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"Legislating For A Better America"

Guest of Honor and Speaker

**THE HONORABLE
GERALD R. FORD**

**Congressman from the Fifth District of Michigan
Minority Leader
House of Representatives**

BEFORE THE ECONOMIC CLUB OF DETROIT

November 17, 1969

Veterans Memorial Building



Presiding Officer

MAX M. FISHER

Special Consultant to the President on Voluntary Action

Chairman

New Detroit, Inc.

Chairman of the Board

Fisher-New Center Company

RUSSEL A. SWANEY

President

The Economic Club

of Detroit

(The meeting was opened by President Russel A. Swaney, who presented Max M. Fisher, Special Consultant to the President on Voluntary Action, Chairman, New Detroit, Inc., and Chairman of the Board, Fisher - New Center Company, as Presiding Officer.)

MAX M. FISHER: Ladies and Gentlemen:

It's always a pleasure to preside at a meeting of The Economic Club of Detroit, but tonight's opportunity to introduce our guest speaker is of even more importance to me, for Jerry Ford is not only one of the most influential men in America today, but he is also a good and respected friend of mine.

Jerry is a man for whom I have the highest regard—for his dedication, for his integrity, and for his devotion to his country. My personal judgment of Jerry Ford has been confirmed by his constituents who have sent him to Congress for two full decades. It is confirmed, too, by his colleagues in the House of Representatives who have selected him as Minority Leader. And it has been further confirmed by the President of the United States who has sought his counsel, his advice, and his leadership.

Jerry's life has been one of major accomplishments. As a lad he won top athletic honors. At The University of Michigan he was voted Most Valuable Player of the 1934 championship football team, and received the highest academic honors. Since then he has been designated as one of the "Ten Outstanding Young Men in America" by the United States Junior Chamber of Commerce.

From the time he was first elected to the House of Representatives in 1948, Gerald Ford has served on key Congressional committees. He has served on the House Public Works Commit-

tee; the Appropriations Committee; and the Select Committee on Astronautics and Space Exploration.

Jerry's legislative experiences, as well as his legal background, have given him a deep and abiding respect for the law. He believes wholeheartedly in the importance of an electorate informed about the legislative process. He believes, too, in the fullest possible participation of all citizens in the making of our laws.

Here to speak to us tonight on the subject of "Legislating for a Better America" is the Minority Leader of the United States House of Representatives, The Honorable Gerald R. Ford.

(Applause)

HON. GERALD R. FORD: Thank you very much Max. Russ Swaney, distinguished guests, ladies and gentlemen:

It's a great privilege and a high honor to be here tonight. I'm deeply grateful for this opportunity to share with you my ideas on "Legislating for a Better America."

Max, I'm always a little bit uncomfortable about being presented to a mixed audience as the Minority Leader of the House, with the inference that I'm potentially the Speaker of the House. I think all wives know who the minority leader of the house is—a husband. On the other hand, I know very well who all husbands believe is the speaker of the house.

When I was invited by Russ Swaney to come here tonight I received a letter that went something like this:

"We have had a full program. We've had Frank Borman, Paul McCracken, General Chapman—and now we would like to have you accept our invitation."

And it ended with this sentence:

"Up until now we've had outstanding speakers."

(Laughter)

I hesitate to tell this story but Max in his introduction made an inadvertent slip. You might expect that of somebody from Ohio State . . . *(Laughter)* . . . but it reminded me of an incident that happened, Max, in the state of Ohio. A year or two ago I was asked to address a large political meeting and I was being introduced by a man who was a graduate of Ohio State, as Max is, and in the course of his introduction he inadvertently indicated that I was a graduate of Ohio State. Well, I didn't know quite how to respond, how to protect the integrity of my Alma Mater, The University of Michigan, without offending this vast audience, most of whom came from the state of Ohio. And as I came to the podium I thought of an incident involving a man who was introducing the Governor of the Virgin Islands to a large audience. This man got up before this tremendous political meeting and in the course of his introduction that went on for a long, long time he talked of the Governor's accomplishments, his achievements and of course his virtues. And then he concluded with a final sentence that went like this:

"Ladies and gentlemen, it's my privilege and pleasure to introduce to you the Virgin of Governor's Island."

(Laughter)

In my initial remarks tonight on the subject, "Legislation for a Better America," I think it's appropriate to point to the factual situation that exists. In November 1968 the American people elected a Republican president and, at the same time, left control of the Congress in the hands of the Democratic Party.

This year marked the first time since 1849 that a new Administration took office with the legislative branch—a co-equal branch of the Federal Government—controlled by another political party. This happens very, very seldom in the history of America. But it is the fact today. A Republican in the White House; Democrats in control of the Senate 57 to 43, and of the House of Representatives 245 to 188.

Naturally Republicans would prefer to see the GOP control both the Executive and Legislative branches of the Federal Government. But the American people did not so decide in the 1968 election. The unusual situation therefore entails a most unusual relationship between the Legislative and the Executive branches of the government.

I might tell one story about an election that happened in 1966. Following the 1964 election we on my side of the aisle were badly outnumbered in the House of Representatives. I think the Democrats had 295 members and we had 140, which is better than 2 to 1 odds. Those were pretty tough days. But the 1966 elections were rather kind to us and we elected 59 new Republicans, which was a substantial new "class" of Congressmen. My wife Betty and I decided that it would be a good idea if we got all of these new members and their wives and our leadership and their wives together for a 3-day seminar where we could talk about parliamentary problems, major issues, and, just get better acquainted. At the opening luncheon I was asked to say a few words. I looked out and there were the 59 new additions to our rank. They were attractive, articulate and able. I must have said that I was happily clucking over this new brood of Republicans.

The luncheon broke up and we went on to our business. We had a social hour that night. I came down to an early breakfast the next morning and when I walked in somebody handed me a copy of the New York Times with a front-page story, lead-article, first sentence:

"Congressman Jerry Ford, House Republican Leader, was happily clucking over his new brood."

(Laughter)

I thought it was amusing that a great newspaper like the New York Times would make a simple typographical error that would somewhat change what I had said at the previous luncheon. I passed it off and kidded the New York Times Correspondent. My wife Betty

came down for a late breakfast an hour or so later and some friend of mine . . . (Laughter) . . . immediately handed her a copy of the New York Times. I have yet to satisfactorily explain who that new brood is.

In the situation as we find it today, the public has to understand that when the President sends a legislative message to the Congress, he doesn't have the same relationship with the leadership in the House and Senate that he would have if the leaders were of his own political party. In a divided government, he doesn't necessarily get the reaction in the Congress that he would get otherwise.

Let me say parenthetically that I'm not being critical of the Democratic leadership. On the major issues involving the national security of the United States, Democratic congressional leaders have stood forthrightly with the President of the United States. The American people ought to applaud the Democratic Speaker and the Democratic Majority Leader of the House, for they are acting in the finest American tradition.

But on domestic issues it is logical and proper that since there is a philosophical difference between the two major political parties there are some legislative differences between the Democrats and the Republicans.

Since January 20th of this year the President of the United States has sent approximately 40 major messages to the Congress, most of which resulted in legislative proposals.

The three major issues we as a nation face today are all related to these various messages. Those major issues fall into three categories: (1) foreign policy—primarily the problem of Vietnam; (2) the status of our economy—whether we can dampen down the problems of inflation without unacceptable unemployment; and (3) the problem of crime—all the ramifications, not only enforcement of the law but eradication of the sociological causes of crime.

As I said a moment ago, most of the messages

that have come from the President in one way or another have involved these three basic problems.

The President had some basic decisions to make on taking office in January of 1969. I was present at a number of meetings where the choices were pretty well sifted out.

The President could have taken those programs that have been on the statute books—the new ones as well as the old ones—and sought to use those legislative tools for the purpose of meeting our domestic problems. He could have simply spent more money to try to make them work. That was one choice.

Another choice was to recognize the sociological and economic problems we face at home and to seek new solutions to those problems—new legislative tools.

The decision was made by the President—and I think rightly so—that instead of just taking the old programs and seeking to spend more money he would seek innovative, imaginative approaches for the decade ahead.

Before discussing domestic problems and President Nixon's new approaches to them, I would like to comment on where we may be going and what we hope to accomplish in Vietnam.

Let me say categorically that I firmly believe it is in the national interest for the United States to be successful in Vietnam. I believed that under former Presidents Kennedy and Johnson; I believe it today. I want no misunderstanding in that regard.

At this point, I don't think it is wise for us to be critical of how we got into Vietnam. I don't think it is wise for us to analyze whether we used the right military policy the last four years in trying to find the answer to Vietnam. Those decisions were made, rightly or wrongly, and I assume with the best of intentions.

Our problem today is how we find a way to be successful in Vietnam, not only in solving

that conflict with all its ramifications but at the same time maintaining the national prestige and influence of the United States world-wide—because the generations that will follow us are as interested in what happens then as we are in what happens today.

The other day I was reading William L. Shirer's book, "The Rise and Fall of the Third Reich." There are passages in that book that ought to teach us a lesson today. The author relates how Chamberlain went to Munich in September 1938 to discuss with Hitler the dismemberment of Czechoslovakia. The purpose—to achieve an alleged peace in Europe.

Chamberlain agreed to the dismemberment of Czechoslovakia. He came back to England and made a speech in The House of Commons declaring that we were to have peace in our time through acceptance of the terms laid down by Hitler. Amid the pandemonium that ensued in The House of Commons—because all Britishers were anxious for peace in their time—one man spoke out against the deal made by Chamberlain. Who was it? A lion among men, Sir Winston Churchill. His voice was drowned out. He was ignored. But history proved him right.

Today most of us would recognize that England's appeasement of Hitler in 1938 opened wide the door to what transpired in the years that followed.

As in those days preceding World War II, the Free World should heed a strong voice. Britain should have heeded the words of a Churchill rather than those of a Chamberlain. Today the United States—and indeed the entire Free World—should listen to the strong voice now being raised in warning. President Nixon is speaking with a strong voice in trying to solve the problem of Vietnam. Yes, trying to solve it through meaningful negotiations in Paris. We must pursue the course the President set forth in May of this year—a fundamental 8-point plan for the negotiators to work around in trying to end the war in Vietnam, not only honorably but permanently.

We have not had a single affirmative response to the Paris negotiations and they have gone on for better than a year. But that doesn't mean we should give up. As a matter of fact, I was listening to Dr. Kissinger, the President's top adviser, the other day at the White House, and history also tells us something here; that there is a tendency on the part of Communist negotiators to be as critical, as adamant, as mean and abusive as they can be, just when they are about to make a deal. This is what happens historically. Maybe we can learn a lesson from it.

If you look back to the early 1950's you will find Secretary of State Dulles negotiating with the Soviet Union and with our two other major allies — France and Britain — for the restoration of Austria. Austria had been occupied by the four major powers following World War II, and negotiations were going on between the Soviet Union and the Allies. Just prior to an agreement permitting Austria to become a sovereign nation again, the Soviet Union was the most abusive it has ever been in the negotiations. Yet, there was a break and Austria was restored to sovereignty. The Allies and the Soviet Union moved out, and Austria lived again.

The same sort of thing took place at Panmunjom where negotiations went on for two years between the United Nations negotiators and the North Koreans. The abuse reached a peak. Then suddenly a settlement was reached in July of 1953.

So even though our Ambassador is abused every time he meets with the North Vietnamese in Paris we should stick it out and keep pursuing meaningful negotiations that may end in an honorable settlement of the Vietnam War.

Even if a settlement is not achieved, there is an alternative by which the United States can phase out its military responsibilities in Vietnam and phase in the combat responsibilities of the South Vietnamese. The term is "Vietnamization" of the war. It can be successful, and I think it will be successful.

