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FOR IMMEDIATE RELEASE

FEBRUARY 10, 1976

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

REMARKS OF THE PRESIDENT AT THE BRIEFING FOR REPRESENTATIVES OF MILITARY-ORIENTED ORGANIZATIONS

THE EAST ROOM

5:30 P.M. EST

Secretary Clements, General Brown, General Scowcroft, members of the Joint Chiefs of Staff, distinguished guests:

It is awfully good to see you all and to welcome you to the White House. I know that Secretary Kissinger and Secretary Clements and others have briefed you very fully on the elements of our new defense budget and the policies of their respective departments.

Actually, foreign policy and defense policy are both part of a single national policy, the policy that carries out the first duty of the Federal Government, which is to make the United States and its people safe and secure in a very dangerous world.

Throughout our 200 years of independence, we have become the strongest Nation in the history of mankind and, as President, I intend to keep our military strength certain and our powder dry.

But, our world has also become much more dangerous. It is also my duty to do all that I can to reduce the level of danger by diplomatic means, so my policy for national security can be summed up in three words -- peace through strength.

I believe it is far better to seek negotiations with the Soviet Union based on strength than to permit a runaway nuclear arms race and risk a nuclear holocaust.

Under my Administration, the United States is at peace. There are no Americans in battle anywhere in the world today. We have greatly strengthened our essential alliances with Western Europe and with Japan.

The United States has taken a strong and very forthright stand in the United Nations on behalf of our own national interest. We challenged the Soviet Union and Cuba in their intervention in Angola, and if the Congress had stood with us, we could have preserved the opportunity to let the Angolans settle their future among themselves.

We have worked to achieve an unprecedented increase in United States foreign trade, which has insured hundreds of thousands of American jobs. The United States has used its unique position, its position of confidence, on both sides to accomplish a historic breakthrough in peace negotiations between Egypt and with Israel, and continues to seek a just and lasting peace throughout the Middle East.

A strong military presence and decisive action by the United States coupled with the elements of our Pacific doctrine have stabilized international relations in Asia and the Far East. I believe -- and believe very strongly -that \$112 billion 700 million requested in my fiscal year 1977 defense budget represents the best way to deter war and to keep our country secure.

By maintaining unquestioned military strength, we will negotiate from strength, not from weakness. We will not prevail in this protracted struggle with the enemies of freedom, big or small, by warming over the old rhetoric of the cold war or by fast and fancy gunplay with weapons that can destroy most of the human race.

We will win this struggle, and we are winning it by the patient and painstaking pursuit of our own national interest through continuing my present policy of peace through strength.

Anyone who has ever been in the Armed Forces, especially in wartime, knows that the final objective you gain from that experience, the continuing mission you take with you when you leave the service, is to work for a peaceful world for your children and your grandchildren.

The veterans of all nations will tell you just that. But, as Americans, we have an extra responsibility. We did not seek it, but it was thrust upon us. We cannot escape it, and we will not. Circumstance, destiny, fate, or whatever you call it, the fact is the United States of America is today the world's best and perhaps its only hope of peace with freedom.

Upon our strengths, upon our power, upon our prudence and our perseverance rests mankind's best hope for a better world. Whatever chance there is for permanent peace depends upon America's resolution and national leadership.

I am committed to such a firm and steady course. I am greatly encouraged and pleased by your strong and steadfast support.

I thank you very much.

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END (AT 5:35 P.M. EST)

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FOR IMMEDIATE RELEASE

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FEBRUARY 22, 1976

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

REMARKS OF THE PRESIDENT TO THE NATIONAL RELIGIOUS BROADCASTERS CONVENTION

THE SHOREHAM HOTEL

8:32 P.M. EST

Dr. Zimmerman, Dr. VanDerPuy, Dr. Toms, members and guests of the National Religious Broadcasters and the National Association of the Evangelicals:

It is a very special honor for me to address for the third time in as many years this great Convention of National Religious Broadcasters. I welcome, of course, the participation of the National Association of Evangelicals, and I salute both of you for your outstanding organizations as you follow the great commissions of Jesus, to go into the world and to preach the gospel.

My good friend, Billy Zeoli, makes the point that we may know the number of churches, radio and television stations involved in religious broadcasting and mission work. Only God, however, can count the number of lives that have been changed by the gospel you preach throughout the world.

I like the theme you selected for your Bicentennial, "Let Freedom Ring." Nowhere on earth has freedom rung so loud and so long as in the United States of America. Americans have heard it ring for 200 years, and I hope and pray it will ring forever in this great land of ours.

The Commandments and the laws of God were of very special importance to our Founding Fathers and to the Nation they created. I believe it is no accident of history, no coincidence that this Nation which declared its dependence on God even while declaring its independence from foreign domination has become the greatest Nation in the history of the world.

We are taught in the Psalms that blessed is the Nation whose God is the Lord. I believe that very, very deeply, and I know you believe it, too.

MORE

(OVER)

Looking back over 200 years, we can see that America has always been a uniquely blessed nation, that we have had a very special role to play in the affairs of mankind. In our Nation's youth we become living proof of the fact that men could govern themselves successfully, that the divine right of kings was a false doctrine for Americans and that in truth all men are created equal in the sight of their creator.

We proved that hard work and self-sacrifice and a freely extended helping hand could build a Nation and a people to greatness in the space of just a few generations, a timetable unheard of before the American experience began.

We have demonstrated time and time again that the cause of freedom in the world has no better friend, no stronger ally than the United States of America. We have demonstrated that we are among the most compassionate, most generous people on earth. We have demonstrated that the world famous American ingenuity is still very much at work, still able to keep us on the frontiers of progress in every field.

Our leadership in all of these endeavors has enriched mankind everywhere. While seeking out the path of peace with other nations, we have declared our enemies to be disease, ignorance and poverty and injustice and war itself.

I remember President Eisenhower observing that America is not good because it is great, America is great because it is good.

The early history of our country was written by men who valued the freedom of religion and who had in common a deep faith in God. We read of George Washington on his knees in prayers at Valley Forge, seeking divine guidance for himself, his men and his fledgling Nation in the terrible winter of 1777.

We read of Benjamin Franklin calling the Second Continental Congress to prayer when that body of strong willed independent men was in disarray and in discord.

We read of John Adams, proclaiming of love of God and his creation, stating that the Ten Commandments and the Sermon on the Mount were the sum of his religion and praying that heaven would bestow the best blessings on the White House and all of its future inhabitants.

This faith of our fathers sustained the young

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America when it was weak and very poor. That same faith can sustain us today in the added responsibilities of the world's most prosperous and powerful nations.

When I became President, this country was faced with some of its most pressing and serious problems in its history. Underlying these problems was a crisis of confidence in our Government, a crisis of spirit among our own people. American had been buffeted about for more than a decade with shocks to its system that would have crippled a lesser country.-- political assassination, a long and frustrating war, riots in our streets and on our campuses, economic distress, scandals at the highest levels.

In the few hours before this responsibility was suddenly thrust upon me, I was asked by one of my aides what verse I wanted the Bible open to when I took the oath of office. I turned to the Bible which had been given me when I became Vice President and my oldest son, Mike, was a divinity student in Massachusetts -- and I understand Dr. Ockenga is speaking tomorrow night to you.

Ever since I was a little boy, I have used a very special verse in the Bible as a kind of prayer. I am sure you are all familiar with it. It comes from the Book of Proverbs, and it says, "Trust in the Lord with all thine heart and lean not unto thine own understanding. In all thy ways acknowledge him and he shall direct thy paths."

That was the verse that I placed my hand upon when I took the oath of office administered to every President since George Washington. These words have meant much, very much, to me as I have dealt with the problems of this Nation and the world.

We hear so much about the corruption of Government and business and labor. We sense so much distrust in our basic institutions of society. Too many people are complaining we don't know who or what we can believe.

My answer is we can believe in God. We can believe in the faith of our fathers. We are the heirs of our fathers' faith, and it can be a source of strength and comfort and understanding for us, as it was for them.

It remains our duty to remember our religious heritage, to teach it to our children and to order our own lives with courage, with justice and kindness and in the love of God. Each generation has its difficulties and its challenges to meet. Surely we have no less need of an abiding faith than did the Pilgrims, who established a new life in the American wilderness.

We have no less need of faith than the American colonists when they flung their challenge of independence in the face of the world's most powerful empire. We have no less need of faith than the pioneers, who conquered a vast and dangerous continent.

The faith of our fathers is living still in America today. It will live as long as freedom rings in this sweet land of liberty.

Tonight, let us say in the stirring words of "America," "Long may our land be bright, with freedoms holy light, protect us by thy might, great God our King."

Thank you very much.

14.00

END

(AT 8:47 P.M. EST)

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FOR IMMEDIATE RELEASE

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OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

<u>REMARKS OF THE PRESIDENT</u> AT A <u>RECEPTION FOR THE</u> REPUBLICAN NATIONAL COMMITTEE

THE STATE FLOOR

6:25 P.M. EST

Thank you very, very much, Mary Louise. It is wonderful to see nothing but good Republicans in the White House. (Laughter)

Betty and I are very grateful that you all came, and we are most anxious that you relax and enjoy yourselves. We welcome you to this really wonderful place. Unfortunately, Betty is traveling. (Laughter) She likes to travel, and just happened to pick a place at random called Florida for a few days. (Laughter)

But, she asked me to express to all of you her very warm welcome.

Let me take just a minute or two before we all go into the East Room for a reception, a few refreshments. The three things that I think are vitally important that we all have to look at are:

Number one, what are we doing to convince a substantial majority of the 215 million Americans that they ought to vote for a Republican candidate and a Republican policy? I think we have a policy that we are working on both at home and abroad to convince a majority of the American people that they ought to vote for our policies and our candidate.

Number two, I think our policies ought to reflect what will make you enthusiastic to go out and support them in every State of the Union, and I think what we are trying to do, both at home and abroad, should give you that kind of enthusiasm.

Number three, things we are seeking to do here in the White House ought to help you recruit the best candidates at the local and the State level, the kind of candidates that will be proud to support us, and we will be proud to support them because the party must have a broad elected basis of people at the local and the State, as well as the Federal level.

Now, let me take just a minute or two to tell you what we are doing. You are familiar with circumstances better than a year ago. This country was facing some very difficult problems -- inflation much too high, 12 to 14 percent; unemployment about to burgeon; employment about to go down.

But, if we look at what has transpired in the last 12 months, we can be very optimistic that we have overcome the worst ravages of the worst recession since the great Depression of the 1930s. We have cut inflation in half, employment is going up, unemployment is going down, capital goods expenditures are going up, real personal earnings are increasing.

There isn't a single indicator that isn't improving. The trends are all good.

Let me assure you we are going to continue to get good economic news, and the American people believe, I think, that a Government that does this, not through quick fixes, but through solid policies, those are the policies that are in the best interest of the United States.

Now, it is absolutely essential that if we are to enjoy the fruits and the benefits of a good economy, that we have to be strong enough to take care of the best interests of the United States. We have to be strong enough to deter aggression, to preserve the peace and to protect our national interests.

The facts are that in the last two years I have submitted to the Congress and to the American people the two largest defense budget requests in the history of the United States in peacetime. Those requested appropriations for the best military personnel, the strongest weapons, the best planning by the Army, Navy, Air Force and Marines, will give us the capability to deter war and to preserve our national security.

This kind of a program should reassure our allies on a worldwide basis, and this kind of a program should invite cooperation from any party that we negotiate with. Let me assure you that this Administration will stand tall and strong in seeking peace through strength.

