as far as cities are concerned because they don't like to go into bankruptcy and I think it is sort of a roadblock to them.

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Secondly, what we had to do -- and I think wisely so -- in the New York City situation was to make New York, after a struggle of some six months, to pull itself up by its bootstraps.

Now, they have taken certain actions to put a ceiling on future pay increases, to get revision in their pension contracts with their employees which were way out of line, to get some of the creditors to hold back and to make some modification on the interest payments that were to be made by the city for those security holders.

They have taken some drastic action, including the State of New York putting more money up to help and assist them. They are going to modify the no tuition situation for the city university. They have done a lot of things.

The only problem they had after they had pulled themselves up by their bootstraps was a cash flow problem, and I suspect some of you businessmen know a little bit about the cash flow problem. We finally agreed -- and I think wisely so -- and let me tell you why -- that they do borrow from us on an interim basis with the agreement they would pay us 1 percent over what our borrowing cost would be.

They borrowed money for the first two or three months. They have paid their first payment back and they have to pay everything back by June 30. They paid us back \$270 million, and they paid us back \$5 million in interest. So, it is a good deal for the Federal Government. They bailed themselves out. We are loaning them temporary money, and they are paying us interest on it, and Uncle Sam made \$5 million. That is not a bad deal for us.

QUESTION: Thank you.

QUESTION: Mr. President, my question is simply this: You have a reputation for being an equitable person, and I would like to ask you if you agree that from an equity point of view labor unions should be subject to the same anti-trust laws as business, no more, no less?

THE PRESIDENT: The proposition has been raised that the anti-trust law should be applicable to labor organizations. There is a great deal of controversy on it. There are many people in the business community who don't believe that is the right way to approach the situation.

I personally feel that this whole matter ought to be reviewed in light of the expansion of a number of our labor organizations and the powers that they now seem to have in the economic field.

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I would hope that such a study and analysis on an updated basis would be undertaken both by the Executive Branch and the Congress. We can't just have the views of the past as we meet the problems of the future. But, it is not unanimous in the business community that that should be done.

So, we ought to get the best mind in both management, as well as labor, and take a look at it from the point of view of the executive as well as the Congress. As long as I feel that way, I don't think I should prejudge the decision-making. But, I would like to remind the people here that I have strongly supported the Taft-Hartley Act. I have strongly supported those who would fight repeal. I strongly support the improvements that were made in 1958 of the Landrum-Griffin bill.

So, my views are not any great sympathy for some of the things that I see done by major unions. I think we ought to take into consideration the diversity of views even in the business community, and we will by such an undertaking.

QUESTION: Thank you.

QUESTION: Mr. President, I understand that recently you wrote to Minority Leader John Rhodes objecting to the so-called *parens patriae* concept in antitrust legislation which would allow State Attorneys General to bring large, terribly damaging lawsuits on behalf of the residents in their States.

You said that *parens patriae* was properly a matter for State legislatures rather than for Federal legislation. My question is, do you still hold that view?

THE PRESIDENT: I strongly feel that the Federal Government should not turn over the prosecution responsibilities to State Attorneys in 50 States. I think if there are violations of our antitrust laws, the prosecution ought to be undertaken by the Department of Justice. I don't think we should at the Federal level give this responsibility to a State official who can or cannot use it for his own political benefit.

I think that the Federal Government ought to assume the responsibility and not turn such a major responsibility over to State officials. I think that is a wrong concept and what I said to Congressman John Rhodes I reiterate here today.

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QUESTION: Would you veto that kind of legislation?

THE PRESIDENT: If that came down as its sole or particular provision. But, I think we have to recognize that that provision is a part of a number of proposed changes in antitrust legislation. I can assure you that if it comes down separately, there is no question about it. We will have to take a look at it when it comes down in a 50-page or a 25-page overall provision.

But, my efforts right now are to get the House and the Senate to oppose and not to include that in any overall antitrust revision, and we were quite successful in the House. Now the matter is before the United States Senate.

QUESTION: Thank you.

QUESTION: My question, sir, is what positive steps do you contemplate taking to continue your policy of less regulation of business by the Federal Government?

THE PRESIDENT: I have had three meetings with the top people on the various regulatory commissions. I think there are 11 of these regulatory commissions -- ICC, FCC, FTC, et cetera. In each case, well, in the first case I said that this Administration's aim and objective was to get those commissions to do something affirmatively on their own to reduce their regulations and to eliminate many of the obsolete or obsolescent rules and regulations that they have.