It does require that we have a degree of political stability in South Vietnam. One of the most encouraging reports I have heard regarding the political situation in Vietnam has come from a former colleague of mine. Not a Republican. Not even a middle-of-the-road Democrat. But from a Democrat whose credentials are as liberal as those of any Democrat I know. Many of you here I am sure have met and know Neil Staebler. If my memory is correct, Neil ran for Mayor of Ann Arbor on the Socialist ticket in the 1930's. He has been Democratic Party Chairman in Michigan. He has been Democratic National Committeeman for Michigan. Neil Staebler went over to South Vietnam a month or so ago at his own expense. He came back and reported the following. He said: "Jerry, our country can be successful in Vietnam with a program where we are replacing our military personnel with theirs. The most encouraging sign is that the Thieu government is really getting broad-based and has ever-increasing popular support."

We should listen to a man with Neil's experience. What he says coincides with the observations and the analysis of officials in our government today. I would simply say this. The President has a plan. It is a plan that can work. If we get a minimum of cooperation from the enemy, this plan will bring peace in Vietnam and will at the same time maintain the leadership and the prestige of the United States in the Free World. In my judgment this is the best course for us to take today, tomorrow and in the future. It would be tragic if the United States of America should accept, as Chamberlain did, an easy peace that would only lead to a broader war.

Now if I might, let me turn to some of the domestic problems that I think fit within the context of "Legislating for a Better America." Early this year it became evident that something had to be done to amend the Selective Service Act. Most people don't realize it but the draft law that has been used in the last several years for the annual induction of some two or three hundred thousand young Ameri-

cans is virtually the same Selective Service Act or Draft Law used to induct most of us in World War II. It is basically the same. Most of us would recognize that the problems of maintaining a military force of 15 million men as we did in World War II are quite different from maintaining a military force like the one we have today of approximately 3,600,000. And yet the same law is affecting the lives of those who are subject to the draft.

Under present law, young men today are vulnerable to the draft for a period of 7 years, from age 19 to 26. All the experts tell us that this extended period of vulnerability is one of the principal causes of the unrest on our college campuses. And I can understand why.

The President has recommended that Congress approve—and I'm glad to state to you that the House of Representatives two or three weeks ago approved it and now it appears the Senate will do likewise—a change, a significant change in the Selective Service Act that makes young men vulnerable for just one year unless we were to have a major conflagration or a military engagement far broader than what we have. This in my opinion will be a first big step in trying to win our young people back to the kind of dedication to America they fundamentally feel.

I believe that as we move toward peace in Vietnam and hopefully achieve it we as a country ought also to move to a career or all-volunteer military force. It's achievable. Many people doubt it. But go back to 1959—four or five years after the war in Korea—when we had a military force of about 2,600,000. Virtually all of the young men then in the Army, Navy, Air Force and Marines were volunteers.

Once we achieve peace in Vietnam and go from the present 3,600,000 in the military to a far lower military manpower requirement, we can move to an all-volunteer military force if we are willing to pay the necessary compensation and fringe benefits.

Oh I know people have alleged that a pro-

fessional army is not democratic and that therefore we should not have it. Well, for most of the years of America's history we've had a professional military force and yet democracy has thrived in America. So I give no credence to the contention that a professional army is bad for America. History has proved otherwise.

Now let me turn to a matter I suspect is of considerable interest to many of you here—tax reform. I was talking to Walker and Max at the head table and they were curious, like many of you are, about what's going to happen. In my judgment tax reform legislation will be enacted by this Congress before January 1, 1970.

The tax reform bill approved by the House of Representatives—some 368 pages of major changes in the Internal Revenue Code—calls for some 37 basic revisions in the federal tax structure.

I know the proposed legislation that passed the House raised many questions to put it mildly. But let me say this. Whether you in this audience recognize it or not, there is a tax revolt in America. I understand that revolt because over the last decade we've seen a wide variety of local taxes increase year after year; we've seen the state tax burden go up and up; and there's been virtually no relief from the federal burden. The American people, paying more each year in total taxes, naturally look to see whether there is equity in our federal tax structure. And, admittedly, there are areas where inequities exist. I might parenthetically say that what is one man's loophole is another man's thoroughly justified benefit. It's all not black and white. But nevertheless there is this ground swell of resentment on the part of the ordinary taxpayer who earns seven or eight thousand dollars a year and pays a thousand dollars in taxes. He sees some wealthy individuals who, under existing law, pay nothing. He doesn't understand it. He's disturbed. The Congress responds to the majority of its constituents. The Congress will do something about it. I hope it's as fair

and equitable as we can make it, bearing in mind the wide differences of viewpoint.

The end result will be frustrating to many. It will make some people angry, as a typically independent American should be.

I might tell you a story about such an American. My wife Betty and I have a neighbor in Alexandria, Virginia, who is a high-ranking official in the Bureau of Internal Revenue. Last summer he talked to me and he said, "Jerry, have you ever noticed in the upper righthand corner of your Internal Revenue tax return there's a blank area and underneath the blank area in large black type there's an admonition: 'Please Do Not Write Here'."

I confessed I had never noticed the blank area. I had not been conscious of the admonition.

Then he smiled and said: "Jerry, you'd be surprised. After they sign their name at the bottom of the return alleging that all the facts and the figures are the truth and nothing but the truth, and after they sign that check paying Uncle Sam whatever they allegedly owe him, then literally thousands of taxpayers in typical American frustration and total American independence write in their own handwriting across the blank area: "I'll write any damned place I please."

(Laughter)

Let me discuss now another major Administration proposal—the President's recommendation for workfare rather than welfare. This is a measure which should be approved by the Congress before adjournment in 1970. There's never been a more propitious time for a change in our welfare system. Those on the far left of the political spectrum in America agree that the system hasn't worked. It's duplicative, it's expensive. And you can find those on the far right of the political spectrum in the United States who agree that the system has not really helped to get individuals or families out of the cycle of welfare. Under the existing wel-

fare setup, there's never been a real incentive for good people to free themselves from the dole.

And so the President has suggested that the Congress abolish the old welfare system, start from scratch and come up with a program labeled Workfare. The House Committee on Ways and Means has started hearings on the President's proposal. The principal ingredient in this White House proposal is incentive. If people on welfare are willing to seek training for jobs that do exist, or if people who are out of jobs are willing to seek training for new employment, they will be given that opportunity. And if they start to earn they will not be penalized dollar for dollar because they are supplementing their government checks. It's the incentive ingredient that's vital and important in this new approach.

No man stands taller than when he stands on his own two feet. When a man is down, he needs a hand up instead of a handout. In the final analysis, I believe the Congress will approve this legislation.

It is a new approach, an innovative, imaginative answer to a problem that has defied a solution for more than three decades.

Let us now turn to the need for affirmative action in the area of the Postal operations. I made a speech in California the other day and totally inadvertently, I spoke of the "Post Awful Department." Well, the truth is that in the existing Post Office Department we keep getting poorer service, we pay more for that service and we seem to have perpetually expanding deficits which the ordinary taxpayer finances. Unfortunately, for as long as America has existed, the Post Office Department has been rampant with partisan politics. The President has said that there will be no more politics in the Post Office Department and for that I applaud him. The President has recommended that we move away from the kind of Post Office Department we have today to one that is run by managers free and clear of any political

influence. The Congress must respond in this area. Every survey that is taken indicates the American people want a new answer for a department that today has about 750,000 employees. Next to the Department of Defense, it's the largest department in the Federal Government. This is a responsibility of the Congress to all of the millions of people who use the facilities of the Post Office Department.

Another area—crime. You are familiar with the statistics—the crime rate increasing ten times faster than the population. The tools that we have, legislatively speaking, are inadequate to meet the challenges of organized crime, drug abuse, and the distribution of pornographic literature throughout the country.

Let me just give you quickly an observation that came out of a meeting at the White House several weeks ago on the second problem—narcotics control. The Congress hasn't responded as rapidly as it should in this area. I don't understand why. As a consequence, the President invited the Democratic and Republican leadership to the Cabinet room one morning and he had three people there to present the problem. The first was the director of the Narcotics Bureau. He discussed the need for stronger penalties for dope peddlers: tough, mandatory, long sentences for those who prey on the weak.

The second speaker was the Secretary of Health, Education and Welfare, who pleaded for the Congress to legislate more lenient, more flexible penalties for youths who for the first time may have bought one or more of the narcotics that are available. The Secretary of HEW was pleading for a more constructive approach to help rehabilitate these unfortunate people. He pointed out that the courts and juries need more flexibility in such cases.

The last one to speak to this group was Art Linkletter. Less than two weeks earlier he had lost his youngest child—his 20 or 21-year-old daughter. This was the most dramatic presentation I have ever seen in my life. It took a lot of courage for a man to talk to some 20 people,

including the President of the United States, about his daughter's death. He pointed out that his daughter was not a hippie and that his was a close-knit family. He told us there, and he has since carried out the promise, that he was going to crusade in any and every way he could to arouse America to the narcotics crisis. He pleaded with the Congress to do as the Secretary of HEW had recommended. He also urged stiffer penalties for the peddlers and pushers.

Congress must respond in this area. Then it will be the responsibility of the prosecutors, the courts and the juries to act.

One final observation. We must strengthen our federal system.

As I said earlier, local taxes are rising and have risen. State costs have gone up. It would be my impression that state and local taxes have about reached the limit. Our federal tax structure is different.

As our economy grows, without even a change in the Federal tax rate, the Federal Government takes in six to eight billion dollars more a year.

Now, if we are to strengthen local and state governments—and I happen to believe that's a necessary ingredient to maintain our governmental system—the Administration proposes we share federal revenue with state and local governments; share this growth income that comes to the federal treasury.

I know there are some who will say, "Well, why don't you reduce federal taxes and allocate any extra amounts to the state and local communities?" Well, history tells us that in the last 10 or 20 years any extra federal revenue has gone into what we call grant-in-aid programs—categorical grant programs.

Let me quickly tell you the history of categorical grants. Twelve years ago there were less than 100 Federal categorical grant programs. They cost about a half a billion dollars annually at the outset. Today, in this fiscal year, we have almost 500 categorical grant programs and

the annual cost to the federal budget is nearly \$20 billion. Categorical grant programs have mushroomed, with all kinds of duplication and a ballooning cost to the taxpayers. The net result is that, in the main, a federal administrator in Washington decides how you, at the local level, are going to spend the money that comes from the Federal Government to the City of Detroit.

If you look at the projections of those who believe in categorical aid, you find they anticipate there will be expenditures out of the Federal Treasury ten years from now of at least \$50 billion a year for such programs. These federal expenditures are not going to go away. You're faced with a choice of expanding categorical aid programs, with a federal bureaucrat in Washington making the basic decisions, or sending back to state and local governments a fixed percentage of gross revenue from the Federal Treasury for local people—the people you elect in Detroit, the people you elect in Michigan—to use as they see fit on their own list of priorities.

Now, who do you have more faith in? The people you elect in Detroit or the people that are immunized from your control—the bureaucrats in Washington? In my opinion the choice is very simple. I put my faith in those elected officials whom you choose—not some immunized career service individuals protected by Civil Service in Washington, D. C. You can make better decisions on priorities here, through your elected officials.

There are different kinds of priorities. The problems of San Francisco are not the same as those of Detroit. The problems in my hometown of Grand Rapids are not identical with those of Miami, Florida. And I happen to think that the people you elect and we elect have a little better appreciation of how that money should be spent.

Revenue-sharing is a basic ingredient for the growth, the perpetuation of a true federal system in America.

Let me conclude now with this. I think we recognize that the things that divide us in America—politically and otherwise—are not nearly as enduring as the things that unite us. It would be my observation that both Democrats and Republicans are striving together, each in their own way, to create a more perfect union. Although there are bitter debates and much controversy, I think our compact of respect for the convictions of others and our faith in the decency of others, allows all Americans the luxury of rugged political competition.

As I look ahead I would ask only this. Let's all work to banish war from our shrinking world and hate from our expanding hearts.

MAX M. FISHER: Jerry, you were marvelous. In fact, you did such a good job that you've ruined quite a few of the questions I had already picked out here for you. But there are a couple that may be interesting or controversial. Here is one.

(Reading Question): "WHAT IS YOUR OPINION OF VICE PRESIDENT AGNEW'S SPEECH ON THE MEDIA AND HIS SPEECH ABOUT COLLEGE DEMONSTRATORS?"

And here's another one that ties right in.