Let me close with just this final comment: In the State of the Union Message, in the Budget Message, and the economic report, we laid out some basic criteria, what we are trying to do. We are seeking to get an appropriate balance in the following areas:

We want a balance between those who pay the taxes and those who are the beneficiary. We want a proper balance between the Federal Government and State and local units of Government. We want a proper balance in the distribution of the necessary funding for the security of the country and for our necessary domestic programs. We want a proper balance for the freedom of 215 million Americans as they face the problems of Government -- freedom, peace, strength. They are all in our program, both at home and abroad.

With that kind of program, we will be able to convice a majority of Americans on November 2 that our policies ought to continue. We will be able to get all of you enthusiastic as you go out and sell what has been done.

Number three, we will recruit candidates. We will elect candidates so they can help us in the years ahead.

Thank you very, very much.

END (AT 6:32 P.M. EST)

FOR IMMEDIATE RELEASE

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OFFICE OF THE WHITE HOUSE PRESS SECRETARY (Independence, Missouri)

THE WHITE HOUSE

REMARKS OF THE PRESIDENT AT THE DEDICATION CEREMONIES OF THE HARRY S. TRUMAN STATUE

INDEPENDENCE SQUARE COURTHOUSE

2:50 P.M. CDT

Governor Bond, Margaret Truman.Daniel, distinguished Members of the House of Representatives and the United States Senate, Mayor King, Dr. Jonas, distinguished guests, friends and admirers of Harry Truman:

Surrounded as I am by old friends and neighbors of President Truman, it would be hard and perhaps foolhardy for me to try to add anything to the affectionate tributes already paid him as a public servant and as a great man, but I have a few memories of my own, so let me try.

Mr. Truman, as it has been mentioned, was a great student of history, and he particularly liked to talk about his predecessors and the qualities of each of them that they brought to the Presidency. He was really an expert at it, allowing for a little tilt toward Jefferson, Jackson and his distant kinsman, John Tyler.

The reason I know this goes back to my very first close view meeting with him. In fact, my very first meeting with anybody, and my first view of the White House. In the 81st Congress in 1949 I was a very freshman Member of the House of Representatives, and on the minority side. President Truman had seen to that.

In 1948 I had been assigned a place at the very bottom of the seniority ladder on the Public Works Committee, and one day President Truman invited all of us down to visit him at the White House. He greeted us very warmly and asked if we would like a personally guided tour through the House, and we got the full lecture; not just the public rooms, but upstairs through the family living quarters.

President Truman explained all the portraits, pointed out all the changes made by First Ladies, all the way back to Abigail Adams. But the tour wasn't all ancient history. The President also showed us the hole in the floor in Margaret's sitting room where her spinet piano attempted to obey the law of gravity. He stood us under the crystal chandelier that almost crashed down in the middle of an East Room reception.

He pointed to the swayback ceiling of the State Dining Room, which he said was only held up by the force of habit, not gravity. We were all so tremendously impressed. We thanked President Truman, and trooped back up to Capitol Hill and promptly voted him every penny of the \$5,400,000 he wanted to completely renovate the White House.

So, I broke all the anti-spending promises of my first campaign, and I want to testify here today that I am glad and grateful for President Truman's foresight and concern for future occupants of that beautiful and historic House. Betty and I especially enjoy the Truman balcony.

There is a serious side, of course, to the story of President Truman's skill in lobbying the whole Public Works Committee. He was proud of his powers of persuasion and he often said the President was the only person in Washington whose job is to lobby on behalf of all of the American people.

As a Senator from Missouri, he had to look after the special interests of his State. But, when he became President, he had to think about the interests of the whole country. That sometimes got him into trouble with the Congress -- he conceded that very openly -- and with political critics, not only in my party but from both the left and the right of his party.

"When a President does not have a fight or two with Congress" -- President Truman wrote in his memoirs --"you know there is something very wrong."

Although I was on the other side of many contests with him, I now know how President Truman felt. I am still trying, but I have a long way to go, to beat his post-war record of 250 vetoes.

Differ though we did on a lot of issues, I completely agreed with President Truman's stern concept of Presidential duty. "A President cannot always be popular" -- he wrote after coming back home to Independence --"He has to be able to say yes and no and, more often, even no to most of the propositions that are put up to him by partisan groups and special interests who are always pulling at the White House for one thing or another."

"I have never felt that popularity and glamour are fundamentals on which the Chief Executive of the Government should operate. A man who is influenced by the polls or is afraid to make decisions which make him unpopular is not a man to represent the value of the country," so said Harry Truman.

"I have always," he said, "believed that the vast majority of the people want to do what is right, and if the President is right, and can get through to the people, he can always persuade them."

President Truman, like Abraham Lincoln, had a great faith in the ultimate good sense of our people. He like them, he talked their language, and in 1948 they went to the polls and proved that his faith was fully justified. I remember that campaign very well, not because Governor Dewey was a native son of Michigan, but because it was my first bid for elective office. I had a tough primary fight against an incumbent and President Truman, unknowingly, did me a favor by calling the Congress back in mid-summer for his famous Turnip Day Session.

This kept my primary opponent in Washington while I was busy campaigning against the whole establishment, which has always been a good way to get there. But, the real difference between my primary opponent and me was that he was a sincere isolationist and a leading opponent of the Marshall Plan and President Truman's other efforts to rebuild war-torn Europe and to maintain the United State's role of leadership in the world.

Like most of us just home from World War II, I went along with President Truman and the United States Senator from my home town of Grand Rapids, Michigan, Senator Arthur H. Vandenburg, in supporting a strong bipartisan posture in defense and foreign affairs. I won.

I went on supporting President Truman as a Member of the Congress on the great issues affecting peace and national security, which is in the best tradition of our history and ought never to be exploited or distorted for personal or partisan political advantage.

President Truman noted in his memoirs that in 1948 it was the worst possible time for him to have to wage a political campaign because he was trying to negotiate with the Russians and trying to get some kind of cease-fire in the Middle East.

"There should be no break in bipartisan foreign policy in the United States at any time," he said, "particularly during an election year." Quoting President Truman, "We are dangerously close to forgetting today that it is the President's duty to lead the nation in the conduct of its foreign affairs. This is a responsibility that cannot be delegated and must not be avoided."

Mr. Truman was much too seasoned a campaigner and much too realistic about the two-party system to suppose that foreign affairs would or even should be a forbidden subject in political debates. That is not what President Truman said. What he said was that American policy should not be demagogued, damaged or derailed because of election year considerations.

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I agreed then, and now I know how right he was. I am going to follow his counsel and his example. Nobody in this country expects consensus or conformity in a democracy, but it is not too much to expect of a mature 200-year old nation that its free political debates be conducted responsibly and rationally in the very sensitive areas of national security and our relations with other countries.

We know that both friends and foes are watching our election process closely and listening to every word we say that might affect them in the future. Throughout his eventful years as President, and after he left office, Mr. Truman repeatedly said the primary goal of all of his efforts was peace. He had learned about war firsthand as Captain of Battary D in the First World War.

As Commander-in-Chief, he made some of the most difficult decisions of World War II, as well as Korea. He was acutely aware that world peace can only be secured through American strength and the closest ties with our allies. He had no illusions about our adversaries, but believed nevertheless that no door should be closed, even to the remotest chance, in the pursuit of peace.

I was just back from carrier duty in the Pacific on April 12, 1945, the day Vice President Truman was suddenly called to assume the Presidency of the United States. On the evening of August 9, 1974, after the same thing happened to me, I was walking through the West Wing of the White House and I remembered my first visit there and how easily President Truman made a freshman Congressman feel at home -- and got his \$5,400,000.

One of my long-time associates reminded me that one of the first things a new President usually does is choose which portraits of three Presidents should be hung in the Cabinet Room. "We will leave President Eisenhower right where he is," I said, "And of course I want Abraham Lincoln." "To balance it off," this associate of mine said, "how about Andy Jackson?" "No, Harry Truman," I said. "Are you absolutely sure," he asked. "That is my decision," I said. He knew Where the buck stops, and he was never afraid of the heat in the kitchen.

Thank you very much.

END (AT 3:03 P.M. CDT)

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Fed. Campaign act amond much of 1976

May 11, 1975

Office of the White House Press Secretary

THE WHITE HOUSE

STATEMENT BY THE PRESIDENT

After extensive consultation and review, I have decided that the Federal Campaign Act Amendments of 1976 warrant my signature.

I am therefore signing those amendments into law this afternoon. I will also be submitting to the Senate for its advice and consent the nominations of six persons to serve as members of the reconstituted Commission.

Shortly after the Supreme Court ruled on January 30 that the Federal Election Commission was invalid as then constituted, I made it clear that I favored a simple reconstitution of the Commission because efforts to amend and reform the law could cause massive confusion in election campaigns that had already started.

The Congress, however, was unwilling to accept my straightforward proposal and instead became bogged down in a controversy that has now extended for more than three months.

In the process, efforts were made to add several provisions to the law which I thought were thoroughly objectionable. These suggested provisions would have further tipped the balance of political power to a single party and to a single element within that party. I could not accept those provisions under any circumstance and I so communicated my views to various Members of the Congress.

Since that time, to my gratification, those features of the bill have been modified so as to avoid in large measure the objections I had raised.

Weighing the merits of this legislation, I have found that the amendments as now drafted command widespread, bipartisan support in both Houses of Congress and by the Chairpersons of both the Republican National Committee and the Democratic National Committee.

I still have serious reservations about certain aspects of the present amendments. For one thing, the bill as presently written will require that the Commission take additional time to consider the effects which the present amendments will have on its previously issued opinions and regulations.

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A more fundamental concern is that these amendments jeopardize the independence of the Federal Election Commission by permitting either House of Congress to veto regulations which the Commission, as an Executive agency, issues. This provision not only circumvents the original intent of campaign reform but, in my opinion, violates the Constitution. I have therefore directed the Attorney General to challenge the constitutionality of this provision at the earliest possible opportunity.

Recognizing these weaknesses in the bill, I have nevertheless concluded that it is in the best interest of the Nation that I sign this legislation. Considerable effort has been expended by members of both parties to make this bill as fair and balanced as possible.

Moreover, further delay would undermine the fair and proper conduct of elections this year for seats in the U.S. Senate, the House of Representatives and for the Presidency. Effective regulation of campaign practices depends upon the existence of a Commission with valid rulemaking and enforcement powers. It is critical that we maintain the integrity of our election process for all Federal offices so that all candidates and their respective supporters and contributors are bound by enforceable laws and regulations which are designed to control questionable and unfair campaign practices.

I look to the Commission, as soon as it is reappointed, to do an effective job of administering the campaign laws equitably but forcefully, and in a manner that minimizes the confusion which is caused by the added complexity of the present amendments. In this regard, the Commission will be aided by a newly provided civil enforcement mechanism sufficiently flexible to facilitate voluntary compliance through conciliation agreements and, where necessary, penalize noncompliance through means of civil fines.

In addition, the new legislation refines the provisions intended to control the size of contributions from a single source by avoiding proliferation of political action committees which are under common control. Also, this law strengthens provisions for reporting money spent on campaigns by requiring disclosure of previously unreported costs of partisan communications which are intended to affect the outcome of Federal elections.

Following the 1976 elections, I will submit to the Congress legislation that will correct problems created by the present laws and make additional needed reforms in the election process.