I told them that I wanted within the next six months, as I recall, a report, and I would meet with them again. Just about three weeks ago I met with the chairman and the second ranking member of each of those commissions and I got a report from them. It is not as good as I would have liked, but it is progress.

I again instructed them that I wanted some additional progress in their efforts to do what they could to eliminate some of these out-of-date rules and regulations.

Secondly, I met with the Democratic and Republican leadership of the Congress and urged them in the Congress to work with me to amend or eliminate some of the legislation that is on the statute books which mandates that the Executive Branch do this or do that or this.

The Congress has to cooperate and in addition we have worked with the Office of Management and Budget to get them to get the various agencies of the Federal Government to eliminate 10 percent by July 1 the paperwork that all departments require of citizens and business throughout the country.

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I got an interim report about a month ago and actually there has been a reduction of 4 to 5 percent since I gave the order that there be a reduction and by July 1 we are going to make certain that there be that 10 percent reduction in the paperwork that is thrust upon the American society.

Now, in addition I have met with the Cabinet because many of the departments issue regulations that I think are unnecessary and can be eliminated, and we are getting periodic reports from the department. We are making headway. It is not as much as I would like, but everybody in the Federal Government in a position of responsibility knows what my view is and they better perform.

QUESTION: Thank you, sir.

QUESTION: Mr. President, this will be the last question.

THE PRESIDENT: Can we have two more?

QUESTION: Mr. President, very recently Ambassador Ellsworth Bunker has testified to a committee of Congress that he had written instructions from you to negotiate on the Panama Canal and to turn over jurisdiction to the Panamanian Government in about three years the Panama Canal zone.

My question is this: In view of the fact that most of us Texans -- and I think most Americans -- don't want to see us give up the Panama Canal because it is very important to our defense all over the world essentially, I would like to ask you, can you give us any assurance that you won't allow the Panama Canal to slip away from us?

After all, the American people bought the Canal zone, they built the Canal, they keep it up, and it is the only way that Soviet Russia will not have control of another very important waterway in the world.

THE PRESIDENT: Let me assure you that this Administration will under no circumstances give up any right of transit, any national security interest as far as the Panama Canal is concerned. But, I want to straighten out the record concerning several things.

The 1908 treaty with Panama is quite a different treaty from, for example, the purchase of the Louisiana Territory or the purchase of Alaska. I was asked the question down at Baylor University yesterday, the young man said, "The Panama Canal brings us great revenue."

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Well, that is completely and totally inaccurate because at the time of the first treaty, the United States agreed to pay \$250,000 a year for the right to use that territory, not in a sovereign way, but the right to use that territory ten miles wide and 51 miles long for the construction and operation of the Canal.

Let me say another thing that I had to correct the record for this young man was that that treaty has been revised a number of times, including the increase in the compensation that the United States pays Panama for the use of their land from \$250,000 a year. Today we pay Panama \$2 million 500 thousand a year.

So, that treaty that was initially signed in 1903 has been amended a number of times. But let me say that following the bloodshed of 1964, a great Texan -- and I didn't always agree with him, I suspect many of you didn't -- decided it was in the best interest of the United States to negotiate in order to avoid bloodshed in the future, in order to avoid antagonizing 25 South American and Latin American nations, including your border neighbor Mexico, and 309 million Latin Americans and South Americans and to permit that Canal to be operated in perpetuity as long as it is a viable economic method of transportation.

He decided that negotiation was a lot smarter than having all of these other things take place. We negotiated from 1965 right until the present time and any treaty that is signed will be of a maturity date 40, probably 50 years, which means 25 years in the next century when the size of that Canal, the usability of that Canal, the economic viability of that Canal could be quite different from what it is today.

It will be over 100 some years old and the transportation capabilities for the use of that Canal could be quite different from what they are today so what makes sense to me and makes sense to two of my predecessors that during the term of that 50-year treaty we, the United States, have the capability and the responsibility to defend it, to operate it and to maintain it.

I think that is a responsible position to take and that we are guaranteed after the end of a 50-year treaty the right for us and for all nations to use that Canal. I think that is a responsible position and as my opponent has said, he believes we ought to stop negotiations. I think that is complete and total irresponsibility because it will inevitably lead to bloodshed, it will inevitably lead to guerilla action that will stop the use of the Canal now and inevitably it will antagonize our friends and neighbors below the border. I think a better policy is to do what we are doing, negotiating and it is a policy that will protect our interest and this President will never do anything to injure, harm our overall national interest in the Panama Canal.