(Reading Question): "WHAT IS YOUR OPINION OF THE DEMONSTRATION IN WASHINGTON LAST WEEK?"

HON. GERALD R. FORD: In my honest judgment there is a small segment of the radio and television news media who have been prejudiced; prejudiced against a Democratic president; prejudiced against a Republican president. I understand this situation because we're all human beings and very few of us can hide our subjective feelings as we say something or do something. I don't mean to condemn the vast majority of the news media because I can say that in my own case, with some very limited exceptions, they've been fair and very understanding. But what they've got to understand is that when they report a factual situation they should report it factually, and when they editorialize, which they have the right to do, they should let the viewers know that they're edi-

torializing, and not mix the two. Unfortunately in some situations there has been editorializing when theoretically a factual situation was being reported.

Let me give you my observations and comments concerning the Moratorium March in Washington last week. There were some 250,000 people there. A small number behaved badly. In the main, those who were there lived within the law. They were exercising their right of dissent, their guaranteed right of petition to their government. I was proud of the way 99 per cent of them exercised this inalienable right given them under our Constitution.

But I add this. There were those on Friday night who met at Dupont Circle, which is on Massachusetts Avenue, and sought to move heavily armed to the South Vietnamese Embassy for what our government knew would have been an attempt to destroy the South Vietnamese Embassy. Fortunately the government was prepared and they prevented it.

Then on Saturday afternoon, Mr. David Dellinger got up before this vast group of Americans—I won't give you the record of Mr. Dellinger but you can read it—and exhorted this group to move in and destroy the Department of Justice. And some tried in a highly organized way. Fortunately they were prevented from carrying out their plans.

Now those who exploited the good people who were there I think ought to be condemned and prosecuted if they violated the law. This small highly organized group wasn't there for the purpose of legitimately petitioning the government; they were there to destroy our government.

MAX M. FISHER: We have a list here, Jerry, on Vietnam.

(Reading Question): "WHAT, IN YOUR OPINION, WILL DETERMINE SUCCESS IN VIETNAM: (a) MILITARY VICTORY; (b) WITHDRAWAL; (c) COMPROMISE?"

(Reading Question): "WHAT DO YOU MEAN BY 'BEING SUCCESSFUL' IN VIETNAM?"

(Reading Question): "WILL YOU PLEASE COMMENT ON WHAT YOU THINK IS THE CURRENT CONGRESSIONAL FEELING ON PRESIDENT NIXON'S RESTATED VIETNAM POLICY."

(Reading Question): "DO YOU DISAGREE WITH GRIFFIN WITH REFERENCE TO THE HAYNSWORTH MATTER?"

HON. GERALD R. FORD: I knew there would be a question asking me to define what I construed to be "successful" in Vietnam. That's a very logical and proper question. I define success in Vietnam as follows: the withdrawal of the United States military forces and the replacement of the forces by the South Vietnamese so that they themselves can prevent aggression from the North or internal destruction from within. And I'm convinced that the program that's under way today will provide that opportunity.

It also means that there will be a freely elected government in South Vietnam; freely elected by the people of South Vietnam under international supervision—if that's the only way it can be done and I suspect it is. A government that has the support of the South Vietnamese people. This is what we really want. And, according to all the information I have, it can be achieved.

Every once in a while I get into an argument with people who say that elections in South Vietnam—and there have been many—are not perfect. "There is corruption," they say "and some candidates are not permitted to run." I think it ought to be remembered that there has never been an election in North Vietnam; so, by any standards, South Vietnam has at least given its people a number of chances to elect individuals to their Assembly or to other public office. So, on that basis, South Vietnam is far ahead of North Vietnam.

Secondly, I get a little irritated with some of our people who get quite sanctimonious about corruption in politics in America. You know, we've had some recent history in America—180 years after this Nation was established—where there has been corruption in politics. So I don't

really think we're in a very good position to talk so piously to the South Vietnamese, particularly when they're fighting for their very existence and their nation's future. I think we ought to give them a chance, a hope.

One other ingredient of success in Vietnam is a pacification program which really means that the peasant in the field has a right to the land and that he's able to sell what he produces and make a profit from it. The pacification program, the land reform program is an absolutely essential ingredient of success in Vietnam.

I will just summarize by saying this. We must have a stable, broad political structure in South Vietnam. We must have a government able to meet military challenges. We must have an economy so strengthened by the pacification program that it gives hope to the 20 million people in South Vietnam.

Now to answer the other question. Max, I am not a member of the United States Senate. Therefore I have no vote on this controversial issue of whether Judge Haynsworth should be confirmed. And I want it clearly understood, Max, that I did not seek to discuss that question here today. I would simply say this. If I were in the United States Senate, I would vote for the confirmation of Judge Haynsworth.

(Applause)

MAX M. FISHER: (Reading Question)

"FROM YOUR LONG EXPERIENCE AS A MEMBER OF THE SUBCOMMITTEE ON THE DEPARTMENT OF DEFENSE, ARE YOU CONCERNED ABOUT A SO-CALLED PENTAGON-INDUSTRIAL COMPLEX?"

And here's another one.

(Reading Question): "ARE WE WINNING THE BATTLE AGAINST INFLATION?"

HON. GERALD R. FORD: Well, I did serve on the Defense Subcommittee on Appropriations for 12 years and I was the senior Republican member for 6 of those 12 years. I used to spend the better part of my legislative career in Washington listening to Secretaries of De-

fense. Chiefs of Staff, civilian and military witnesses, so I have a little background in this area. The facts are that Congress has been tougher on the military and the producers of military hardware than the Executive branch of the government has been. Almost without exception the Congress has cut expenditures in the Pentagon below that which a President recommended, whether it was Mr. Truman, Mr. Eisenhower, Mr. Kennedy, Mr. Johnson, and probably President Nixon. On procurement, Congress has been tougher on both the uniformed personnel and on the supplier of military hardware. The Congress in the future undoubtedly will be even tougher.

I happen to believe, however, despite this pressure from the Congress and the public, that we're fortunate in America to have the high caliber of military people that we have had and have today, protecting us through our national defense program. I also happen to believe that the suppliers of military hardware over the years have done a good job. They have done a far better job than the suppliers in any other country that I know.

The Congress has to choose the weapons system we use and the number that we buy. However we should not destroy the integrity and the prestige of military leaders in the process. Nor should we destroy the industrial organizations that have produced those weapons that have kept America free. Overall, I applaud rather than condemn both the military and the industrial leaders in our country.

(Applause)

MAX M. FISHER: The final question has two parts to it, Jerry.

(Reading Question): "DID YOU HAVE AN EASIER JOB AS MINORITY LEADER WHEN JOHNSON WAS PRESIDENT?"

(Reading Question): "AS A UNIVERSITY OF MICHIGAN ALUMNUS, HOW MANY POINTS ARE YOU GIVING OHIO STATE THIS SATURDAY?"

HON. GERALD R. FORD: Well, I had a lot less responsibility when I was the Minority

Leader under a Democratic president because my function then was to try to rally our troops to defeat those programs recommended by Mr. Johnson that we thought were bad, or on the other hand to develop and get on the legislative record those programs that we thought were constructive alternatives to the programs recommended by Mr. Johnson. Starting in 1965, we made a deliberate effort to produce what we called "constructive alternatives" to the legislative recommendations of Mr. Johnson. Now, with 188 Republicans versus 245 Democrats, my problem is to find Democrats who will join us so that we can get President Nixon's legislative program through the House. Mathematically we have to have Democratic support to achieve success.

So we start with the Speaker, who is a great and good friend of mine and we go from there. If he can't help us, then we scrounge around and try to find any other Democrats who will help us. You just have to get 60-some Democrats to add to our Republican forces in order to get a majority. We do have some Republican defections at times. And so it gets a little tough.

Now, Max, I want to report to you on that last question. You're a wise, kind and generous man. I want you to know that an alumnus of Ohio State, a member of the Congress of the United States, gave me 40 points today on the Ohio State - Michigan game . . . (Laughter) . . . and I'll take 40 points from you, and the sooner we shake on it, the better.

RUSSEL A. SWANEY: Thank you, Jerry. We appreciate your taking time to come out here from your busy schedule and give us this very illuminating and worthwhile discussion on what's going on in Washington. And certainly no one is better qualified to do this than you are. Mr. Fisher, we appreciate you acting as our Presiding Officer. We know that you're spending a good deal of time in Washington, too. We thank you all for coming. This meeting is adjourned.

ADJOURNMENT

M Office Copy

"Legislating For A Better America"

Guest of Honor and Speaker

**THE HONORABLE
GERALD R. FORD**

Congressman from the Fifth District of Michigan

Minority Leader

House of Representatives

BEFORE THE ECONOMIC CLUB OF DETROIT

November 17, 1969

Veterans Memorial Building



Presiding Officer

MAX M. FISHER

Special Consultant to the President on Voluntary Action

Chairman

New Detroit, Inc.

Chairman of the Board

Fisher-New Center Company

RUSSEL A. SWANEY

President

**The Economic Club
of Detroit**

(The meeting was opened by President Russel A. Swaney, who presented Max M. Fisher, Special Consultant to the President on Voluntary Action, Chairman, New Detroit, Inc., and Chairman of the Board, Fisher-New Center Company, as Presiding Officer.)

MAX M. FISHER: Ladies and Gentlemen:

It's always a pleasure to preside at a meeting of The Economic Club of Detroit, but tonight's opportunity to introduce our guest speaker is of even more importance to me, for Jerry Ford is not only one of the most influential men in America today, but he is also a good and respected friend of mine.

Jerry is a man for whom I have the highest regard — for his dedication, for his integrity, and for his devotion to his country. My personal judgment of Jerry Ford has been confirmed by his constituents who have sent him to Congress for two full decades. It is confirmed, too, by his colleagues in the House of Representatives who have selected him as Minority Leader. And it has been further confirmed by the President of the United States who has sought his counsel, his advice, and his leadership.

Jerry's life has been one of major accomplishments. As a lad he won top athletic honors. At The University of Michigan he was voted Most Valuable Player of the 1934 championship football team, and received the highest academic honors. Since then he has been designated as one of the "Ten Outstanding Young Men in America" by the United States Junior Chamber of Commerce.

From the time he was first elected to the House of Representatives in 1948, Gerald Ford has served on key Congressional committees. He has served on the House Public Works Commit-

tee; the Appropriations Committee; and the Select Committee on Astronautics and Space Exploration.

Jerry's legislative experiences, as well as his legal background, have given him a deep and abiding respect for the law. He believes wholeheartedly in the importance of an electorate informed about the legislative process. He believes, too, in the fullest possible participation of all citizens in the making of our laws.

Here to speak to us tonight on the subject of "Legislating for a Better America" is the Minority Leader of the United States House of Representatives, The Honorable Gerald R. Ford.

(Applause)

HON. GERALD R. FORD: Thank you very much Max. Russ Swaney, distinguished guests, ladies and gentlemen:

It's a great privilege and a high honor to be here tonight. I'm deeply grateful for this opportunity to share with you my ideas on "Legislating for a Better America."

Max, I'm always a little bit uncomfortable about being presented to a mixed audience as the Minority Leader of the House, with the inference that I'm potentially the Speaker of the House. I think all wives know who the minority leader of the house is—a husband. On the other hand, I know very well who all husbands believe is the speaker of the house.

When I was invited by Russ Swaney to come here tonight I received a letter that went something like this:

"We have had a full program. We've had Frank Borman, Paul McCracken, General Chapman—and now we would like to have you accept our invitation."

And it ended with this sentence:

"Up until now we've had outstanding speakers."

(Laughter)

I hesitate to tell this story but Max in his introduction made an inadvertent slip. You might expect that of somebody from Ohio State . . . (Laughter) . . . but it reminded me of an incident that happened, Max, in the state of Ohio. A year or two ago I was asked to address a large political meeting and I was being introduced by a man who was a graduate of Ohio State, as Max is, and in the course of his introduction he inadvertently indicated that I was a graduate of Ohio State. Well, I didn't know quite how to respond, how to protect the integrity of my Alma Mater, The University of Michigan, without offending this vast audience, most of whom came from the state of Ohio. And as I came to the podium I thought of an incident involving a man who was introducing the Governor of the Virgin Islands to a large audience. This man got up before this tremendous political meeting and in the course of his introduction that went on for a long, long time he talked of the Governor's accomplishments, his achievements and of course his virtues. And then he concluded with a final sentence that went like this:

"Ladies and gentlemen, it's my privilege and pleasure to introduce to you the Virgin of Governor's Island."