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FOR IMMEDIATE RELEASE

OFFICE OF THE WHITE HOUSE PRESS SECRETARY (Bloomfield, Michigan)

THE WHITE HOUSE

REMARKS OF THE PRESIDENT AND QUESTION AND ANSWER SESSION AT THE ECONOMIC CLUB OF DETROIT MEETING

ROMA HALL

4:10 P.M. EDT

THE 'PRESIDENT: Thank you very much, Governor Bill Milliken, and especially thank you for that very kind and very generous introduction, as well as your endorsement, and to you, Ray MacDonald and Russ Swaney, distinguished members of the Michigan Congressional delegation, Bob Griffin, Congressman Al Cederberg, your own Congressman Bill Broomfield, Congressman Marv Esch, Bill Seidman from my staff -- many of you know him -- and, of course, Bishop McGehee -- he was not only the pastor of the Ford family in Alexandria, Virginia, for a number of years but he baptized two of our children so, so far they have done all right, Coleman. (Laughter)

If my memory is correct, this is my tenth trip home to Michigan since I became President, and my fourth to the Detroit area. Obviously, I am deeply grateful for your very warm welcome.

It is especially gratifying to have the opportunity to participate again in this distinguished forum with so many of my old friends. I know from our previous meeting of the breadth of interest and wealth of ability that is represented here on this occasion. I know you want in-depth understanding of various points of view of the complex issues affecting this great metropolitan area, our State and our country.

I know you share my concern for America's security, our commerce, our responsible role in the leadership of the free world. I know, too, that you are doers, the kind of people who pay more attention to how somebody does his job than how deftly he critizes his competitors, who value performance over glowing prospectus. So at the risk of some immodesty, I am going to talk a little about the job that I have been doing for almost two years.

I want to answer as many of your questions as I possibly can but first, let me answer a very pointed but very proper question I have often asked myself: "Jerry Ford, why are you asking your fellow Americans and your fellow Michiganders to let you go on being President for the next four years?" My answer is very simple: Because I have done a good job and I am proud of it. Because I have turned a lot of bad things around and we are going in the right direction. Because I want a mandate from Michigan and the American people to finish that job. You know, much as I like to see new car sales going up, I just don't think this is the time to trade in your reliable Ford for a flashier model.

That is why I am heading into the second quarter of a campaign which will determine the direction our country will take in the next four years and, actually, for the future, America's economic future, in particular. But before looking ahead, consider for a moment where we were in the very first few weeks and months of my Presidency. Then, you will recall some well-known economists, labor and political leaders were predicting that we were heading into a deep depression, that unemployment would soon exceed 10 percent, that only massive action by the Federal Government could avert calamity.

Inflation had soared to an annual rate of over 12 percent. Interest rates had climbed steadily upward. And, most importantly, far too many Americans were laid off and could not find new jobs.

Just about a year ago we hit the bottom of our worst recession in 40 years. Many in Congress and elsewhere were urging that we push the panic button. In the Congress, the economic downturn set off a clamor for huge emergency Federal subsidies for more and bigger Government programs and higher deficit Government spending

But the prophets of doom were wrong, and I knew they were wrong. We did not panic. We resisted big spending schemes that would have caused larger Federal deficits and even more destructive inflation. We rejected the disproven techniques of the old politics; instead, we pursued a calm, steady policy to insure America's economic health not for a month or for six weeks or six months, but for the long, long pull.

We had faith that the American system of private enterprise would regain its strength and, as a result, we meet today not in the gloom of a depression or a recession but in the full surge of economic recovery. Everything that is supposed to be going up is going up, and everything that is supposed to be going down is going down. Our great free enterprise economic system is working and let's take a quick look at some of the indicators.

The Gross National Product rose during the first quarter of this year at an annual rate of 7-1/2 percent. Total industrial production for March of this year was 9.9 percent in real terms over the same months of 1975. The index of consumer confidence is double what it was a year ago. Consumer prices during the first quarter increased at the slowest rate in 3-1/2 years. During 1974, the annual rate of inflation stood at 12 percent. We have cut that by well over 50 percent. During the first three months of 1976, the annual inflation rate has been not 12 percent, not 6 percent, but under 3 percent, and that is progress, by any score. Total employment has increased by 3 million 300 thousand since the recession low of last year and now stands at an all-time high of 87 million 400 thousand, an increase of some 710 thousand jobs in the past month alone.

Unemployment is still far too high, particularly here in Michigan, but the most recent State unemployment insurance figures show that unemployment in Michigan now is dropping faster than it is in the rest of the Nation.

Nationally the unemployment rate now is down to seven and a half percent and unemployment among heads of households, male and female, is down to five percent. That is not good enough, but we are moving dramatically in the right direction.

Finally, as you know, domestic automobile production is up by 51 percent over the comparable period of last year, 1 million more cars. Sales are up and Americans are buying more American made cars again. That means more American jobs and that's good news for Michigan and the whole economy.

Our economic recovery was no accident. It just didn't happen. You made it happen and the sound policies of my Administration made it happen.

From the very beginning, I forced the Congress to abandon or to severely cut back reckless Federal spending programs. One of my most important weapons is the veto. I vetoed 49 bills sent to me by the Congress and 42 of those vetoes have been sustained, saving the American taxpayer \$13 billion.

This was done with the great help of Senator Bob Griffin and his Republican and some Democratic colleagues in the House as well as in the Senate. That saving of \$13 billion averages out to almost \$200 for every household, which my vetoes have saved, and there are plenty more of those vetoes where those 40-some have come from.

Here is a legitimate question -- where would the country be today if we had had a President in the last 21 months who had signed all of those bills into law? We would be in dire trouble. We are now engaged in a great national debate between our two great political parties and within them over the role of the government in the lives of individuals, how much government can or should do for the people and how best to go about it.

The Federal Government can create the economic climate and the incentives to insure continued recovery through changes in tax policy and other programs which encourage the creation of productive permanent jobs in private industry and that's what I have done.

Or the Congress, on the other hand, can vote more and more money for the Federal Government to create jobs itself. This is what the opposition proposes. Make-work programs are a well-known throwback to the Great Depression and, if adopted, they would substantially add to our Federal deficit and increase the inflationary load that each and every one of us must bear.

The best place to examine the issue and to see the differences is in the two Federal budgets for fiscal year?1977, one proposed by the President and the other proposed by the Congress. This year for the very first time there is not one Federal budget recommendation but two -- mine as President and the Congressional budget to be adopted by the House and the Senate within the next few days. The differences in the two budgets tell a very vivid and dramatic story. They, the Congress, want to spend \$413 billion in the next 12 months in the next fiscal year. I propose \$395 billion, saving \$18 billion in unneeded Federal expenditures.

Their budget, the Congressional budget, being voted on in the House today, authorizes \$454 billion 200 million in new long-term spending. Mine would hold this commitment to \$431 billion, saving some \$23 billion.

Simply stated, my goal is the full restoration of the United States economy as the world's most reliable engine for producing an ever-increasing standard of living and an economic climate in which every American who wants a jobs, who wants to work, can find a good job.

But putting America back to work is not a job for the President alone or as a matter of fact for the Congress alone, though sometimes some Senators and some Congressmen seem to think they can abolish unemployment by passing new laws such as the deceptive and dangerous Humphrey-Hawkins bill now pending in the Congress.

This bill is a classic example of the way the misguided majority in recent Congresses has tried to apply discredited remedies to our economy. The Humphrey-Hawkins boondoggle would decree that unemployment must be no higher than 3 percent by the end of four years. If not enough private jobs are available, the Federal Government will make work. How much all of this would cost, how long such public payroll jobs would continue, what the added inflationary impact would be really defies any rational calculations. Never mind, the law would get the Federal Government deeper and deeper into economic planning on a national scale unprecedented in our history.

I am obviously against the Humphrey-Hawkins bill and all of the other schemes to give Washington more and more control over our lives. Instead, as an alternative that I think makes a lot more sense, I have proposed tax reductions and other tax reforms to create more and better jobs in private industry. Some were enacted last year and are obviously working, but others, such as tax incentives to stimulate investment in new plants and equipment, are stalled in the Congress and should be acted upon quickly to help the job situation in hard-hit areas, such as we have here in the great State of Michigan.

I have also recommended to Congress that starting July 1 of this year we get an additional \$10 billion tax cut, 75 percent of it going to individuals and 25 percent of it going to business to provide employment. As part of this tax reform package, I have proposed the personal exemption be raised from \$750 to \$1,000 for each individual Federal taxpayer. In addition, I want the estate tax exemption increased from \$60,000 to \$150,000 so small business owners and small farmers can have the opportunity again to pass their businesses or their farms along to the next generation.

Such proposals, as we have analyzed it, will give middle income taxpayers who have been shortchanged in recent years the kind of tax relief they both need and, obviously, deserve. As we work to insure prosperity, it is essential to remember that the American people want and demand the finest Army, Navy, Air Force and Marines that money can buy and they don't want our unsurpassed power for peace to become a political football this year.

In providing funds for new military weapons and national security needs, an area of the Federal budget that Congresses have systematically gutted by some \$50 billion over the past decade, I am happy to report that the preliminary Congressional figures are roughly the same as the record \$114 billion defense budget that I submitted to the Congress in January of this year.

In this area at least, Congress seems to be getting the message probably because I threatened to veto any defense appropriation bill that was inadequate because of Congressional reduction. In fact, if progress in some areas has been slower than it should have been since I became President, those who are critical should focus on the right target, some of the Members of the House as well as the Senate.

When I say Congress, I mean, of course, the controlling majority of the Congress, not the responsible minority which includes members of both political parties who have stood with me for the principles of national security and deficit restraint. It is not Washington that is the problem, but the wrong people in Washington who are the problem.

The majority of the present Congress are the problem in the economic field. By their own budget decisions, they have said that they want to spend \$18 billion more next year than I have recommended. They have said that the American people cannot have instead the additional \$10 billion tax cut that I want to give them on July 1. This Congressional majority has decided that they know much better how taxpayers' money that they have earned should be spent to help the economy than the people who earned it.

They, the majority in the Congress, are the problem. I have been trying to hold them back but the American people in this election will have an opportunity to help.

The same Congressional majority for almost a decade before I became President have been hacking away each year at the defense budget to pay for their favorite social programs. They went on cutting another \$7 billion from the first defense budget that I submitted. Fortunately, it looks like we have turned them around, but, nevertheless, they are the problem. We are converting them, but the American people in this election will again have to help.

Frankly, that is why I am in this race, why I want a mandate from the American people in 1976, why I want to be your President for the next four years. I seek election to the Presidency not for myself, but as the only way to insure the continuity of realistic, responsible policies that are right for America and, what's more, are being proven right every passing day.

I want to maintain the peace that we now enjoy, advance the prospects for peace among all nations, secure that peace through strength and perseverence, and make certain that legacy of peace continues for our children and our grandchildren.

I want to continue the policies of reliance on the private economy, reduction of taxes, cutting back bureaucracy and useless regulation, and budgetary and spending restraint that have brought us up from the depths of recession to a sustained recovery and to make certain that runaway inflation never again robs us or our loved ones of the rewards of honest work and lifetime savings.

Finally, I want to finish the most important job that I have begun -- the restoration of faith and trust in the Presidency itself. As I did not seek this office, neither shall I shirk it.

MORE

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I have always believed that truth is the glue that holds government together. I will tell the truth to the American people as I see it -- promising no more than I can deliver and delivering everything that I promise.

The Executive Branch of the Federal Government will be as honest, as open and as candid as I can make it, and so will my campaign for the high office that I have the honor to hold. I run for President as I ran successfully 13 times in Michigan on my record of performance -- peace, prosperity and trust and my record of performance in the nearly two years since I became President. The reason I am in this race to stay is to insure peace, prosperity and trust for the future.

The future really does not belong to us, it belongs to those who come after us. As we look back over 200 years as a Nation, there is one thread that runs all the way through our history. We Americans come from many lands, many races and many religions. Our ancestors came here, or we came here to find freedom and justice, to escape oppression, to make new lives. What do we all have in common? We know this -- life will be better for our children than it was for us. Why do we know this? Because life for us has been better than it was for our parents. That has been true for every generation of Americans and it will continue to be true as long as we make it true.