QUESTION: Thank you.

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QUESTION: Mr. President, I am a student, I am in the Student Executive Assistance Program sponsored by the Chamber of Commerce and the DISD.

My question is, do you think our military power is at its best level to fully protect our Nation and, if not, do you plan to increase our national budget to do this in case of a national crisis?

THE PRESIDENT: I have already taken the action in 1975 and again in 1976 to recommend to the Congress the necessary funding to make sure, not only last year but this year and the years ahead, that the defense capability of the United States is fully adequate to meet any challenges from abroad.

I recommended a year ago the biggest defense budget in the history of the United States and I recommended this year again the largest military budget in the history of the United States -- a 14 percent increase over the one of last year.

Now let me take a minute, if I might, to discuss this overall problem.

For the last 10 years the Congress has cut \$50 billion from various Presidents' national defense budget recommendation, and the net result is that there has been a decline in the spending on a real dollar basis by the United States for our Army, our Navy, our Air Force and Marines.

When I became President, as I indicated a moment ago, in the first budget that I submitted I tried to reverse that trend, and the budget that I submitted this last January, even to a greater degree reverses that trend.

Now the net result is, in trying to convince the Congress they should cooperate with us rather than hurt us, we have used certain statistics. We have used some of the statistics that my Republican opponent now quotes. Those are our statistics, not his, We have also used some other statistics that provide a better balance.

It is true that the Soviet Union has 4 million men under arms and that we have 2 million men under arms. But if you look at the kind of forces that they have in the 4 million, you find that only about 2,200,000 are what we would call comparable to ours.

They run their railroads, for example, with their military. We don't. We depend on either private enterprise or Amtrak. (Laughter) But let me illustrate what my opponent is in effect saying.

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He says they -- the Russians -- have 4 million men under arms. We have 2 million men. Therefore, I gather he is saying that the United States ought to have 4 million men under arms. That is the only honest conclusion I come to.

Let me say this: If you go from 2 million to 4 million men under arms, the all-volunteer military service program goes out the window. You will have to go back to the draft. You can't double our men in the Army, Navy, Air Force and Marines and stay with an all-volunteer military force.

If Mr. Reagan wants to go to 4 million men, he is in effect advocating the reimposition of selective service. That is a cold, hard fact, and I don't think that is what the American people want.

Number two, there isn't a single military leader in this country who has advocated any increase in our manpower strength of two million one. The Chairman of the Joint Chiefs of Staff, the heads of the Army, Navy, Air Force and Marines, they think our manpower strength is right. So I will rely on them rather than somebody who says we should go from 2 million to 4 million.

So when you add it all up, the use of certain statistics in a simplistic way is not the way to present our military capability. I could take ships -- let's take a minute on that.

The statistics that my opponent uses say that they have 1,250 ships and we have 500. But you know if you analyze what those 1,250 ships include, over half of them are what we call patrol craft or anti-minesweeping craft. They don't have any ocean-going capability that affects the capability of our Navy versus the Soviet Navy.

But then let's go to tonnage, and I don't know how many people here in this room served in the Navy in World War II -- I served for better than two years on an aircraft carrier, most of the time in the Pacific, and it is tonnage and firepower that make the difference -- if you take our tonnage and our firepower, we have twice as much tonnage as the Soviet Union has, even if they include the patrol craft and the minesweepers.

So, you know, you are all realistic people, you deal with statistics, and people can take a part of a picture and with statistics point out a wrong conclusion, and my opponent has oversimplified the thing, taking only part of the statistical data. But let's talk about what we have.

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In the strategic area we have more warheads than the Soviet Union has, by two to one. We have more high performance strategic aircraft, the B-52s, and we hope to have the B-1. We have two to three times more than they have. Our missiles are far more accurate and are far more reliable.

So when you get the whole picture put together, I have complete confidence that our military capability is fully sufficient, adequate to carry out any mission, to deter aggression, to maintain the peace and to protect our national security, and we are going to keep it that way.

QUESTION: Thank you, Mr. President.

THE PRESIDENT: Thank you all very, very much. It has been great being in Dallas and we appreciate your understanding. We will work hard to maintain our commitment to you and I can assure you we won't let you down.

Thank you.

END (AT 9:46 A.M. CDT)