(Laughter)

In my initial remarks tonight on the subject, "Legislation for a Better America," I think it's appropriate to point to the factual situation that exists. In November 1968 the American people elected a Republican president and, at the same time, left control of the Congress in the hands of the Democratic Party.

This year marked the first time since 1849 that a new Administration took office with the legislative branch—a co-equal branch of the Federal Government—controlled by another political party. This happens very, very seldom in the history of America. But it is the fact today. A Republican in the White House; Democrats in control of the Senate 57 to 43, and of the House of Representatives 245 to 188.

Naturally Republicans would prefer to see the GOP control both the Executive and Legislative branches of the Federal Government. But the American people did not so decide in the 1968 election. The unusual situation therefore entails a most unusual relationship between the Legislative and the Executive branches of the government.

I might tell one story about an election that happened in 1966. Following the 1964 election we on my side of the aisle were badly outnumbered in the House of Representatives. I think the Democrats had 295 members and we had 140, which is better than 2 to 1 odds. Those were pretty tough days. But the 1966 elections were rather kind to us and we elected 59 new Republicans, which was a substantial new "class" of Congressmen. My wife Betty and I decided that it would be a good idea if we got all of these new members and their wives and our leadership and their wives together for a 3-day seminar where we could talk about parliamentary problems, major issues, and, just get better acquainted. At the opening luncheon I was asked to say a few words. I looked out and there were the 59 new additions to our rank. They were attractive, articulate and able. I must have said that I was happily clucking over this new brood of Republicans.

The luncheon broke up and we went on to our business. We had a social hour that night. I came down to an early breakfast the next morning and when I walked in somebody handed me a copy of the New York Times with a front-page story, lead-article, first sentence:

"Congressman Jerry Ford, House Republican Leader, was happily clucking over his new brood."

(Laughter)

I thought it was amusing that a great newspaper like the New York Times would make a simple typographical error that would somewhat change what I had said at the previous luncheon. I passed it off and kidded the New York Times Correspondent. My wife Betty

came down for a late breakfast an hour or so later and some *friend* of mine . . . (Laughter) . . . immediately handed her a copy of the New York Times. I have yet to satisfactorily explain who that new brood is.

In the situation as we find it today, the public has to understand that when the President sends a legislative message to the Congress, he doesn't have the same relationship with the leadership in the House and Senate that he would have if the leaders were of his own political party. In a divided government, he doesn't necessarily get the reaction in the Congress that he would get otherwise.

Let me say parenthetically that I'm not being critical of the Democratic leadership. On the major issues involving the national security of the United States, Democratic congressional leaders have stood forthrightly with the President of the United States. The American people ought to applaud the Democratic Speaker and the Democratic Majority Leader of the House, for they are acting in the finest American tradition.

But on domestic issues it is logical and proper that since there is a philosophical difference between the two major political parties there are some legislative differences between the Democrats and the Republicans.

Since January 20th of this year the President of the United States has sent approximately 40 major messages to the Congress, most of which resulted in legislative proposals.

The three major issues we as a nation face today are all related to these various messages. Those major issues fall into three categories: (1) foreign policy—primarily the problem of Vietnam; (2) the status of our economy—whether we can dampen down the problems of inflation without unacceptable unemployment; and (3) the problem of crime—all the ramifications, not only enforcement of the law but eradication of the sociological causes of crime.

As I said a moment ago, most of the messages

that have come from the President in one way or another have involved these three basic problems.

The President had some basic decisions to make on taking office in January of 1969. I was present at a number of meetings where the choices were pretty well sifted out.

The President could have taken those programs that have been on the statute books—the new ones as well as the old ones—and sought to use those legislative tools for the purpose of meeting our domestic problems. He could have simply spent more money to try to make them work. That was one choice.

Another choice was to recognize the sociological and economic problems we face at home and to seek new solutions to those problems—new legislative tools.

The decision was made by the President—and I think rightly so—that instead of just taking the old programs and seeking to spend more money he would seek innovative, imaginative approaches for the decade ahead.

Before discussing domestic problems and President Nixon's new approaches to them, I would like to comment on where we may be going and what we hope to accomplish in Vietnam.

Let me say categorically that I firmly believe it is in the national interest for the United States to be successful in Vietnam. I believed that under former Presidents Kennedy and Johnson; I believe it today. I want no misunderstanding in that regard.

At this point, I don't think it is wise for us to be critical of how we got into Vietnam. I don't think it is wise for us to analyze whether we used the right military policy the last four years in trying to find the answer to Vietnam. Those decisions were made, rightly or wrongly, and I assume with the best of intentions.

Our problem today is how we find a way to be successful in Vietnam, not only in solving

that conflict with all its ramifications but at the same time maintaining the national prestige and influence of the United States world-wide—because the generations that will follow us are as interested in what happens then as we are in what happens today.

The other day I was reading William L. Shirer's book, "The Rise and Fall of the Third Reich." There are passages in that book that ought to teach us a lesson today. The author relates how Chamberlain went to Munich in September 1938 to discuss with Hitler the dismemberment of Czechoslovakia. The purpose—to achieve an alleged peace in Europe.

Chamberlain agreed to the dismemberment of Czechoslovakia. He came back to England and made a speech in The House of Commons declaring that we were to have peace in our time through acceptance of the terms laid down by Hitler. Amid the pandemonium that ensued in The House of Commons—because all Britishers were anxious for peace in their time—one man spoke out against the deal made by Chamberlain. Who was it? A lion among men, Sir Winston Churchill. His voice was drowned out. He was ignored. But history proved him right.

Today most of us would recognize that England's appeasement of Hitler in 1938 opened wide the door to what transpired in the years that followed.

As in those days preceding World War II, the Free World should heed a strong voice. Britain should have heeded the words of a Churchill rather than those of a Chamberlain. Today the United States—and indeed the entire Free World—should listen to the strong voice now being raised in warning. President Nixon is speaking with a strong voice in trying to solve the problem of Vietnam. Yes, trying to solve it through meaningful negotiations in Paris. We must pursue the course the President set forth in May of this year—a fundamental 8-point plan for the negotiators to work around in trying to end the war in Vietnam, not only honorably but permanently.

We have not had a single affirmative response to the Paris negotiations and they have gone on for better than a year. But that doesn't mean we should give up. As a matter of fact, I was listening to Dr. Kissinger, the President's top adviser, the other day at the White House, and history also tells us something here; that there is a tendency on the part of Communist negotiators to be as critical, as adamant, as mean and abusive as they can be, just when they are about to make a deal. This is what happens historically. Maybe we can learn a lesson from it.

If you look back to the early 1950's you will find Secretary of State Dulles negotiating with the Soviet Union and with our two other major allies—France and Britain—for the restoration of Austria. Austria had been occupied by the four major powers following World War II, and negotiations were going on between the Soviet Union and the Allies. Just prior to an agreement permitting Austria to become a sovereign nation again, the Soviet Union was the most abusive it has ever been in the negotiations. Yet, there was a break and Austria was restored to sovereignty. The Allies and the Soviet Union moved out, and Austria lived again.

The same sort of thing took place at Panmunjom where negotiations went on for two years between the United Nations negotiators and the North Koreans. The abuse reached a peak. Then suddenly a settlement was reached in July of 1953.

So even though our Ambassador is abused every time he meets with the North Vietnamese in Paris we should stick it out and keep pursuing meaningful negotiations that may end in an honorable settlement of the Vietnam War.

Even if a settlement is not achieved, there is an alternative by which the United States can phase out its military responsibilities in Vietnam and phase in the combat responsibilities of the South Vietnamese. The term is "Vietnamization" of the war. It can be successful, and I think it will be successful.

It does require that we have a degree of political stability in South Vietnam. One of the most encouraging reports I have heard regarding the political situation in Vietnam has come from a former colleague of mine. Not a Republican. Not even a middle-of-the-road Democrat. But from a Democrat whose credentials are as liberal as those of any Democrat I know. Many of you here I am sure have met and know Neil Staebler. If my memory is correct, Neil ran for Mayor of Ann Arbor on the Socialist ticket in the 1930's. He has been Democratic Party Chairman in Michigan. He has been Democratic National Committeeman for Michigan. Neil Staebler went over to South Vietnam a month or so ago at his own expense. He came back and reported the following. He said: "Jerry, our country can be successful in Vietnam with a program where we are replacing our military personnel with theirs. The most encouraging sign is that the Thieu government is really getting broad-based and has ever-increasing popular support."

We should listen to a man with Neil's experience. What he says coincides with the observations and the analysis of officials in our government today. I would simply say this. The President has a plan. It is a plan that can work. If we get a minimum of cooperation from the enemy, this plan will bring peace in Vietnam and will at the same time maintain the leadership and the prestige of the United States in the Free World. In my judgment this is the best course for us to take today, tomorrow and in the future. It would be tragic if the United States of America should accept, as Chamberlain did, an easy peace that would only lead to a broader war.

Now if I might, let me turn to some of the domestic problems that I think fit within the context of "Legislating for a Better America." Early this year it became evident that something had to be done to amend the Selective Service Act. Most people don't realize it but the draft law that has been used in the last several years for the annual induction of some two or three hundred thousand young Ameri-

cans is virtually the same Selective Service Act or Draft Law used to induct most of us in World War II. It is basically the same. Most of us would recognize that the problems of maintaining a military force of 15 million men as we did in World War II are quite different from maintaining a military force like the one we have today of approximately 3,600,000. And yet the same law is affecting the lives of those who are subject to the draft.

Under present law, young men today are vulnerable to the draft for a period of 7 years, from age 19 to 26. All the experts tell us that this extended period of vulnerability is one of the principal causes of the unrest on our college campuses. And I can understand why.

The President has recommended that Congress approve — and I'm glad to state to you that the House of Representatives two or three weeks ago approved it and now it appears the Senate will do likewise — a change, a significant change in the Selective Service Act that makes young men vulnerable for just one year unless we were to have a major conflagration or a military engagement far broader than what we have. This in my opinion will be a first big step in trying to win our young people back to the kind of dedication to America they fundamentally feel.

I believe that as we move toward peace in Vietnam and hopefully achieve it we as a country ought also to move to a career or all-volunteer military force. It's achievable. Many people doubt it. But go back to 1959 — four or five years after the war in Korea — when we had a military force of about 2,600,000. Virtually all of the young men then in the Army, Navy, Air Force and Marines were volunteers.

Once we achieve peace in Vietnam and go from the present 3,600,000 in the military to a far lower military manpower requirement, we can move to an all-volunteer military force if we are willing to pay the necessary compensation and fringe benefits.

Oh I know people have alleged that a pro-

fessional army is not democratic and that therefore we should not have it. Well, for most of the years of America's history we've had a professional military force and yet democracy has thrived in America. So I give no credence to the contention that a professional army is bad for America. History has proved otherwise.

Now let me turn to a matter I suspect is of considerable interest to many of you here — tax reform. I was talking to Walker and Max at the head table and they were curious, like many of you are, about what's going to happen. In my judgment tax reform legislation will be enacted by this Congress before January 1, 1970.

The tax reform bill approved by the House of Representatives — some 368 pages of major changes in the Internal Revenue Code — calls for some 37 basic revisions in the federal tax structure.