I see an America once again tested in adversity -more sure of what we want to be and what we want our Nation to be or to become. I see an America certain, once again, that life will be better for our children than it was for us and our children are also certain that their heads and hands and hearts can help make it so.

I see a strong and confident America, secure in a strength that cannot alone be counted in megatons and rejoicing in riches that cannot be eroded by inflation or taxation.

I see an America where life is valued for its quality as well as for its comfort where the individual is inviolate in his constitutional rights and where the Government serves and the people rule.

Thank you very much.

Bill.

GOVERNOR MILLIKEN: Thank you very much, Mr. President.

I have a series of questions which have been addressed to you by members of the Economic Club, and I will start reading those questions immediately.

The first one is, how can we best increase our supply of energy to lessen our dependence on foreign oil?

THE PRESIDENT: In the first place, we have to free the energy-producing portions of our economy from the kind of regulation and control that has been imposed on it for a number of years.

In January, a year ago, I recommended the deregulation of all new natural gas. Unfortunately, the Congress has not done that although the Senate did pass an acceptable bill. We have to deregulate the exploration and development of crude oil in this country. We have on the statute books a law that will permit us to deregulate that industry domestically over a period of over 40 months. It was not the legislation I wanted but it is the best we could get.

We have to make some realistic appraisals and adjustments in how we use our coal more effectively and more efficiently. We have 300 years', they tell me, supply of coal. We have got to increase it from 600 million tons to 1 billion 200 million tons by 1985. We have to spend research and development money on solar energy, on geothermal energy and some of the other exotic fuels, and I am glad to report to you that in these areas of research and development in the budget that I submitted for the next fiscal year, we increased the R and D money by over 35 percent.

So we have to have a broad approach because every passing day our dependence on foreign oil becomes more acute. In 1973, it was 31 or 32 percent. Today, 40 percent of the oil we use in this country comes from foreign sources and it is going to get worse unless we do something along the lines that I have recommended.

QUESTION: Thank you, Mr. President.

Here is a question I think of particular interest to us in Michigan.

Will you invoke Taft-Hartley if the rubber strike shuts down one or more auto manufacturers for one week?

THE PRESIDENT: The Taft-Hartley Act I support and, I might say parenthetically, I am completely opposed to the repeal of Section 14 (b), but Taft-Hartley is a legislative tool that is available. I do not think that at this stage the President of the United States should commit himself to what we might do if something happens.

The rubber strike which has now gone on for what -three weeks -- they tell me there is roughly three weeks more or thereabouts of tires available for the American automobile plants.

I can assure you that the Department of Labor, the Federal Mediation Service, are working on the problem, but a comment saying yes in this situation, I think, would be more harmful than helpful in the negotiations that are going on at the present time.

QUESTION: Who, in your opinion, will be the Democratic nominee for the Presidency? (Laughter)

THE PRESIDENT: Well, better than a year ago I started campaigning for Hubert. (Laughter) But I became less and less confident of my competence as Jimmy Carter sort of swept the field.

But what I understand developed in Nebraska yesterday, in Jimmy's case, we might have a whole new ball game. So, depending on what happens in Maryland, where I am told by my Democratic friends Governor Brown might win and Carter lose, they could end up, as I suspected they might, with a brokered convention and Hubert, under those circumstances, I think, would emerge.

He is a good friend of mine. We have totally different ideologies, as far as domestic matters are concerned, but a Ford-Humphrey contest would be a very healthy one for this country. (Laughter)

QUESTION: This is three questions, and I will quickly run through them because they relate to the same subject.

What specific attributes will you look for in selecting a Vice President? Do you look favorably on Senator Brooke as a Vice Presidential possibility? Would you consider having a woman as a running mate should you win the nomination? You can see some sentiment being expressed out there.

THE PRESIDENT: Governor Bill, the two names that have -- well, the one name that has been mentioned, Senator Brooke, along with John Connally, Howard Baker, Bill Brock, a number of Republican Governors -- they are all people of great competence and potential strength to build a ticket. I think it is very premature for me to indicate that I would lean this way or lean that way. There is plenty of time left between now and mid-August and I think we are just fortunate that we have people like those that I have mentioned.

Since the last question indicated would I be receptive to a woman on the ticket, I have been asked that question before and I have said that someone like the Secretary of HUD, Housing and Urban Development, Carla Hills, certainly-on the basis of brains and ability and experience--would be one that ought to be considered, but I don't want to tilt one way or another at this point. We have got our own problems we better solve first. (Laughter)

QUESTION: Mr. President, Russ advises me that this is the last question.

THE PRESIDENT: Two questions. (Laughter)

QUESTION: We know who is in charge here, that is right. (Laughter)

THE PRESIDENT: Can't I be the good guy for a change? (Laughter)

QUESTION: There will be two more questions, Russ. (Laughter)

Will you please briefly define your Middle East policy?

THE PRESIDENT: The Middle East policy is aimed at following the UN Resolutions 242 and 338, which were agreed to by, I think, almost a unanimous vote in the United Nations a few years ago. Those two resolutions are the guidelines for the settlement of a long and controversial problem in the most volatile area of the world. It means that we have to have a permanent peace, we have to have readjustments in territory, we have to have the disavowal of military actions.

It will follow, of course, the two successive steps that this Government, our Government, has been involved in -first the settlement of the Yon Kippur War and then the very major step of a few months ago when we were able to get an agreement between Egypt and Israel for the Sinai Agreement. This was a very important step, but it is not the final answer. We have to follow the guidelines, as I indicated, of Resolutions 242 and 338 to the United Nations. QUESTION: Thank you.

And the final question, what do you consider your top priority for this country?

THE PRESIDENT: Let me put it this Way: The first century of our country was devoted to the establishment of a viable working government, the great experiment in self-government by people.

The second century of our country was a century of industrial progress where America became the most powerful industrial Nation in the history of mankind. As we moved to the establishment of the kind of government that we have, that we love, and as we move to become the most productive Nation in the history of mankind, whether it is in industry or agriculture, almost inevitably we have found that we are the victims of mass government, mass industry mass labor, mass education, maybe mass religion.

I think the third century of this country ought to be focused on the rights of the individual, the individual in our next 100 years, and I would like to start the first four of it with emphasizing the right of individuals, whether it is the right of the individual to participate to a greater degree in our economic system; the right of an individual to participate as an individual in education and religion, profession.

It seems to me as I travel around the country and meet many people such as you, this is the yearning that people have and if I could make a contribution in that way for the next four years, kicking off the next century, that would mean more to me than anything else.

Thank you very much.

END (AT 4:45 P.M. EDT)

FOR IMMEDIATE RELEASE

MAY 13, 1976

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

REMARKS OF THE PRESIDENT AT THE ANNUAL MEETING OF THE AMERICAN JEWISH COMMITTEE

THE WASHINGTON HILTON HOTEL

8:55 P.M. EDT

Thank you very, very much, Max, Mr. Winter, Your Excellencies, Members of the Congress, my associates in the Executive Branch of the Government, ladies and gentlemen:

May I express to you, Max, my deep appreciation for your very generous and kind remarks, and I hope and trust that I will have an opportunity for a long, long time to justify that faith. I thank you very, very much.

I am really highly honored and greatly indebted to all of you to participate in the congratulations of the American Jewish Committee on its 70th Anniversary.

As the Committee today celebrates its Anniversary, we, all of us, are observing our Bicentennial. The Bicentennial rightfully addresses the Jewish contribution to America, along with other vital ingredients of our nationhood. The traditional Jewish concepts of justice, liberty, family and citizenship are part and parcel of the American heritage.

When America's founders created this republic 200 years ago, they saw it as a promised land. They were inspired by moral and ethical values of the Old Testament as well as by the teachings of Jesus. As we reaffirm America's traditional separation of church from State, we also honor the spirit of our Constitution which draws its moral philosophy from the Jewish-Christian heritage. Religious values are the foundation of the promise of America: The infinite value we place on each individual; the sanctity of human dignity: the commitment to human rights; and the firm belief in justice for all.

America has grown great because America has the wisdom to invite diversity. Judaism and all other of our religions helped translate the basic credoes of religious faith into the principles and into rules that govern our daily lives. I am tonight especially mindful of the unique blending of the Jewish heritage with the multitude of diverse cultures of our country. I commend the work of the American Jewish Committee and the spirit with which you have translated Jewish concerns into concern for all humanity. We are proud to have an agency of the American Jewish Committee co-sponsor a White House meeting on ethnic diversity and group identity next month. When six million Jews were so cruelly murdered in World War II, the victim was not only the Jewish people, but civilization itself. On my visit to the notorious Auschwitz Concentration Camp last summer, I saw the words vividly written "never again." This must apply to all genocide -- either physical or cultural.

The United States stands by the fundamental humanitarian principle that people should be free to emigrate as they choose. A few years ago, we achieved a substantial increase in emigration from the Soviet Union. I will do my utmost to restore this emigration. It will be a complex problem and process in which the Congress and I on this case will have to work very closely together. But the doors were open before and we must strive to re-open them now for the future.

The realization of our mutual goals -- advancement of political and spiritual freedom of all people -- is a priority item on America's conscience. The proclamation of liberty must be written not only in our Declaration of Independence, but in our hearts.

Yet, just as you cannot do all that must be done, neither can your government. Together, we must have a creative partnership; voluntary efforts such as those performed so brilliantly by the American Jewish Committee, combined with Federal and local authority and the willingness to act, to preserve and to extend the values we all share. Two hundred years ago there were relatively few Jews in America. Though small in number, they were great in spirit. They served in all capacities.

George Washington turned to one patriot of Jewish faith, Haym Solomon, when the budget of the Continental Army was totally depleted. Solomon sacrificed his personal fortune and encouraged others to join in financing the American Revolution. In pursuing justice and liberty, he personified the finest qualities of American patriotism.

In those early, early days, we benefited not only from our own patriots, but from outside assistance to establish and to maintain our independence. Today, the American people, regardless of religion, see justice in this Nation's traditional and special relationship to a kindred nation in the Middle East -- the State of Israel.

Most of you know, I am sure, the first head of a foreign government to visit the White House in this Bicentennial year was Prime Minister Rabin of Israel. He paid homage to the shrine of our freedom in Philadelphia before he came to our Nation's capital.

The Israelis' tribute to our Bicentennial demonstrates the basic values shared by America with Israel. Both nations were born in the face of armed opposition. Both nations are a haven for people fleeing persecution. Both nations find their vitality and their vision in a commitment to freedom and to democracy. Both nations share the courage and the determination to preserve their independence and their security. Israel and the United States have an affinity, not only for each other, but for basic principles of democratic selfgovernment which distinguish these two nations from most of the other nations in today's world. America must, and America will pursue friendship with all nations, but this will never be done at the expense of America's commitment to Israel.

A strong Israel is essential to a stable peace in the Middle East. Our commitment to Israel will meet the test of American steadfastness and resolve. My Administration will not be found wanting. The United States will continue to help Israel provide for her security.

The funds which I have proposed to the Congress for the two budgets that I have submitted total over four billion dollars. I favor such aid because it is so clearly in the national security interest of the United States and so essential to preserve and to promote peace in the Middle East.

These figures speak far more eloquently than any words of my commitment to the survival and security of Israel. It is essential that we remain true to our commitments, not only for ourselves, but for all those who rely upon us. We must never lose the vision that has made our country a beacon to all who seek freedom.