I know the proposed legislation that passed the House raised many questions to put it mildly. But let me say this. Whether you in this audience recognize it or not, there is a tax revolt in America. I understand that revolt because over the last decade we've seen a wide variety of local taxes increase year after year; we've seen the state tax burden go up and up; and there's been virtually no relief from the federal burden. The American people, paying more each year in total taxes, naturally look to see whether there is equity in our federal tax structure. And, admittedly, there are areas where inequities exist. I might parenthetically say that what is one man's loophole is another man's thoroughly justified benefit. It's all not black and white. But nevertheless there is this ground swell of resentment on the part of the ordinary taxpayer who earns seven or eight thousand dollars a year and pays a thousand dollars in taxes. He sees some wealthy individuals who, under existing law, pay nothing. He doesn't understand it. He's disturbed. The Congress responds to the majority of its constituents. The Congress will do something about it. I hope it's as fair

and equitable as we can make it, bearing in mind the wide differences of viewpoint.

The end result will be frustrating to many. It will make some people angry, as a typically independent American should be.

I might tell you a story about such an American. My wife Betty and I have a neighbor in Alexandria, Virginia, who is a high-ranking official in the Bureau of Internal Revenue. Last summer he talked to me and he said, "Jerry, have you ever noticed in the upper righthand corner of your Internal Revenue tax return there's a blank area and underneath the blank area in large black type there's an admonition: 'Please Do Not Write Here'."

I confessed I had never noticed the blank area. I had not been conscious of the admonition.

Then he smiled and said: "Jerry, you'd be surprised. After they sign their name at the bottom of the return alleging that all the facts and the figures are the truth and nothing but the truth, and after they sign that check paying Uncle Sam whatever they allegedly owe him, then literally thousands of taxpayers in typical American frustration and total American independence write in their own handwriting across the blank area: "I'll write any damned place I please."

(Laughter)

Let me discuss now another major Administration proposal—the President's recommendation for workfare rather than welfare. This is a measure which should be approved by the Congress before adjournment in 1970. There's never been a more propitious time for a change in our welfare system. Those on the far left of the political spectrum in America agree that the system hasn't worked. It's duplicative, it's expensive. And you can find those on the far right of the political spectrum in the United States who agree that the system has not really helped to get individuals or families out of the cycle of welfare. Under the existing wel-

fare setup, there's never been a real incentive for good people to free themselves from the dole.

And so the President has suggested that the Congress abolish the old welfare system, start from scratch and come up with a program labeled Workfare. The House Committee on Ways and Means has started hearings on the President's proposal. The principal ingredient in this White House proposal is incentive. If people on welfare are willing to seek training for jobs that do exist, or if people who are out of jobs are willing to seek training for new employment, they will be given that opportunity. And if they start to earn they will not be penalized dollar for dollar because they are supplementing their government checks. It's the incentive ingredient that's vital and important in this new approach.

No man stands taller than when he stands on his own two feet. When a man is down, he needs a hand up instead of a handout. In the final analysis, I believe the Congress will approve this legislation.

It is a new approach, an innovative, imaginative answer to a problem that has defied a solution for more than three decades.

Let us now turn to the need for affirmative action in the area of the Postal operations. I made a speech in California the other day and totally inadvertently, I spoke of the "Post Awful Department." Well, the truth is that in the existing Post Office Department we keep getting poorer service, we pay more for that service and we seem to have perpetually expanding deficits which the ordinary taxpayer finances. Unfortunately, for as long as America has existed, the Post Office Department has been rampant with partisan politics. The President has said that there will be no more politics in the Post Office Department and for that I applaud him. The President has recommended that we move away from the kind of Post Office Department we have today to one that is run by managers free and clear of any political

influence. The Congress must respond in this area. Every survey that is taken indicates the American people want a new answer for a department that today has about 750,000 employees. Next to the Department of Defense, it's the largest department in the Federal Government. This is a responsibility of the Congress to all of the millions of people who use the facilities of the Post Office Department.

Another area — crime. You are familiar with the statistics — the crime rate increasing ten times faster than the population. The tools that we have, legislatively speaking, are inadequate to meet the challenges of organized crime, drug abuse, and the distribution of pornographic literature throughout the country.

Let me just give you quickly an observation that came out of a meeting at the White House several weeks ago on the second problem — narcotics control. The Congress hasn't responded as rapidly as it should in this area. I don't understand why. As a consequence, the President invited the Democratic and Republican leadership to the Cabinet room one morning and he had three people there to present the problem. The first was the director of the Narcotics Bureau. He discussed the need for stronger penalties for dope peddlers: tough, mandatory, long sentences for those who prey on the weak.

The second speaker was the Secretary of Health, Education and Welfare, who pleaded for the Congress to legislate more lenient, more flexible penalties for youths who for the first time may have bought one or more of the narcotics that are available. The Secretary of HEW was pleading for a more constructive approach to help rehabilitate these unfortunate people. He pointed out that the courts and juries need more flexibility in such cases.

The last one to speak to this group was Art Linkletter. Less than two weeks earlier he had lost his youngest child — his 20 or 21-year-old daughter. This was the most dramatic presentation I have ever seen in my life. It took a lot of courage for a man to talk to some 20 people,

including the President of the United States, about his daughter's death. He pointed out that his daughter was not a hippie and that his was a close-knit family. He told us there, and he has since carried out the promise, that he was going to crusade in any and every way he could to arouse America to the narcotics crisis. He pleaded with the Congress to do as the Secretary of HEW had recommended. He also urged stiffer penalties for the peddlers and pushers.

Congress must respond in this area. Then it will be the responsibility of the prosecutors, the courts and the juries to act.

One final observation. We must strengthen our federal system.

As I said earlier, local taxes are rising and have risen. State costs have gone up. It would be my impression that state and local taxes have about reached the limit. Our federal tax structure is different.

As our economy grows, without even a change in the Federal tax rate, the Federal Government takes in six to eight billion dollars more a year.

Now, if we are to strengthen local and state governments — and I happen to believe that's a necessary ingredient to maintain our governmental system — the Administration proposes we share federal revenue with state and local governments; share this growth income that comes to the federal treasury.

I know there are some who will say, "Well, why don't you reduce federal taxes and allocate any extra amounts to the state and local communities?" Well, history tells us that in the last 10 or 20 years any extra federal revenue has gone into what we call grant-in-aid programs — categorical grant programs.

Let me quickly tell you the history of categorical grants. Twelve years ago there were less than 100 Federal categorical grant programs. They cost about a half a billion dollars annually at the outset. Today, in this fiscal year, we have almost 500 categorical grant programs and

the annual cost to the federal budget is nearly \$20 billion. Categorical grant programs have mushroomed, with all kinds of duplication and a ballooning cost to the taxpayers. The net result is that, in the main, a federal administrator in Washington decides how you, at the local level, are going to spend the money that comes from the Federal Government to the City of Detroit.

If you look at the projections of those who believe in categorical aid, you find they anticipate there will be expenditures out of the Federal Treasury ten years from now of at least \$50 billion a year for such programs. These federal expenditures are not going to go away. You're faced with a choice of expanding categorical aid programs, with a federal bureaucrat in Washington making the basic decisions, or sending back to state and local governments a fixed percentage of gross revenue from the Federal Treasury for local people—the people you elect in Detroit, the people you elect in Michigan—to use as they see fit on their own list of priorities.

Now, who do you have more faith in? The people you elect in Detroit or the people that are immunized from your control—the bureaucrats in Washington? In my opinion the choice is very simple. I put my faith in those elected officials whom you choose—not some immunized career service individuals protected by Civil Service in Washington, D. C. You can make better decisions on priorities here, through your elected officials.

There are different kinds of priorities. The problems of San Francisco are not the same as those of Detroit. The problems in my hometown of Grand Rapids are not identical with those of Miami, Florida. And I happen to think that the people you elect and we elect have a little better appreciation of how that money should be spent.

Revenue-sharing is a basic ingredient for the growth, the perpetuation of a true federal system in America.

Let me conclude now with this. I think we recognize that the things that divide us in America—politically and otherwise—are not nearly as enduring as the things that unite us. It would be my observation that both Democrats and Republicans are striving together, each in their own way, to create a more perfect union. Although there are bitter debates and much controversy, I think our compact of respect for the convictions of others and our faith in the decency of others, allows all Americans the luxury of rugged political competition.

As I look ahead I would ask only this. Let's all work to banish war from our shrinking world and hate from our expanding hearts.

MAX M. FISHER: Jerry, you were marvelous. In fact, you did such a good job that you've ruined quite a few of the questions I had already picked out here for you. But there are a couple that may be interesting or controversial. Here is one.

(Reading Question): "WHAT IS YOUR OPINION OF VICE PRESIDENT AGNEW'S SPEECH ON THE MEDIA AND HIS SPEECH ABOUT COLLEGE DEMONSTRATORS?"

And here's another one that ties right in.

(Reading Question): "WHAT IS YOUR OPINION OF THE DEMONSTRATION IN WASHINGTON LAST WEEK?"

HON. GERALD R. FORD: In my honest judgment there is a small segment of the radio and television news media who have been prejudiced; prejudiced against a Democratic president; prejudiced against a Republican president. I understand this situation because we're all human beings and very few of us can hide our subjective feelings as we say something or do something. I don't mean to condemn the vast majority of the news media because I can say that in my own case, with some very limited exceptions, they've been fair and very understanding. But what they've got to understand is that when they report a factual situation they should report it factually, and when they editorialize, which they have the right to do, they should let the viewers know that they're edi-

torializing, and not mix the two. Unfortunately in some situations there has been editorializing when theoretically a factual situation was being reported.

Let me give you my observations and comments concerning the Moratorium March in Washington last week. There were some 250,000 people there. A small number behaved badly. In the main, those who were there lived within the law. They were exercising their right of dissent, their guaranteed right of petition to their government. I was proud of the way 99 per cent of them exercised this inalienable right given them under our Constitution.

But I add this. There were those on Friday night who met at Dupont Circle, which is on Massachusetts Avenue, and sought to move heavily armed to the South Vietnamese Embassy for what our government knew would have been an attempt to destroy the South Vietnamese Embassy. Fortunately the government was prepared and they prevented it.

Then on Saturday afternoon, Mr. David Dellinger got up before this vast group of Americans—I won't give you the record of Mr. Dellinger but you can read it—and exhorted this group to move in and destroy the Department of Justice. And some tried in a highly organized way. Fortunately they were prevented from carrying out their plans.

Now those who exploited the good people who were there I think ought to be condemned and prosecuted if they violated the law. This small highly organized group wasn't there for the purpose of legitimately petitioning the government; they were there to destroy our government.

MAX M. FISHER: We have a list here, Jerry, on Vietnam.

(Reading Question): "WHAT, IN YOUR OPINION, WILL DETERMINE SUCCESS IN VIETNAM: (a) MILITARY VICTORY; (b) WITHDRAWAL; (c) COMPROMISE?"

(Reading Question): "WHAT DO YOU MEAN BY 'BEING SUCCESSFUL' IN VIETNAM?"

(Reading Question): "WILL YOU PLEASE COMMENT ON WHAT YOU THINK IS THE CURRENT CONGRESSIONAL FEELING ON PRESIDENT NIXON'S RESTATED VIETNAM POLICY."

(Reading Question): "DO YOU DISAGREE WITH GRIFFIN WITH REFERENCE TO THE HAYNSWORTH MATTER?"

HON. GERALD R. FORD: I knew there would be a question asking me to define what I construed to be "successful" in Vietnam. That's a very logical and proper question. I define success in Vietnam as follows: the withdrawal of the United States military forces and the replacement of the forces by the South Vietnamese so that they themselves can prevent aggression from the North or internal destruction from within. And I'm convinced that the program that's under way today will provide that opportunity.

It also means that there will be a freely elected government in South Vietnam; freely elected by the people of South Vietnam under international supervision—if that's the only way it can be done and I suspect it is. A government that has the support of the South Vietnamese people. This is what we really want. And, according to all the information I have, it can be achieved.

Every once in a while I get into an argument with people who say that elections in South Vietnam—and there have been many—are not perfect. "There is corruption," they say "and some candidates are not permitted to run." I think it ought to be remembered that there has never been an election in North Vietnam; so, by any standards, South Vietnam has at least given its people a number of chances to elect individuals to their Assembly or to other public office. So, on that basis, South Vietnam is far ahead of North Vietnam.

Secondly, I get a little irritated with some of our people who get quite sanctimonious about corruption in politics in America. You know, we've had some recent history in America—180 years after this Nation was established—where there has been corruption in politics. So I don't

really think we're in a very good position to talk so piously to the South Vietnamese, particularly when they're fighting for their very existence and their nation's future. I think we ought to give them a chance, a hope.

One other ingredient of success in Vietnam is a pacification program which really means that the peasant in the field has a right to the land and that he's able to sell what he produces and make a profit from it. The pacification program, the land reform program is an absolutely essential ingredient of success in Vietnam.

I will just summarize by saying this. We must have a stable, broad political structure in South Vietnam. We must have a government able to meet military challenges. We must have an economy so strengthened by the pacification program that it gives hope to the 20 million people in South Vietnam.

Now to answer the other question. Max, I am not a member of the United States Senate. Therefore I have no vote on this controversial issue of whether Judge Haynsworth should be confirmed. And I want it clearly understood, Max, that I did not seek to discuss that question here today. I would simply say this. If I were in the United States Senate, I would vote for the confirmation of Judge Haynsworth.

(Applause)

MAX M. FISHER: (Reading Question)

"FROM YOUR LONG EXPERIENCE AS A MEMBER OF THE SUBCOMMITTEE ON THE DEPARTMENT OF DEFENSE, ARE YOU CONCERNED ABOUT A SO-CALLED PENTAGON-INDUSTRIAL COMPLEX?"

And here's another one.

(Reading Question): "ARE WE WINNING THE BATTLE AGAINST INFLATION?"

HON. GERALD R. FORD: Well, I did serve on the Defense Subcommittee on Appropriations for 12 years and I was the senior Republican member for 6 of those 12 years. I used to spend the better part of my legislative career in Washington listening to Secretaries of De-

fense, Chiefs of Staff, civilian and military witnesses, so I have a little background in this area. The facts are that Congress has been tougher on the military and the producers of military hardware than the Executive branch of the government has been. Almost without exception the Congress has cut expenditures in the Pentagon below that which a President recommended, whether it was Mr. Truman, Mr. Eisenhower, Mr. Kennedy, Mr. Johnson, and probably President Nixon. On procurement, Congress has been tougher on both the uniformed personnel and on the supplier of military hardware. The Congress in the future undoubtedly will be even tougher.

I happen to believe, however, despite this pressure from the Congress and the public, that we're fortunate in America to have the high caliber of military people that we have had and have today, protecting us through our national defense program. I also happen to believe that the suppliers of military hardware over the years have done a good job. They have done a far better job than the suppliers in any other country that I know.

The Congress has to choose the weapons system we use and the number that we buy. However we should not destroy the integrity and the prestige of military leaders in the process. Nor should we destroy the industrial organizations that have produced those weapons that have kept America free. Overall, I applaud rather than condemn both the military and the industrial leaders in our country.

(Applause)

MAX M. FISHER: The final question has two parts to it, Jerry.

(Reading Question): "DID YOU HAVE AN EASIER JOB AS MINORITY LEADER WHEN JOHNSON WAS PRESIDENT?"

(Reading Question): "AS A UNIVERSITY OF MICHIGAN ALUMNUS, HOW MANY POINTS ARE YOU GIVING OHIO STATE THIS SATURDAY?"

HON. GERALD R. FORD: Well, I had a lot less responsibility when I was the Minority

Leader under a Democratic president because my function then was to try to rally our troops to defeat those programs recommended by Mr. Johnson that we thought were bad, or on the other hand to develop and get on the legislative record those programs that we thought were constructive alternatives to the programs recommended by Mr. Johnson. Starting in 1965, we made a deliberate effort to produce what we called "constructive alternatives" to the legislative recommendations of Mr. Johnson. Now, with 188 Republicans versus 245 Democrats, my problem is to find Democrats who will join us so that we can get President Nixon's legislative program through the House. Mathematically we have to have Democratic support to achieve success.

So we start with the Speaker, who is a great and good friend of mine and we go from there. If he can't help us, then we scrounge around and try to find any other Democrats who will help us. You just have to get 60-some Democrats to add to our Republican forces in order to get a majority. We do have some Republican defections at times. And so it gets a little tough.

Now, Max, I want to report to you on that last question. You're a wise, kind and generous man. I want you to know that an alumnus of Ohio State, a member of the Congress of the United States, gave me 40 points today on the Ohio State - Michigan game . . . (Laughter) . . . and I'll take 40 points from you, and the sooner we shake on it, the better.

RUSSEL A. SWANEY: Thank you, Jerry. We appreciate your taking time to come out here from your busy schedule and give us this very illuminating and worthwhile discussion on what's going on in Washington. And certainly no one is better qualified to do this than you are. Mr. Fisher, we appreciate you acting as our Presiding Officer. We know that you're spending a good deal of time in Washington, too. We thank you all for coming. This meeting is adjourned.

ADJOURNMENT

Nov. 17, 1967
Detroit Economic Club
as per tape of speech

(The meeting was opened by President Russel A. Swaney, who presented Max M. Fisher, Special Consultant to the President on Voluntary Action, Chairman, New Detroit, Inc., and Chairman of the Board, Fisher-New Center Company, as Presiding Officer.)

MAX M. FISHER: Ladies and gentlemen:

It's always a pleasure to preside at a meeting of The Economic Club of Detroit, but tonight's opportunity to introduce our guest speaker is of even more importance to me, for Jerry Ford is not only one of the most influential men in American today, but he is also a good and respected friend of mine.

Jerry is a man for whom I have the highest regard -- for his dedication, for his integrity, and for his devotion to his country. My personal judgment of Jerry Ford has been confirmed by his constituents who have sent him to Congress for two full decades. It is confirmed, too, by his colleagues in the House of Representatives who have selected him as Minority Leader. And it has been further confirmed by the President of the United States who has sought his counsel, his advice, and his leadership.

Jerry's life has been one of major accomplishments. As a lad he won top athletic honors. At The University of Michigan he was voted Most Valuable Player of the 1934 championship football team, and received the highest academic honors. Since then he has been designated as one of the "Ten Outstanding Young Men in America" by the United States Junior Chamber of Commerce.

From the time he was first elected to the House of Representatives in 1948, Gerald Ford has served on key Congressional committees. He has served on the House Public Works Committee; the Appropriations Committee; and the Select Committee on Astronautics and Space Exploration.



Jerry's legislative experiences, as well as his legal background, have given him a deep and abiding respect for the law. He believes wholeheartedly in the importance of an electorate informed about the legislative process. He believes, too, in the fullest possible participation of all citizens in the making of our laws.

Here to speak to us tonight on the subject of "Legislating for a Better America" is the Minority Leader of the United States House of Representatives, The Honorable Gerald R. Ford.

(Applause)

HON. GERALD R. FORD: Thank you very, very much, Max, Russ Swaney, distinguished guests, ladies and gentlemen:

It's a great privilege and a high honor to have the opportunity of being here tonight. I'm deeply grateful for this opportunity to share with you some ideas on what I think can be categorized as "Legislating for a Better America."

Max, I'm always a little bit uncomfortable about/^{being}presented to a mixed audience as the Minority Leader of the House, with the inference that I'm potentially the Speaker of the House. I think all wives know who the minority leader of the house is -- a husband. On the other hand, I know very well ^{who} ~~that~~ all husbands ~~think~~ believe is the speaker of the house.

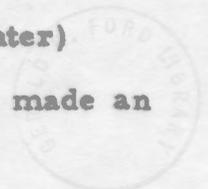
When I was invited by Russ Swaney to come here tonight ^I ~~was~~ received a letter that went something like this:

"We have had a full program. We've had Frank Borman, Paul McCracken, General Chapman -- and now we would like to have you accept our invitation."

And it ended with this sentence:

"Up until now we've had outstanding speakers." (Laughter)

I hesitate to tell this story but Max in his introduction made an



inadvertent slip. You might expect that from somebody from Ohio State . . . (Laughter) . . . but it reminded me of an incident that happened, Max, in the state of Ohio. A year or two ago I was asked to address a large political meeting and I was being introduced by a man who was a graduate of Ohio State, as Max was, and in the course of his introduction I'm sure he inadvertently indicated that I was a graduate of Ohio State. Well, I didn't know quite how to respond and how to protect the integrity of my Alma Mater, The University of Michigan, without offending this vast audience, most of whom came from the state of Ohio. And as I came to the podium I thought of the incident that involved the man that had the responsibility of introducing to a tremendous audience the Governor of the Virgin Islands. And this man got up before this tremendous political meeting and in the course of his introduction that went on for a long, long time he talked of the Governor's accomplishments, his achievements and of course his virtues. And then he concluded with a final sentence that went like this:

"Ladies and gentlemen, it's my privilege and pleasure to introduce to you the Virgin of the Governor's Island." (Laughter)

In introducing my remarks tonight on the subject, I think it's appropriate to lay the groundwork by pointing out a factual situation that exists. In the elections of November 1968 the American people made a decision to elect a Republican president and, at the same time, they left the control of the legislative branch in the hands of the Democratic Party.

For the first time in I think almost 100 years, at the outset of a new Administration in the White House, the legislative branch -- a co-equal branch of the Federal Government -- is controlled by another political party. This happens very, very seldom in the history of America. But it is the fact today. The President a Republican; the Senate controlled 57 to 43 by the Democratic Party; and 245 to 188 in the House of

Representatives .

Naturally those of us on our side of the aisle would have preferred it to be a government controlled both in the Executive and the Legislative by the same political party. But that was not the decision of the American people a year ago. The unusual situation therefore does call for a most unusual relationship between the Legislative and the Executive branches of the government.

I might tell one story about an election that happened back in 1966. If you will refresh your memory, following the 1964 election we on our side of the aisle were badly outnumbered in the House of Representatives. I think the Democrats had 295 members and we had 140 which is better than 2 to 1 odds, and those were pretty tough days. But the 1966 elections were rather kind to us and we elected 59 new Republicans, which was a substantial new "class". And my wife Betty and I decided that it would be a good idea if we got all of these new members and their wives and our leadership and our wives together for a 3-day seminar where we could talk to the new members about parliamentary problems, policies, decisions and also, just get better acquainted. At the opening luncheon I was asked to say a few words. I looked out and here were 59 new additions to our ranks, and they were attractive and articulate and able and I must have said that I was happily clucking over this new brood of Republicans.

So the luncheon broke up and we went on to our business. We had a social hour that night. I came down to an early breakfast the next morning and when I walked in somebody handed me a copy of the New York Times front-page story, lead-article, first sentence:

"Congressman Jerry Ford, House Republican leader, was happily clucking over his new broad." (Laughter)

I thought it was amusing that a great newspaper like the New York Times would make a simple typographical error that would somewhat change

what I had said at the previous luncheon. I passed it off and kidded the New York Times Correspondent. My wife Betty came down for a late breakfast an hour or so later and some friend of mine. . . (Laughter) . . . immediately handed her a copy of the New York Times. I have yet to satisfactorily explain who that new broad is.

Let me say in the situation as we find it today where you have a Republican president and a Democratic controlled Congress, I think the public as a whole has to understand that when the President sends a message with a legislative program to the Congress, he doesn't have quite the same relationship with the leadership in the House and Senate that he would have ~~with~~ if the leadership in the Congress were ^{of} the same political party. And so the American people in my opinion have to understand that in a divided government you don't necessarily get the reaction in the Congress that you would get otherwise.

Let me say parenthetically, I'm not at all critical of the Democratic leadership. As a matter of fact, the Democratic leadership in the House of Representatives on the major issues involving the national security of the United States, they have stood forthrightly with the President of the United States. And the American people in my opinion ought to applaud the Democratic Speaker and the Democratic Majority Leader of the House for this, I think, typically American reaction to what is in the best interests of our country.

But nevertheless on domestic issues it is logical and proper when there is a philosophical difference between the two major political parties that there ought to be some differences between those who are in the Democratic Party and those who are in the Republican Party.