But our strength and our goals are to no avail if we lack the courage, the unity, and the will to utilize our strength in support of our friends. Without cohesiveness of purpose at home, our friends cannot really be protected nor our opponents long dissuaded from aggressive actions.

My dedication to Israel's future goes beyond its military needs to a far, far higher priority -- the need for peace. We appreciate Israel's dilemma in moving toward peace. Israel is asked to relinquish territory -- a concrete and essentially irreversible step -- in return for basically intangible political measures. But it is only in willingness to dare to exchange the tangible for the intangible that hostility can be ended and peace attained.

I am very, very proud that my Administration -during this Administration, I should say -- the United States has seen a major and a very successful movement toward peace, prosperity and trust abroad as well as at home. Last September's Sinai Agreement was a milestone on the road to peace that would have been inconceivable just a few years ago. I commend and I thank Israel's bold and courageous decision. Israelis and Egyptians are no longer dying in the sands of the Sinai peninsula.

The peace process must continue without one-sided concessions, but with steady progress. Stalemate, stagnation create unacceptable risks of further conflict. The United States is dedicated to a just and lasting peace in the Middle East. We have worked over the years unceasingly to that end. We shall continue to do so. Yet, in the final analysis, it is the parties to the dispute who must make peace a reality.

The responsibility to achieve that peace exists equally on all parties who must contribute, each in full measure, to the peacemaking process. America's responsibility is to encourage both sides to end the state of war that has for far too long plagued the Middle East and threatened world peace. The 1973 war has had dangerous political and economic repercussions throughout the world. It caused strains on our alliances and near-confrontation with one of our adversaries. The resulting oil embargo and drastic and unwarranted oil price increases caused severe problems of recession as well as inflation.

I will continue, as all of my former colleagues in the Congress will do so, to work for peace in the Middle East. This is not only for the sake of the Israeli and Arab peoples, but for the well-being of all Americans and all humanity. The United States has demonstrated the strength of our free economy, as well as our faith and vision of the future. These qualities are characteristic of a kindred people, the people of Israel. Americans and Israelis have both been inspired by moral aims. Indeed, my commitment to the security and to the future of Israel is based upon basic morality as well as enlightened self-interest. Our role in supporting Israel honors our own heritage.

America remains the real hope for freedom throughout the world. We will remain the ultimate guarantor of Israel's freedom. If we falter, there is no one to pick up the torch. If we withdraw ourselves, those who rely on the United States, those who gain their strength from us, are lost.

But we will not falter; we will not withdraw. We will remain steadfast in our dedication to peace and to the survival of Israel. There may, at times, be differences between America and Israel over the means to achieve mutual goals. But there has not and will not be any erosion of the fundamental American-Israeli friendship, nor will I forsake the goal of peace or the moral commitment to Israel which I now reaffirm. With that conviction, I tonight reiterate the words of George Washington to the Hebrew Congregation of Newport, Rhode Island, two centuries ago. The Government of the United States will continue "to give to bigotry no sanction, to persecution, no assistance." That is my goal worldwide as it is at home.

Thank you very, very much.

END (AT 9:10 P.M. EDT)

FOR IMMEDIATE RELEASE

OFFICE OF THE WHITE HOUSE PRESS SECRETARY (Portland, Oregon)

THE WHITE HOUSE

REMARKS OF THE PRESIDENT AND OUESTION AND ANSWER SESSION AT THE WORLD AFFAIRS COUNCIL OF OREGON PAMPLIN SPORTS CENTER

LEWIS AND CLARK COLLEGE

8:30 P.M. PDT

THE PRESIDENT: Edith, Mrs. Stoel, President Howard, Mr. Pamplin, Liza Morrison, members and guests of the World Affairs Council:

It is a very great privilege and a tremendous honor for me to have the opportunity of participating in this program tonight, and one of the nicest things that I find in traveling around the country is seeing, getting reacquainted with very good and very fine friends, such as Edith Green. I think she set forth much more articulately than I our relationship as Members of the House of Representatives for 20 years.

But, let me say something concerning her, if I might take a minute or two. There was no person on the House floor who could speak more eloquently and with more knowledge, and more dedication in a wide variety of fields than Edith Green. But she was the best when it came to the problems and the solutions in the field of education.

We miss Edith Green in Washington. I miss her, as President of the United States, and the quality of the Congress suffers because of her return to Portland.

Edith, it is a great privilege to see you and I thank you for your very generous and very kind remarks.

Not surprisingly, I would like to take this occasion to talk somewhat seriously about foreign policy -not the Truman or Eisenhower or Ford policy, nor the Acheson, Dulles or Kissinger policy, but the overall foreign policy of these United States of America.

That is one of the things we wrote the Constitution to better manage, and I am entrusted at this time with the conduct of our relations with other countries. We cannot have 535 elected officials and as many more candidates making the critical foreign policy decisions that arise daily and sometimes hourly, though there is no law against anybody criticizing them, as I have discovered along with my predecessors. (Laughter)

Domestic political tides ebb and flow, but foreign policy is a continuous stream. Its course is affected by changes in elective officials but it is mainly formed from our geography, our ancestral ties, our natural resources and economic needs, and above all, the common principles and beliefs on which our Nation was founded 200 years ago.

Hard-nosed Yankee traders and persuasive Southern planters we were then, but our foreign policy was never the cynical, cold-blooded calculations of our rivals, past or present. Americans have always looked outward, as at home, with generous measure of idealism.

American foreign policy has been shaped not only by the realities of an imperfect world order and by events that we cannot control, but also by certain truths we believe -- unalienable rights such as freedom and justice, self-determination and the duty of the strong towards the weak, and the prosperous towards the poor. As we have matured and grown more mighty, we have learned some hard lessons in world affairs -- that we cannot force freedom on the unwilling, that we cannot police every distant corner or fill every empty bowl.

We have made mistakes. We have been disillusioned. But we have never wholly abandoned Jefferson's decent respect for the opinions of mankind, or Lincoln's faith that right does make might, or Eisenhower's that freedom today is indivisible. Thus, our foreign policy today is a mixture of the principles that unite us and make us the hope of freedom for others, and the practical counsel of George Washington that the best way to preserve peace is to be prepared for war. Peace through strength is neither a new policy nor a bad one.

Instead of taking you around the world tonight and telling you how many countries I have seen and statesmen I have met or how many hours I have spent with the National Security Council before making the tough decisions of the past 22 months, let me tell you how I arrived at the conviction I have about America's place in the world.

I graduated from the University of Michigan in 1935, torn between my lifelong dream of being a lawyer and making some money playing professional football. (Laughter) I didn't think much about foreign affairs or Government, or even politics.

My first look at the Pacific Ocean was when I went to San Francisco to play in the Shrine East-West New Year's football game. A few months later, I got my first look at the Atlantic. Ducky Pond offered me a job as an assistant football coach at Yale, and I hoped to study law at the same time. But Yale Law School had an ironclad rule against full-time students holding jobs, and it took two years. I took one summer off in 1940 to campaign for Wendell Willkie, my first involvement in the political system.

War clouds over Europe and Asia were darkening our own skies, and that Willkie was right in saying America was part of One World. We felt in our hearts that the United States should stand with the forces of freedom and decency against Hitler's outrages, but we had grown up in the wake of the first World War, and maybe this time America ought to mind its own business.

I had just hung up my Yale diploma in Grand Rapids, Michigan, when Pearl Harbor was attacked, and soon I was back to the Pacific again. For me and millions of others, that was a drastic turning point.

We returned from World War II determined to build a peace that would last for our children and their children. We were convinced this could only happen if the United States assumed its full responsibility of leadership in the world. We considered that a very small price compared to the sacrifices our comrades had made. We went home to convince our friends as well as our neighbors.

We knew then, as we know today, that only through the strength and staying power and firm purpose of America could peace be maintained and freedom secured.

I ran for Congress in 1948 on a policy just like that, of strength and responsibility and perseverance in the face of the new Communist challenge, and that is still my position today.

United States foreign policy must never be made by an elite establishment nor bent to the fears of a frustrated few. It must reflect the real purposes of the American people when they follow their very finest instincts.

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There are issues of tremendous complexity and equally great opportunity on our international agenda for the next four years. I cannot cover all, but will discuss several.

Let's talk first about our relations with the Soviet Union, with which we are negotiating in a number of areas to improve stability between the superpowers and further reduce the danger of a runaway nuclear arms race and the risk of thermonuclear holocaust.

Take SALT II, the talks on limiting strategic nuclear weapons. Both sides have more than enough of these terrible weapons to deter any attack by the other side. But in the absence of any agreements, the requirement to avoid strategic inferiority has impelled both sides to keep on building more systems at a tremendous cost.

What are we trying to agree to? A maximum figure for strategic missile launchers and bombers that either side can have ready for use at any given time. At Vladivostok for the first time I got the General Secretary, Mr. Brezhnev, to agree to equal numbers for us as well as for them. For years previously the Soviets had insisted that their situation required that they have more than we. The strategic weapons of our NATO allies wouldn't be counted against our own total.

What is more, the numbers we agreed on require them to destroy some existing strategic systems and allows us to finish our present program. If they want to build new ones, they must scrap the same number of old ones. That was a good deal for the United States, and I am darned proud of it.

So, what are we hung up on at the present time? The fundamental remaining issue is how to deal with certain new systems -- we call them grey area systems -- which are capable of either strategic or tactical use. We are working hard right now to resolve the problem in a way which preserves the interest of both sides.

If we succeed, I will promptly send the negotiated treaty to the Senate for full public scrutiny and public debate. The same is true of the peaceful nuclear explosion agreements, which were concluded earlier this month after 18 months of highly technical negotiations.

For the first time since they exploded an atomic device, the Soviets have agreed to allow Americans on their territory to inspect large-scale peaceful explosions and make sure that they are not secret weapon tests.

There is an historic breakthrough for more certification procedures to insure that nuclear agreements are being lived up to. It is a good deal for the United States, and again I am proud of it. . .

I intend to sign it in a simultaneous ceremony in the very near future.

Finally, we are continuing negotiations to reduce the NATO and Warsaw Pact forces that face each other all across central Europe. This is the only place where American and Russian ground forces are positioned literally eyeball-to-eyeball and thus involves the danger of triggering a direct confrontation.

The issues are very complex in these mutual and balanced reductions of forces talks which involve our allies in NATO and the members of the Warsaw Pact. Progress has been slow, but we intend to continue them because agreements would enhance military stability in Western and Eastern Europe at lower force levels. That would permit us to bring some of our troops home from Europe, as well as to reduce the level of allied forces on both sides.

Any agreements we reach in areas I have discussed will require Senate debate and ratification. Any suggestions that we are doing something in secret or not taking a tough line is just so much nonsense. We are as tough as anyone can be without junking the possibility of an agreement.

Whenever I get a good agreement for a safe world, you can be sure I won't pass it up for any political advantage or disadvantage.

Turning from direct arms negotiations with the Soviets, let's look for a moment at the Middle East. There we are determined to maintain the momentum of the Sinai agreement, in which the leaders of both Egypt and Israel trusted the United States sufficiently to take an historic first step toward a peace settlement after decades of distrust and four costly wars.

We have demonstrated our friendship and fairness toward a moderate Arab State, and at the same time strongly reaffirmed our commitment to the security and to the survival of Israel.

Only the United States can exercise such influence for peace and stability in this very volatile region, and I am proud of the progress that our country has contributed in this very difficult area.

Finally, there is Africa. It contains a wealth of resources and many newly independent nations. It commands the sea lanes of the South Atlantic and the Indian Ocean and the Soviets are interested in all these things.