Since January 20th of this year the President of the United States ^{sent} has ~~spent~~ approximately 40 major messages to the Congress, most of which have had legislative proposals flowing from them. And I believe

that the three major issues that we as a nation face today are all involved in these various messages. Those major issues today fall in three categories: (1) foreign policy -- and here primarily the problems of Vietnam; (2) the status of our economy -- whether we can dampen down the problems of inflation without having unacceptable unemployment face us; and (3) the problems of crime -- of all the ramifications; not only the enforcement of the law but the eradication of those sociological causes of crime.

And as I said a moment ago, most of the messages that have come from the President in one way or another have been involved in these three basic problems.

Let me say that the President had a very basic decision to make on taking office in January of 1969. And I was present at a number of meetings where the choices were pretty well sifted out. But in my judgment they can be indicated to fall in two categories. The President could have taken those programs that have been on the statute books -- the new ones as well as the old ones -- and sought to use those legislative tools for the purpose of meeting the problems that we recognize at home; but simply spend more money to try and make them work by greater and bigger funding. That was one choice.

Another choice was to recognize sociological problems we face at home and at the same time look for or seek to achieve new solutions to those problems -- new legislative tools. Probably in the main costing relatively the same amount of money, but a new approach to most of the gnawing problems that face America.

And the decision was made by the President -- and I think rightly so -- that instead of just taking the old and seeking to spend/more money, the path would be to seek some innovative, imaginative approaches that were different, for the decade ahead.

And let me take some of the problems, particularly in the domestic

area

field, that I think indicate what the President is seeking to do. I may be prejudiced but I think they fall within the category of "Legislating for a Better America". But before discussing those domestic problems, I think anyone who comes from Washington today to come home and talk to friends and constituents would be properly criticized if an observation or comment were not made on where we may be going and what we hope to accomplish in the solution of the problem of Vietnam.

Let me say categorically so there is no misunderstanding, I firmly believe that it's in the national interest of the United States to be successful in Vietnam. I believed that under former President Johnson; I believe it today. I want no misunderstanding in that regard.

At this point, however, I don't think it's wise for us to be critical of how we got into the problem of Vietnam. I don't think it's wise for us to be critical of whether we used the right military policy the last four or five years in trying to find an answer to Vietnam. Those decisions were made and I assume in the best of intentions.

I think our problem today is how we find a way to be successful in Vietnam, not only in solving that but maintaining the national prestige and influence of the United States world-wide because generations that follow us are as interested in what happens in the future as we are in what happens today.

SHIRER'S

The other day I was reading, I think it's William L. ~~Schert~~ book, "The Rise and Fall of the Third Reich." There are passages in that book that tell a story that to me ought to give us a lesson today. Many of you in this room can remember those days. But according to the author, back in 1938 or 1939 Chamberlain was invited -- if that's the right word -- by Hitler to come to Western Europe to discuss with him the dismemberment of Czechoslovakia for the purpose of achieving a peace in Europe.

And Chamberlain accepted and went and, as history tells us, Hitler and Chamberlain decided on the dismemberment of Czechoslovakia. And Chamberlain came back to the House of Commons and of course made a speech indicating that we were now to have peace in our time by the acceptance of Great Britain of the terms laid down by Hitler. One lone voice in the pandemonium that broke loose in the House of Commons -- because all Britishers were anxious for peace in their time -- rose and spoke ~~out~~ out against the deal of Chamberlain. Who was it? One strong man, Sir Winston Churchill. He was drowned out. His voice was ignored. But who was right? Churchill. Who was wrong? Chamberlain.

And as I think most of us would recognize today, the capitulation in effect of Great Britain to Hitler at that time opened the door wide to what transpired in the years that followed.

I think in times of crisis like we face today -- and we do -- we should follow a strong voice, not the weak voice. Britain would have been a lot better off to have followed Churchill rather than Chamberlain. And today I think the United States would be better off to support a strong voice rather than a weak voice. I happen to believe that the President is speaking with a strong voice in trying to solve the problems of Vietnam. Yes, trying to solve them through a policy of bonafide meaningful negotiations in Paris. We must pursue that course that the President set forth in May of this year -- a fundamental 8-point plan for the negotiators to work around in trying to end the war in Vietnam, not only honorably but permanently.

We haven't had a single affirmative response to the Paris negotiations and they've gone on better than a year today. But that doesn't mean we should stop and give up. As a matter of fact, I was listening to Dr. Kissinger, the President's top adviser, the other day at the White House, and history also tells us something here; that there is a tendency

on the part of Communist negotiators to be as critical and as adamant, as mean and castigating as they can, just at a point when they're about to make a deal. And this is what happens -- maybe we should learn a lesson from it. If you will look back in the early 1950s you will find that Secretary of State Dulles was negotiating with the Soviet Union and with our two other major allies ~~XXXXXXXXXXXXXXXXXXXX~~ -- France and Britain at the time --/for the restoration of Austria. Austria was occupied by the four major powers following World War II and there were these negotiations going on between the Soviet Union and the Allies. Just prior to the solution, so that Austria could become a nation again, the Soviet Union in these negotiations was the most abusive they had ever been. And yet, all of a sudden there was a break and Austria was restored -- the Allies and the Soviet Union moved out and Austria lived again.

And the same thing took place at Panmunjom where negotiations went on for almost two years between the United Nations negotiators and the North Koreans. The abuse reached a pinnacle or a peak and then all of a sudden the settlement was made in June of 1953.

So even though we have our Ambassador sitting in Paris negotiating, and even though Mr. Lodge is abused every time they meet, I think we ought to stick it out and seek by every legitimate means to have meaningful negotiations that we would hope would end in a settlement in that way. But even if those are not accomplished, in my judgment there is an alternative which means that the United States can phase out its military responsibilities in Vietnam and phase in to a greater degree the combat responsibilities of the South Vietnamese. The common term is "Vietnamization" of the war. This can be successful and I think it will be successful.

It does require that we have a degree of political stability in South Vietnam. One of the most encouraging reports that has come to me in regard to the political stability of Vietnam has come from a former

colleague of mine. Not a Republican. Not even a middle-of-the-road Democrat. But from a Democrat who probably has as liberal credentials as any Democrat I know. Many of you here I am sure have met and know Neil Staebler. If my memory is correct, Neil ran for Mayor of Ann Arbor on the Socialist ticket in the 1930s. He's been State Democratic Chairman. He's been State National Committeeman for the Democratic Party. Neil Staebler vent over to South Vietnam a month or so ago with a group at their own expense. He came back and reported the following. He said: "Jerry, our country can be successful in Vietnam with a program where we are replacing our military personnel with theirs. The most encouraging sign is that the ^{Thieu} government is really getting broad based and has ever-increasing popular support."

For a man with those credentials and from that experience I think we should take heed. It does coincide with the observations and the analysis of people in our government today. I would simply say this. The President has a plan. It is a plan that can work and it is a plan that if we get a minimum of cooperation from the enemy will bring peace in Vietnam and will at the same time maintain the leadership and the prestige of the United States in the free world. And this in my judgment is the best way for us today, tomorrow and in the future because it would be tragic, it would be sad if the United States of America would succumb as Chamberlain did to an easy peace that would only lead to a broader war.

Now if I might, let me turn to some of the domestic problems that I think fit within the category of "Legislating for a Better America". Early this year it was perfectly evident that something had to be done affirmatively to amend and change the Selective Service Act. Most people don't realize, but the draft law that has been used in the last several years for the induction of some four or five hundred thousand

young Americans is virtually the same Selective Service Act or Draft Law that inducted most of us in World War II. It's practically for all intents and purposes one and the same. Most of us would recognize that the problems of maintaining a military force as we did in World War II with 15 million men is quite different from maintaining a military force like the one we have today of 3,600,000. And yet the same law, in effect, is affecting the lives of those who were subjected to the draft.

Under the existing law, young men today are vulnerable to the draft for a period of 7 years, 19 to 26. All the experts tell us that this extended period of vulnerability is one of the principal causes of the unrest on our college campuses. And I can understand why. The President has recommended that Congress approve -- and I'm glad to state to you that the House of Representatives two or three weeks ago approved it and now it appears that the Senate will do likewise -- a change, a significant change in the Selective Service Act that makes young men vulnerable for one year unless we should have a major conflagration or a military engagement far broader than what we have. This in my opinion will be a first big step in trying to win back the enthusiasm of the young people to the kind of dedication that I think they fundamentally have.

I do feel, however, that as we move toward peace in Vietnam and hopefully achieve it, that we as a country ought also to move to a career or all-volunteer military force. I think it's achievable. Many people doubt it. But if you go back to 1959 -- ~~four~~^{four} or five years after the war in Korea -- we had a military force of about 2,600,000. We virtually got all of the young men for the Army, Navy, Air Force and Marines by volunteers.

Once we achieve peace in Vietnam -- and as I said, I think we will -- and as we go from 3,600,000 in the military that we have today down to

a lower manpower requirement, I believe if we're willing to pay the compensation and fringe benefits, we can move to an all-volunteer military force. Oh I know people have alleged that a professional army is not democratic, therefore we should not have it. Well, for most of the years of America's history we've had a professional military force and democracy has lived and thrived in America. So I give no credence to that allegation that a professional army is bad for America; is bad under a democracy. History proves otherwise.

But let me turn if I might to a matter that I suspect is of some considerable interest to many of you here -- tax reform. Well, I was talking to Walker and Max here and they were curious like many of you may be on what's going to happen. There will be in my judgment tax reform legislation enacted by this Congress before January 1, 1970. The tax reform bill approved by the House of Representatives -- some 368 pages of major changes in the Internal Revenue Code -- calls for some 37 basic changes in the federal tax structure.

I know the proposed legislation that passed the House raised many questions, to put it mildly. And yet, let me say this. Whether you in this audience recognize it or not, there is a tax revolt in America. And I think I understand it because over the last decade you've had local taxes increased year after year on properties; you've had the state tax burden go up and up and there's been virtually no relief from the federal burden. And the American people paying more each year in total naturally look to see whether there is equity and justice in our federal tax structure. And whether it's fair or accurate to say, there have been some areas where inequities did exist. I might parenthetically say that what is a loophole for one is a thoroughly justified benefit to another. I mean, it's all not black and white. There is a blurring of what's a

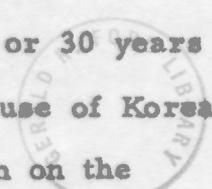
loophole and what's a justifiable benefit. But nevertheless this ground swell of the ordinary taxpayer who earns seven or eight thousand dollars a year and pays a thousand dollars in taxes, who looks at some who under existing law with substantial income pay nothing. He doesn't quite understand it and he's disturbed. And the Congress responds. And Congress is going to do something about it. I hope and trust it's as fair and equitable as we possibly can .

It will be frustrating to many. It will sort of make some people angry, as a typical independent American should be -- and I might tell you a story about that. There is a neighbor ^{my wife} of/Betty and myself in Alexandria, Virginia who is a very high-ranking official in the Bureau of Internal Revenue. Last summer he talked to me and he said, "Jerry, have you ever noticed in the upper righthand corner of your Internal Revenue tax return there's a blank area and underneath the blank area in large black type there's an admonition: 'Please Do Not Write Here'."

I confessed I had never noticed the blank area. I had not been conscious of the admonition.

Then he smiled and said: "Jerry, you'd be surprised. Literally thousands of taxpayers after they sign their name at the bottom of the return alleging that all of the facts and the figures are the truth and nothing but the truth, and after they sign that check paying Uncle Sam whatever they allegedly owe him, then in typical American frustration and total American independence write in their own handwriting across the blank area: "I'll write any ~~damned~~ ^{damned} place I please." (Laughter)

Yes, there will be tax reform. I trust that it will eliminate those inequities that have developed. And as we review the federal Internal Revenue tax structure we find that over the last 20 or 30 years inequities have developed. Because of World War II, Because of Korea, because of Vietnam, there has been a ~~concentration~~ concentration on the



accumulation of revenue, not necessarily the accomplishment of equity. And so the Congress is struggling to find a key to increase equity in our tax structure and I think it will be accomplished.