When we tried by a relatively small amount of military aid without involving a single American soldier to help the two authentic elements in Angola against the Soviet-sponsored faction, Congress said no, you can't spend a penny to save Angola. That was last December.

Our own political paralysis, the military success of Cuban mercenaries in Angola, an increased Soviet involvement accelerated the trends toward radicalism and violence in Southern Africa. So, I sent Secretary Kissinger on another mission. This time not to restore peace but to try to prevent a race war from breaking out.

The cooperative programs he proposed for economic aid were important, but more important was the message to black Africans that America cares, that we oppose domination of that continent by any outside power and that we support for their new nations the same principles we proclaim for our own 200 years ago -- selfdetermination, majority rule and the full protection of minority rights.

If anybody cautioned me that taking prompt diplomatic countermeasures to check Soviet involvement and Cuban adventurism in Southern Africa would have a political spinoff at home, I didn't listen very long. We did what was right, what was necessary and there was no time to lose.

So far, it has worked out well and Secretary Kissinger deserves credit instead of criticism.

I could list a lot of other foreign policy problems, and the daily decisions that they bring to the Oval Office, but the long and short of it is United States foreign policy is a tough job, one that goes on all the time and can't be put on the back burner every time we have one of our free elections every four years.

It isn't a job for babes, and it isn't a job for bullies. When I first became your President 22 months ago, I mentioned to all nations, friend and foe alike, an uninterrupted and sincere search for peace. I will neither retreat nor mark time nor shorten my stride in continuing that search.

I promised that America would remain strong and united, but that our strength would remain dedicated to the safety and to the sanity of the entire family of man, as well as to our own precious freedoms. The modernized and reinforced weapons systems I have proposed in my two record defense budgets will be dedicated to freedom and sanity as long as I am President.

I remember President Eisenhower saying that only the brave are strong and only the strong are free, and I also remember President Kennedy saying that cold January day we must never negotiate from fear, but we must never fear to negotiate.

Whenever the United States has serious disagreements with other sovereign nations, we have really only two choices -- to fight about it or to talk about it. Threats are not only risky, but rather old-fashioned in today's world.

I will not hesitate to use force when it is clearly required to protect American lives and American interests, but I will make no threats I cannot carry out in full comprehension of the cost. Every President has that grave responsibility to the people that he serves.

I am proud of my leadership in the foreign policy of the United States. I intend to go on trying to do what is right for America and what is right for all mankind. We are at peace. No Americans are dying on any battlefield. tonight. There are no international wars, though there are many areas of tension and serious danger.

We have suffered a few setbacks, tragic ones, and some disappointments in the course have we have taken since World War II, but we have not had World War III. We have built a solid alliance of free peoples across the North Atlantic. We have made friends and partners of former foes in Europe as well as in Asia.

We are expanding trade and cooperation with the nations washed by the Pacific. We have strengthened our traditional ties with France, Canada, Mexico, Central and South America. Over the past 30 years since we came home from the Pacific and other theaters of war to make a better world, we have not blown up civilization and we have preserved our freedom.

There is more contact among peoples and more communications among Governments, a greater sharing of ideas, knowledge and cultural richness than ever before in the history of the entire world.

The levels of human help, learning and economic well being are rising almost everywhere.

Surely we must doing something right, and I intend to go on working for a better world. Our adversaries are still determined to defeat us and bring all nations into conformity with their system in which almost any means are justified if they advance that ultimate victory.

But, we have no reason to fear their competition as long as we remain strong and true to our principles, our system, which has already proven its superiority in every way. As we must never lose our vigilence, neither must we ever lose our vision. Thank you very much.

I thank you very, very kindly, and I would now be glad to answer any questions from the audience for a few moments.

QUESTION: Mr. President, I have a question, please.

THE PRESIDENT: Yes?

QUESTION: Normalization of relations with the People's Republic of China was begun by your predecessor, and it is as of yet incomplete. The exchange of Ambassadors will certainly create many adverse reactions in certain areas, particularly with Moscow and the Taipei Government in Nationalist China. What, in the future, will your position be on this issue?

THE PRESIDENT: Well, in 1972 when we reopened the doors between China and the United States, a Shainghai communique was issued which called for the gradual movement of better relations, broader relations, deeper relations aiming at some point to normalization of relations.

I believe very strongly -- having been there in 1972, again having gone back in 1975 -- that it is important for the United States to have a broadened relationship with a nation that geographically is the largest in the world, and 800 million-some people.

The progress of that relationship is on schedule. It will continue on schedule as long as I am President. We will meet any of the problems you mentioned at the appropriate time, but so far the relationship is constructive, on schedule and, when we have any problems of the kind you are mentioning, we will meet them and handle them.

QUESTION: Thank you.

QUESTION: Mr. President, Cornell and Harvard Universities have recently said a cure for spinal cord injuries is possible. I am sure that you will agree that research on spinal cord regeneration is desperately needed. The National Foundation for Paralytic Research is attempting to raise funds. Would you help us to walk again, people like us all over the world, by funding money to this very worthwhile cause?

THE PRESIDENT: I didn't hear the last part.

QUESTION: Would you help people like us all over the world to walk again by funding money for this very worthwhile cause?

THE PRESIDENT: Let me say, just the earlier part of this week I met in Washington with a young man -- he came from the West, I have forgotten his name -- who had a tragic injury, and he was selected as the young man or individual of the year to represent those like himself, as well as yourself. I indicated to him at that time that we had gotten the Veterans Administration, where many of these cases are treated, more money and we are putting a greater emphasis on that program in the VA. I hope that we can broaden our efforts. I am sure you are familiar with the fact that this young man went to the Soviet Union and had an operation there because they are allegedly further ahead in this area than we. He came back feeling that that operation conducted in Moscow had been helpful and beneficial to him.

So, that is one of the reasons why it is good for us to have an exchange, whether it is in medical matters or in cultural matters or in trade matters or anything else, and I can assure you that we, in the Executive Branch of the Government, will do all we can funding-wise and otherwise to help in the kind of a case you mention.

QUESTION: Mr. President, my question is that on May 12 the Chancellor of West Germany, Chancellor Schmidt, in the Vundestag, called for trade and economic policies of Heljmar Schacht. He was Financial Minister to Hitler and praised the economical policies of Hitler.

That hideous statement was not covered in the United States press. I am sure you are familiar with it. I wonder if you could please comment on that?

THE PRESIDENT: I don't think it is appropriate for me to involve myself in the internal political life of another country. I would have to, in addition, before commenting, if I did, read the whole text of what Chancellor Schmidt said and not a part, as indicated by you, because it might have been taken out of context.

QUESTION: Mr. President, I have a question about Africa -- in specific, Rhodesia. This last week there was an article in Time Magazine that had a commander in the Rhodesian army who made a statement that Kissinger was six months too late in Africa, in his addresses and so on and our policy there. If this statement is correct, why were we late?

THE PRESIDENT: We wouldn't have been late at all -if we are late -- if the Congress had supported us with the minimal amount of money in letting us support the two, what I say were authentic Angolan forces -- the FNLA and the UNITA. But that tragedy did interfere with any efforts that we could make at an earlier date and, in addition, Secretary Kissinger went there not only for the purposes of trying to prevent the radicalization but also to present a very comprehensive program to the United Nations -- trade, and so forth, UNCTAD -- which he did, which was a very dramatic and I think a very constructive program, which was embraced by the leaders of virtually every one of the African nations.

So, it was a combination of circumstances -- one, the situation in Angola; and secondly, the scheduled meeting of the UMPTA organization. There was nothing deliberate on our part. It was simply a circumstance beyond our control. I don't believe, however -- or don't agree, I should say -with the observation of the Rhodesian that you quote because I think we have gotten a moderate African nation to turn back from radicalism and come back to a responsible position, and I think we have blunted the most radical elements in Southern Africa, and the situation is infinitely better today than it was six months ago.

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QUESTION: Mr. President, I have resided in the City of Portland for more than 40 years. I am a citizen of this great nation, which I am very proud of, and I am Honorary Councilman for the Republic of Lebanon for the last 20 years. All my life that I have been in this great nation I have been commended for the beautiful Lebanon sculpture and everything that goes with it.

I am sure you are aware of it. It just breaks my heart and I know every American that I know in this city here, they call me, they see me, they see the news in the paper and just don't know what to say to me. What are we doing in a country that has been pro-western, pro-United States that would let that country be destroyed little by little?

I would appreciate a comment on that, Mr. President.

THE PRESIDENT: You are exactly right. The tragedy in Lebanon is one of the saddest situations that has baken place in my lifetime. Up until a year or a year and a half ago Lebanon was the epitome of stability and strength. It was the most secure and prosperous nations in the Middle East by any standards.

You know as well, if not better than I, that there has been a very arbitrary division between the Muslims and the Christians within their Government. The President had to be of one faith and the Vice President had to be of another faith.

The situation began to deteriorate and then outside forces began to involve themselves and the net result was we have had about 20,000 killings. It is just sad, but it got on a roller coaster and about six weeks ago I sent one of our most able retired Ambassadors, who just retired about a year ago -- Dean Brown -- over there to see what we could do in an affirmative way to bring the Christians and the Muslims together and to try to keep all outside forces away from this situation.

He was there. He had contact with President Franjiyah. He had contact with all of the other elements and we were successful in restraining the Syrians from coming in in any major force, and if they had come in in a major force, I am certain that the Israelis would have countered with a major force of their own.

So, we had to keep Syria out as best we could with any regular forces. We had to keep Israel out because that would have countered with a major force of their own.

So, we had to keep Syria out as best we could with any regular forces. We had to keep Israel out because that would have ignited another Syrian-Israeli war. We, I think, have gotten the best and seemingly the most permanent cease-fire. The net result is that perhaps the newly elected President, Mr. Sarkis, will be able to take over and we hope that Mr. Jumblatt will support him. We shope that the Syrians will give some support; the Israelis will stay out.

There have been some newspaper stories today which you may or may not have read to the effect that the new Lebanese Government has asked that the French send in a very limited force to help stabilize the situation until a central Government can be re-established. Whether that will take place or not, I can't tell you, but we have a new President, we are hoping that they can establish a viable central Government that the outside forces will stay out.

I could go on with the complexities because you have the Egyptians favoring one element of the Palestinians and the Syrians favoring another element of the Palestinians, and you have the Israelis involved indirectly.

It is the most complex situation today I think in the world. Slowly but surely we are making -- I don't mean we alone -- but substantial headway is being made, and I just hope with patience and perseverence we can sort it all out and restore Lebanon to the great role that it had for a good many years.

QUESTION: Thank you, Mr. President.

QUESTION: Mr. President, my name is not important, but my question is. What will be the role of covert intelligence operations in U.S. foreign policy in the future?

THE PRESIDENT: I believe under the reorganization of the intelligence community, which includes the CIA, the Defense Intelligence Agency and any other intelligence departments in our Government, the reorganization that I instituted to guarantee the protection of individual rights and that there will be a central control of the intelligence community with a group of three that will have supervisory responsibilities for any criticisms or any objections, will take care of the overall intelligence operations. That is on the affirmative side.

Now, you asked the question, in effect, should the United States undertake any covert operations. In my opinion yes, if it involves our national security.

QUESTION: Thank you, Mr. President. We have time for one more question.

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QUESTION: Mr. President, may I ask you to state your stand, please, on the controversial Panama Canal issue?

THE PRESIDENT: Following the riots that resulted in 24 deaths in December of 1964, where 20 Panamanians and 4 Americans were killed, President Johnson undertook negotiations with the Government of Panama to see what could be done to negotiate a long-term treaty that would involve, during the terms of the treaty, the United States having defense responsibilities and the right to maintain and operate the Canal. Those negotiations continued under President Johnson during his term of office and likewise under President Nixon. They are still continuing.

I believe that the United States should negotiate an affirmative agreement that will make certain that our national interests are protected and that we have the right of free access to the Panama Canal.

Now, there are some who say we should break off negotiations. I think that would be foolhardy because it is inevitable, if those negotiations were terminated, that we would have a resumption of the riots that took place in 1964. It is inevitable there would be sabotage of the Canal and every military leader that I have talked to says that sabotage of the Canal is a very easy military operation. It is inevitable that every Latin American country -- 25, with some 309 million Latin Americans -- would be on the side of the Panamanians and against us. And inevitably there would be riots and bloodshed.

We can avoid that if we negotiate a responsible Canal treaty of long-term duration well into the next century and, in the meantime, we keep our national defense needs and requirements so that they are protected. And, as long as I am President, they will be protected.

QUESTION: Thank you very much, Mr. President.

END (AT 9:13 P.M. PDT)

JUN 1 1976

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Office of the Vice President (Washington, D. C.)

REMARKS OF THE VICE PRESIDENT AT THE NATIONAL CONFERENCE ON REGULATORY REFORM GRAND BALLROOM, L'ENFANT PLAZA HOTEL WASHINGTON, D. C.

AT 9:35 P.M. EST

THE VICE PRESIDENT: I am no longer governor, so you don't have to get up.

(Laughter)

Thank you very much, Mr. Naisbitt, Ms. Shannon, Mr. Smith and ladies and gentlemen. I am honored and delighted to be here. I want to apologize for having held you up, but there was a group of eager members of the media who were interested in last night's developments. So we had a little discussion on the subject.

These are exciting days, depending on where you stand. But this is the thrill of living in a free country, and we are very fortunate. All I can say is let's keep it that way.

Now, I would like to say how delighted I am to welcome you to the National Conference on Regulatory Reform. This subject is dealing with the crucial growth and strength of our economy and, thus, the Nation itself.

Regulatory reform is an area of special concern and interest to me. I think that any of us who have a belief in our system and this Nation cannot help but have a deep concern.

I would like to say that, while we are discussing here largely the business aspect, productivity in business, as one who served for a number of years in local government, -- that is, the State of New York -- regulatory reform is equally important relating to State and local government.

While it is not in my text and not in your concern, there are 1,007 categorical grants that the Federal Government gives to State and local government, local agencies, each one of which has Congressional legislative restrictions and then Administrative restrictions, and they are constantly changed, and each one of which says that the State must enrich and improve its program in order to get the funds from the Federal Government. So if you feel you are set upon in business, just remember that governors and mayors and county executives and local legislators also are suffering the same fate.

I was talking to a head of a Latin American state and I said, "We are increasingly beginning to feel we represent foreign governments at the State level in the United States." So we sympathize with you and your problem.

That is not part of my discussion this morning, but this is such a sympathetic audience, I couldn't help mentioning a subject that is close to my heart.

As many of you may know, I have the pleasure of serving as Chairman of the National Center for Productivity and the Quality of Working Life, which is the new name the Congress has given it. They have given it a new life, a new name, but as yet have not appropriated any money, which is sort of standard procedure these days. But you know how life is.

(Laughter)

Excuse my side comments.

(Laughter)

In carrying out its legislative mandate to help increase this Nation's productivity, the Center has chosen regulatory reform as an area for major concentration of its efforts.

Industry by industry, the Center is organizing task forces made up of management, labor, government regulators and economic and other experts involved in a particular industry. These task forces will attempt to identify the objectives for the area.

I happen to feel very strongly myself that this is an important factor, that so many of our regulatory agencies have been in existence for 100 years or more without reviewing the objectives for which they were created, sort of a natural evolution of growth without taking a fresh look.

If you take the aviation industry, for instance, one could ask, should our objective be to have an Air Canada in the United States or do we want to preserve private enterprise in the field? If so, what does it take to do it? Then you start from there and then you start to work backwards.

So if we are going to review regulatory activities, we have got to know what is the objective of the regulation, what is our national interest, and how do we achieve it. And then you work back from that and come to the second -that is, identify the industry's major problems stemming from regulation; third, document the impact of regulation on the industry; and fourth, make recommendations for regulatory reform to improve productivity in that industry with an eye to maximizing national objectives in the area.

Now, this seems so simple that one wonders why one hasn't approached it on this basis before. But let's face it, if you have got an ongoing program of regulation in one area or another or an ongoing program in most any area, those involved don't automatically by themselves tend to step away and take a fresh look at what they are trying to do and where they are and then reexamine what they are doing in the light of that.

I think we have got the momentum to do it, and I think the American people, whether it is in government or whether it is in business, private enterprise, or whether it is even -- it is very interesting. I held hearings for the President around the country last fall and winter in connection with his domestic programs and policies through the Domestic Council. We found that universally people were worried about the complexities of bureaucratic red tape in Washington. And that went for governors, heads of corporations, heads of labor unions right to welfare recipients, who were equally indignant about the indignities they suffered and the uncertainties.

So I think this is something that has the total attention of the American people, and they are looking to all of us to see how do we deal with this problem intelligently in the best national interests and do it efficiently. This country is known for efficiency, and I don't see why we shouldn't apply it in this area.

I am optimistic that this is the psychological moment to approach this. And I think the Productivity Center is one of the vehicles which can be very helpful and useful in this.

Now, because these task forces will be made up of the people directly dealing with government regulation, the people on the regulatory front line in a particular industry, I have great confidence in the realism and the relevance of the recommendations they are going to make.

I might say parenthetically that I had the privilege of being Chairman of a commission created by the Congress to review the 1972 Water Quality Regulations, which had five Senators, five Congressmen and five citizens on the Commission. We worked for three years, spent \$15 million of your taxpayers' money and found some very interesting things about the impact of the 1977 standards, the 1983 standards and the 1985 goal of no pollutants in navigable waters by that period.

This same could have applied to air quality standards. I don't have to mention that when the air quality standards on smokestack emission were applied to the foundries of the Nation, that 50 percent of the foundries went into bankruptcy. We found in the electroplating industry, if they applied the 1977 standards and the 1983 standards that are now on the books, 35,000 or the 70,000 American companies in the electroplating business would go into bankruptcy, because they can't afford to fulfill their obligations as set out by the Administration.

So we are dealing in very real terms with the heart of American life. Many Americans, including many in government -- particularly in Congress -- don't realize the implications of the laws they have passed, administrative procedures and particularly the constant change in administrative procedures.

I remember one governor, Governor Dan Evans of Washington, told a story when he was testifying before our committee, that they had prepared a program -- outstanding governor, too. I won't say what party.

(Laughter)

He had prepared a program asking for a \$7 million appropriation under some Federal grant in aid program.

They worked for months and prepared all the details, sent it to Washington and thought they had covered every angle. They got word, "Sorry; we changed the regulations since you prepared your program, so you will have to redo it." That's one side of the coin.

He told another side of the story and told how they worked out a way to save \$1 million. They sent that in for approval and they said, "Sorry; there is no provision in the regulations that call for savings."

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(Laughter)

So we really in our zeal to accomplish objectives have got ourselves a little bit tied up, if we can put it that way. We have lost a little bit of our flexibility which has been our strength and creativity and freedom of America.

Today I would like to approach this whole issue of regulatory reform in terms of an historical perspective -- in terms of the forces which have shaped America's growth. This is a good year, our 200th birthday. Two hundred years ago brave men signed a landmark manifesto not only for civil liberty but also for economic freedom. I think this is too often overlooked.

Important as it is to commemorate the Declaration of Independence as a landmark for civil rights, it is equally important to recognize it as a charter for economic freedom and opportunity.

The Founding Fathers recognized that individual liberty required economic freedom, that these two were wholly interrelated, and that one could not exist truly without the other. They knew that human dignity is destroyed not alone by suppression of civil rights but also by economic bondage. Our forefathers struggled against a system which sought to regulate their industry and commerce to a design set in London for the benefit of the British -7 no disrespect to the British.

(Laughter)

They fought efforts to subject the vast American domain and its people to plans that subordinated America's growth and American aspirations to the service of an oligarchy in a far-off land, England.

The American Declaration of Independence, and the American Constitution that followed 13 years later, were not only historic milestones of a political revolution. They signified a major economic revolution as well, one that challenged government domination of trade, that broke the bonds of British mercantilism, that wiped out the remnants of feudal land laws imposed upon this country, and set loose the forces that ended indentured labor services and ultimately ended human slavery.

Two hundred years of human liberty and economic freedom produced an American enterprise and social system that has given ordinary individuals the widest possible

opportunity under which their drive and productivity have achieved the highest standard of living in history. In these accomplishments, the United States developed a pragmatic balance between personal freedom and the common good.

A realistic examination of the history of the American enterprise system reveals that it was by no means a totally private enterprise endeavor. Government has always played not only a significant but a crucial part in American economic life. The role involved not alone the negatives of restraints but the positives of promotion as well.

This system achieved a productive balance between autonomy in enterprise and governmental direction and restraints in economic activity. These relationships between government and the public have been dynamic, not static, a continuing evolution politically and economically.

And if you just want to think for a second, take the automobile industry, which is one of the greatest industries in this country, based on roads built by government, billions of dollars. One of the other great industries in this nation, the aviation industry, is based on research and military plane development and construction. The farmers of America have all been related to government policies, starting with the land grants, the railroads, land grants of property. You go through the whole history of our country and there is a very interesting and exciting balance between the government and the private sector. And government has never hesitated to do those things which would stimulate national objectives and stimulate individuals and private enterprise in achieving those objectives.

Now, how does that balance stand today? Are the basic concepts set forth by the Declaration of Independence as sound today as they were 200 years ago? The Federal Government has played an extraordinarily constructive and essential role throughout our economic history. The tremendous dedication of loyal civil servants has made government work. And the need for Federal leadership and creative initiatives continues.

Nevertheless, there are growing and legitimate claims that a dominant central government in Washington is already placing impediments and nonproductive restraints upon individual activity, voluntary association and economic enterprise. And, of course, the one that concerns me most is the willingness to take risks, the willingness to be creative. And that requires a framework of laws within which the freedom -- certainly, if you are going to invest \$100 or \$100,000 and you are not sure if the rules of the game are going to be changed while you are making the investment, you are just not going to make the investment. What I worry about is this is going to have a serious effect on the creative dynamic drive of our whole American enterprise system.

There are those who see a danger that this central government and its bureaucracy -- remote from the great productive regions of industry and commerce, remote from the farms, factories, mines and markets, remote from communities and their governments -- is enacting laws and laying down edicts that unnecessarily stifle growth and bear little relevance to the actual scene.

There are those who warn that designs set in Washington are stifling individual and corporate initiative, thereby constraining growth, productivity, and the necessary increase in job opportunities. And so we must ask ourselves: Is there a threat to human liberties today because economic freedoms are being restricted, initiative discouraged and individual creativity thwarted?

Here in our own land, we run the risk of falling into the trap of thinking that human liberties and economic freedoms can exist one without the other. They never have and they never will. Throughout the world the thrust for individual liberty has been challenged and blunted by doctrinaire assertions that economic security must be the prime object of society. It is held by some that only centrally-adopted and centrally-directed planning and programming, and implementation by an all-powerful government, can achieve economic security.

The risk here in America is not so much that we will take up the worship of the false gods of totalitarian ideologies. It is more that we may drift into Statism by government's progressively legislating such overwhelming and detailed responsibilities for the ordering of society that liberty will be surrendered in the process.

It was clear in the hearings on domestic policy that I held on behalf of President Ford around the country that there is a growing concern on the part of people in all walks of life -- that due to a great deal of well-intentioned but hastily-enacted legislation, enormous authority has already been delegated to a proliferating governmental bureaucracy under myriads of statutes, administrative rules and regulations, resulting in a maze of red tape.

To comply with this ever-changing complex of laws, rules, regulations and orders has already become an evergrowing burden. It perplexes and inhibits individuals. It stymies small business. It stifles initiative and compounds the costs of large and small enterprises alike. Even determining the proper legal mode of conduct is becoming so complex as to be unintelligible.

More and more the citizen or his lawyer or both must go to the bureaucracy for the answers, and hope that the answers are not contradictory when more than one agency or one level of government is involved. We run the danger of reaching that stage at which too many other nations have already arrived, where one must go to the offices of the particular ministries to find out what the laws are and how they are being interpreted, and to do this periodically to be sure that the interpretations are still the same.

The genius of the American system lay in the fact that government established a broad framework of policy and law within which individuals, groups and enterprises could operate with great flexibility. And that also is true for local government. It is time to reemphasize this essential concept -- to foster a climate within which enterprise, individual and voluntary group endeavors are stimulated

for the productive benefit of all Americans. This does not mean a retreat into the past, a scrapping of social progress, nor abandonment of goals of equity, fairness and progress. It means the development of a framework of law and enlightened regulation geared to today's needs and tomorrow's challenges, that will call into play the energies of the American enterprise system, the dynamism of our industry, the creativity of our labor, the ingenuity of our science and technology. It means that government regulations should not only achieve national social goals but should also promote productivity and increasing job opportunities rather than hinder them.

Toward that end, I specifically recommend that the executive and legislative branches of government, together with labor and management, science and technology, should in each area of regulation:

(a) Establish clear national objectives and criteria for regulations to achieve them;

(b) Determine the effects of regulation, both intended and unintended;

This is one of the most serious aspects, that we moved so fast in so many areas that we are not clear about the potential unintended side effects of these regulations designed to create certain specific social objectives.

(c) Change, where necessary, existing laws, rules and procedures to assure that they are promoting, not hindering, the attainment of our overall national objectives.

In the future, any proposed new laws or regulations should be made in light of our broad objectives, instead of the piecemeal, ever-changing process of the past which has hindered productivity and progress.

Twelve days ago the President sent legislation to the Congress that would make a major contribution towards achieving these ends. This legislation called "The Agenda for Government Reform Act" requires the President and the Congress to jointly consider and act on reform proposals in each of the next four years. The President would analyze the total effects of government regulation on major sectors of the economy, and the Congress would commit to act upon these proposals.

By setting forth an agenda for action, we will encourage individual Americans in all walks of life -businessmen, workers, consumers, teachers -- to work in concert with their government to build a more rational regulatory environment. The question is not and should not be whether government should play an economic role. The question is how government should be creatively involved in protecting and promoting the freedom, well-being and opportunity of American citizens as individuals as well as protecting our environment and assuring our national security.

In the Declaration of Independence the Founding Fathers proclaimed the revolutionary truth that human liberty and economic freedoms are inseparable. They saw that expanding economic opportunity in a boundless America would not only provide better living but would be a principal guarantee of human freedom. They saw an America: that would not mandate the life style of its people but encourage them to develop their own. They saw an America that looked to dynamic economic growth for the future well-being of all.

And I say, at this Bicentennial let us rediscover this America. At this conference you can make an important contribution toward that rediscovery.

I thank you very much for letting me be with you.

QUESTION: Mr. Vice President, we have heard a great deal of talk here concerning the difference between economic and social regulation. If you could address yourself to perhaps the issue of, say, the Environmental Protection Agency, is it possible to meet the goals established by the EPA, the social goals of a clean and protected environment, while at the same time not stifling the economic ability of business and industry to grow and provide jobs?

THE VICE PRESIDENT: I think the answer is yes, if we are realistic and if we are willing to be a little flexible.

Just take one case. Everybody said Lake Erie was dying and that there was no chance of its ever coming back to life again. Don't ask me to explain what it means for a lake to die, but never mind. Well, what has happened is that by the control of sewage disposal in the lake from New York and Ohio and surrounding areas, the lake is coming back to life at a very much more rapid rate than anybody had anticipated.

One of the things -- and it is somewhat controversial, naturally -- the 1977 standards which applied -it is the best practical elimination of pollution, that it: may well be that that will go a long way to achieving the 1983 standards. As all you businessmen know, as you eliminate anything -- all these curves are the same -- the bulk of elimination is relatively inexpensive. Then as you get down to the last 20 percent, last 10 percent, the curve goes up, and the last 10 percent may cost you more than the first 90 percent to eliminate.

Se we may be in a position where we can achieve social goals and not put this inordinate burden on the productivity of our country.

Now, there is a fascinating thing; I happen to live in New York, and Con Ed has built two atomic power plants and they are now in the process of trying to be able to build a third. This water goes into the Hudson River from their cooling operation. It does heat the water, and this is a very controversial issue about the fish.

So they have come up with a plan to avoid putting hot water into the Hudson because some fish, when they first put it in, are killed. Although, I have to say to you, one of the best fishing spots is where the hot water comes in from the atomic power plants. We changed one on

the lake on Lake Erie and all the fish died after we took the hot water out.

(Laughter)

So this is one of the exciting things, three sides to every coin. But they have come up with a plan to meet this problem of not putting the hot water into the Hudson. They have got a cooling tower that is 1,000 feet tall, that is 600 feet across the base, that is about 60 stories and 300 feet across the top. It puts steam up another 1,500 feet, so that is 2,500 feet sticking up in the air.

When I was governor, we set up a commission to protect the beauty of the Hudson River Valley. Well, this has got to be the most unbeautiful and monstrosity that ever happened. Now you have got a question of aesthetic pollution, but you have got another problem.

We have a variable climate in New York, and in the fall and spring you get that point where it is just at the freezing point. Now, you put tons of water up in the air in the form of vapor in a period when it is freezing -- some of you have been in ice storms -- and that comes down on the highways and freezes. We may have the most serious highway proglem of accidents because of skidding on the highway. So these are the very questions you are asking about.

Now, this thing gets back to how flexible can we be in this society? And I don't blame the ecologists, and I have a tremendous admiration for them. They have made a tremendous contribution to our country, and they have had a tough battle to fight and they have won tremendous victories. But we have gotten to a point where people have got to have a little flexibility.

Their rigidity was what made it possible for them to make the gains. But if they maintain the rigidity, I 5 6. think we are going to find we are going to pay a very serious price in this country and not serve the long-term best interests.

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With science and technology there is no problem relating to pollution we cannot solve. We may not be able to do it yesterday or today, but it will be easier to do it tomorrow when the scientists have had a little more time. We can balance these things out. I have total confidence we can do both. And the research ought to be done together, not separately, so you don't get these clashes which result in the blocking of any progress.

QUESTION: Mr. Rockefeller, what is your opinion of Senator Muskie's so-called Sunset proposal, which would require regular review of the functions of regulatory agencies? Do you support such legislation?

THE VICE PRESIDENT: Well, I support regular review of regulatory agencies. I hope the Sunset isn't for New England. < 0

(Laughter)

I hadn't heard about that, and I don't know what the Sunset means. But I am for regular review of regulatory agencies.

He and I served on this commission together, and I am a great admirer of his. He and I are both Mainiacs. That means we were both born in Maine.

(Laughter)

I like the idea of regular review of regulatory agencies, but I don't understand the Sunset business.

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QUESTION: I asked a question of Dr. Friedman and Mr. Nader last night on which there was an evasive answer given.

THE VICE PRESIDENT: I wouldn't have thought Mr. Nader was evasive.

QUESTION: He didn't get a chance to answer. He was monopolized by Dr. Friedman. I got a cnance to read a little more on the theme of the question in last night's paper. I will read you the two paragraphs.

"Agencies find themselves pulled from one crisis to another with little time to look ahead or behind. Traditional lack of emphasis on long-term chronic dangers. Regulatory emphasis has generally been on the obvious short-term problems rather than the more invisible ones such as cancer."

This gets back to my question of last night. In anticipatory management how would you instill that, sir?

I am very, very sympathetic to what you are saying. I am a great believer in long-range planning. You can't do anything in less than five years, probably ten years. So you have got to plan.

The public likes to have things done, as I said, yesterday or today, which is impossible, and we waste a lot of money when we try to do them.

Now, John Glenn, who was an astronaut, when he was a Senator -- and he is a great believer of this -- through the Government Operations in the Senate, called a hearing on long-range planning in government, which is what you are talking about. He asked Senator Humphrey and myself to be the first witnesses, both of us being very much interested in this subject. There were a distinguished group of Senators there and a large group of public.

I went and Senator Humphrey was there for the pictures and then he got called off.

(Laughter)

So I am testifying and one Senator after another had to slip off to a committee meeting and so forth. Now we are down to John Glenn and myself and the public. Everything was going well and then one of his aides came over

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and whispered in his ear. He said, "Please forgive me. There is a roll call." ~ 440

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So I stood up and turned around and I spoke to the audience, a very sympathetic audience. I said, "Now you understand why there is no longer any long-term planning in government. Nobody has time to sit still long enough to think." I don't mean to say "think," but "to plan."

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They think while they are on the run. And this is really the problem. Everybody is running from one crisis, one roll call, one committee meeting to another. And this is really very serious. This is why the Commission on Critical Choices for Americans -- because I deeply believe the only way we can intelligently reflect on our best longterm interests is to get views from people in all walks of life, thrashed these things out. And there is nothing we can't do in this country if we set our minds to it.

I am totally in agreement with you, and that when you are talking about something ten years from now, there isn't the same danger of confrontation that you have when you are talking about something today where everybody is upset. But ten years from now we have got time to work it out, reconcile differences, find new solutions and do it on a sound basis. So I am delighted with your question and totally in agreement with you.

I will take one more over here.

QUESTION: Mr. Vice President, I believe that periodic review of agency purposes is desirable. As a practical matter, how much do you think it can accomplish in the vested interest in the agencies?

THE VICE PRESIDENT: Don't limit it to the vested interest in the people of the agencies. There are vested interests on the Hill, in staffs, in members of the Congress who sponsor programs very popular at home, and there are vested interests in every group.

Therefore, the only way this can be done, in my opinion, is to bring in all of the interested parties -business, labor, executive branch, legislative branch -- to sit down to say, "Where do we want to be in this industry? What are our objectives?"

Now, we have grown up under what many people feel is a free market system and that the government hasn't had anything to do with it. Well, of course, they are really wrong, because government does have a lot to do with these things. But we don't think of it that way.

Therefore, the first thing we have got to do is recognize government has a legitimate role and that that role should be creative and stimulative in terms of incentives and penalties as well as regulatory in terms of protecting people's interests and this balance we have found.

Now, I think it is time we did this more consciously, because life has gotten much more complicated. We are totally interdependent on the rest of the world -not totally, but extremely interdependent -- and change

is moving very rapidly. I think you cannot have just an agency of government reexamine its own program because -you are absolutely right -- they have got a vested interest. Now can you take a regulatory agency, which is like a hothouse, plant, and take it out of the greenhouse and put it in the snow and expect it to live. This has got to be something done with intelligence. i parte de la composición de la composicinde la composición de la composición de la composición de la

I think this is a very exciting challenge to our country and that it would be very stimulating and very worthwhile for all of us to consciously think together as to what we want to accomplish, how we can do it, how we can maximize our extraordinary resources, talents, abilities, both human and natural, in this country and restore our strength at home and our leadership and ability to meet our responsibilities in the world.

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I thank you very much.

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(AT 10:12 A.M. EST)