Let me talk now about another proposal that in my judgment is a major one. The President's recommendation for work fare rather than welfare must be approved by the Congress before this Congress adjourns. There's never been a more unique time in the ^{recent} history of America for a change in our welfare system. Those on the far left of the political spectrum in America agree that the system hasn't worked. It's ~~It's~~ duplicatory, it's expensive. And you can find those on the far right of the political spectrum in the United States who also agree that the system has not really helped to get individuals or families out of the cycle of welfare. There's never been a bonafide legitimate incentive for good people who in many cases because of circumstances beyond their own control haven't been able to lift themselves out of this status in our society.

And so the President has suggested that the Congress move in, abolish the old and start from scratch and come up with a program that's labeled Work Fare, rather than Welfare. The House Committee on Ways and Means has started hearings in this regard. The principal ingredient in this program is incentive. If people on welfare are willing to seek training for jobs that do exist, or if people who are out of jobs are willing to seek training in a new employment, they will be given the opportunity to be the beneficiary of welfare. And if they start to earn they will not be penalized to the full extent because they are earning something ^{now} ~~that~~ that they weren't before. It's the incentive ingredient that's vital and important in this new approach.

No man stands taller than when he's given a ^{hand up} ~~handout~~ rather than a handout. I hope and trust and I believe in the final analysis the Congress will approve this legislation as I think it should. It may not

come until 1970 but it is a major part of a new approach, an innovative imaginative answer to a problem that exists where a program of the last 20 or 30 years has failed.

Or we can turn to the need and necessity for affirmative action in the area of the Post Office Department. I made a speech in California the other day and totally inadvertently I saw the Post Awful Department. Well, the truth is we get poorer service, we pay more for that service and we seem to have perpetually expanding deficits which the ordinary taxpayer finances. And unfortunately the Post Office Department for as long as America has existed has been rampant with politics in the Post Office Department. The President has said that there will be no more politics in the Post Office Department and for that I applaud him. The President has recommended that we move away from the tradition of the kind of Post Office Department we have today -- which is unsatisfactory: poorer service; higher costs -- to the kind that is run by managers who are free and clear of any political influence. I hope and trust the Congress responds in this area. Every survey that is taken by professionals or otherwise indicates that the American people want a new answer for a department that today has about 750,000 employees. Next to the Department of Defense, it's the largest department in the Federal Government. This is a responsibility of the Congress to all of the millions of people who use the facilities of the Post Office Department.

Another area -- crime. You are familiar with the statistics -- crime going up ten times faster than the population. The tools that we have, legislatively speaking, are inadequate to meet the challenges of organized crime on the one hand, the drug problem on the other, and the distribution of obscene literature -- pornographic literature -- throughout the country.

of the prosecutors and the courts and the juries to do something about it.

One final observation. We have to strengthen our federal system. As I said earlier, local taxes are rising and have risen. State costs have gone up. It would be my impression that state and local taxes have about reached the absorption point. Our federal tax ~~structure~~ ^{structure} is a little different. It's a kind of tax structure that as our economy expands -- more people employed, as our economy grows without even a change in the federal tax rate the Federal Government takes in about six to eight billion dollars more a year.

Now, if we are to strengthen local and state governments -- and I happen to believe that's a necessary ingredient to maintain our governmental system -- the proposal is to share federal revenue with state and local governments; share this growth income that comes to the federal treasury. Oh I know there will be some who will say, "Well, why don't you reduce federal taxes and let them pay the extra amount to the state and local communities?" Well, history tells us that in the last 10 or 20 years any extra federal revenue, and particularly now, has gone into what we call grant-in-aid programs -- categorical grant programs.

Let me quickly tell you the history of categorical grants. I think it was 12 years ago there were less than 100 categorical grants going from the Federal Government to the state or to the local government for this project or that program -- what have you. And they cost about a half a billion dollars when they were basically initiated. Today in this fiscal year we have almost 500 categorical grant programs and the annual cost to the federal budget today is nearly \$20 billion. They've grown like hotcakes. And the net result is that in the main the federal administrator in Washington decides how you, Mr. Commissioner, are going to spend the money that comes from the Federal Government

to the City of Detroit.

And if you look at the projections of those who believe in categorical aid with the Federal Government making the decision, they anticipate under that program there will be expenditures out of the Federal Treasury ten years from now of nearly \$50 billion a year. So they are not going to go away. So you're really faced with a choice of whether you want to expand categorical aid programs with a federal bureaucrat in Washington making the basic decision, or whether you want to send back to state and local governments a fixed percentage of gross revenue from the Federal Treasury for the local people -- the people you ~~elect~~ elect in Detroit, the people you elect in Michigan -- to use as they see fit in their own list of priorities.

Now, who do you have more faith in? The people you elect in Detroit or the people that are immunized from your control -- the bureaucrats in Wash ngton? The choice in my opinion is very, very simple. I'll put my faith in those elected officials that you choose -- not some immunized career service people protected by Civil Service in Washington, D.C. You can make better decisions here by your elected officials.

And there are different lists of priorities. The problems of San Francisco are not the same as Detroit. The problems in my hometown of Grand Rapids are not ~~identical~~ identical with Miami, Florida. And I happen to think that the people that you elect and we elect have a little better appreciation of the priority of how that money should be spent.

Revenue-sharing I think is a basic ingredient for the growth, the perpetuation of a true federal system in America.

Let me conclude now with this. I think we recognize that the things that divide us in America -- politics and otherwise -- are not nearly as enduring as the things that unite us. It would be my observa- tion that both Democrats and Republicans are striving together, each

in their own way, to create a more perfect union with liberty and justice for all. Even though there are bitter debates and many controversies, I think our written compact of respect for the conviction of others and faith in the decency of others allows all Americans the wonderful luxuries of rugged political competition. And as I look ahead I would only ask this. Let's all work to banish war from our shrinking world and hate from our expanding hearts.

(Applause)

MAX M. FISHER: Jerry, you were marvelous. In fact, you did such a good job that you've ruined quite a few of the questions I had already picked out here for you. But there are a couple that may be interesting or controversial. Here is one.

(Reading Question) "WHAT IS YOUR OPINION OF VICE PRESIDENT AGNEW'S SPEECH ON THE MEDIA AND HIS SPEECH ABOUT COLLEGE ~~DEMONSTRATORS~~ DEMONSTRATORS?"

And here's another one that ties right in.

(Reading Question) "WHAT IS YOUR OPINION OF THE DEMONSTRATION IN WASHINGTON LAST WEEK?"

HON. GERALD R. FORD: In my honest judgment there is a small segment of the radio and television news media who have been prejudiced; prejudiced against a Democratic president; prejudiced against a Republican president. I understand this situation because we're all human beings and very few of us can hide our subjective feelings as we say something or do something. I don't mean to condemn the vast, vast majority of the news media because I can say in my own case, with some very, very limited exceptions, they've been fair and very understanding. But what they've got to understand in my judgment is that when they report a factual situation they should report it factually. And when they editorialize, which they have the right to do, they should let the viewers know that they're editorializing, and not mix the two.

Unfortunately in some situations I think there has been editorializing in the process of allegedly reporting a factual situation.

My observations and comments concerning the Moratorium March in Washington last week. There were some 250,000 people there. A very miniscule number performed badly. In the main, those who were there lived within the law. They were exercising their right of dissent, their guaranteed right of petition to their government if they disagreed with the policies of the government. And I was proud of the way 99 and 9/10ths percent of them exercised this inalienable right given under our Constitution.

But I add this. There were those on Friday night who met in Dupont Circle, which is on Massachusetts Avenue, and in a premeditated way sought to move heavily armed over to the South Vietnamese Embassy for what our government knew would have been, if successful, an attempt to destroy the South Vietnamese Embassy. Fortunately the government was prepared and they prevented it.

Then on Saturday afternoon, Mr. David Dillinger got before this vast group of Americans -- I won't give you the record of Mr. Dillinger but you can read it -- and exhorted a massive group of Americans to move in and destroy the Department of Justice. And some did in a highly organized way. They were prevented.

Now those who used the good people who were there I think ought to be condemned and prosecuted if they violated the law. Because they weren't there for the purpose of legitimately petitioning their government; they were there to destroy our government.

MAX M. FISHER: We have a list here, Jerry, on Vietnam.

(Reading Question) "WHAT, IN YOUR OPINION, WILL DETERMINE SUCCESS IN VIETNAM: (a) MILITARY VICTORY; (b) WITHDRAWAL; (c) COMPROMISE?"

(Reading Question) "WHAT DO YOU MEAN BY 'BEING SUCCESSFUL'?"

IN VIETNAM?"

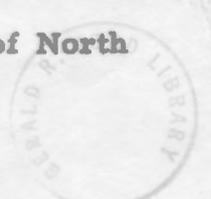
(Reading Question) "WILL YOU PLEASE COMMENT ON WHAT YOU THINK IS THE CURRENT CONGRESSIONAL FEELING ON PRESIDENT NIXON'S RESTATED VIETNAM POLICY."

(Reading Question) "DO YOU DISAGREE WITH GRIFFIN WITH REFERENCE TO THE HAYNSWORTH MATTER?"

HON. GERALD R. FORD: I knew there would be a question asking me to define what I construed to be "successful" in Vietnam. That's a very logical and proper question. I define success in Vietnam as follows: the withdrawal of the United States military forces and the replacement of those forces by the South Vietnamese so that they themselves can prevent aggression from the North or internal destruction from within. And I'm convinced that the program that's under way today will provide that opportunity.

It also means that there is a freely elected government in South Vietnam; freely elected by the people of South Vietnam under international supervision -- if that's the only way it can be done and I suspect it is. A government that has the support of the South Vietnamese people. This is what we really want. And, according to all the information I have, it can be achieved.

Every once in a while I get in a little argument with people who say that elections in South Vietnam -- and there have been many -- are not perfect. "There is a tinge of corruption," they say "and some candidates are not permitted to run." Well, I think it ought to be clearly understood that there has never been an election in North Vietnam; so, by any standards, South Vietnam has at least given its people a number of chances to elect individuals to their Assembly or to public office. So on that basis of comparison South Vietnam is far ahead of North



Vietnam.

Secondly, I get a little irritated with some of our people who get quite sanctimonious about corruption in politics in America. You know, we've had some recent history in America 180 years after we were established where there has been corruption in politics in America. So I don't really think we're in a very good position to talk to the South Vietnamese so sanctimoniously, particularly when they're fighting for their existence and their nation's future. I think we ought to give them a chance, a hope.

One other thing that's important ^{as} ~~is~~ an ingredient of success is a pacification program that means that the peasant in the field has a right to the land and that which he produces he's able to sell and make a profit from. The pacification program, the land reform program is an absolutely essential agreement in our success in Vietnam.

I will just summarize by saying this. We must have a stable, basically broad political structure in South Vietnam. We must have them able to meet their military challenges and we must have an economy built through the pacification program that gives hope to the 20 million in South Vietnam.

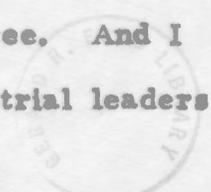
^Now to answer the other question, Max, I am not a member of the United States Senate; therefore, have no vote on this controversial issue of whether Judge Haynsworth should be confirmed. And I want it clearly understood, Max, that I did not seek that question for discussion here today. I would simply say this, if I was in the United States Senate I would vote for the confirmation of Judge Haynsworth. (Applause)

MAX M. FISHER: (Reading Question) "FROM YOUR LONG EXPERIENCE AS A MEMBER OF THE SUBCOMMITTEE ON THE DEPARTMENT OF DEFENSE, ARE YOU CONCERNED ABOUT A SO-CALLED PENTAGON-INDUSTRIAL COMPLEX?"

And here's another one.

(Reading Question) "ARE WE WINNING THE BATTLE AGAINST INFLATION?"

HON. GERALD R. FORD: Well, I did serve on the Defense Subcommittee on Appropriations for 12 years and I was the senior Republican member for 6 of those 12 years. I used to spend the better part of my legislative career in Washington listening to Secretaries of Defense, Chiefs of Staff, civilian and military witnesses, so I have a little background in this area. The facts are that Congress has been tougher on the military and the producers of military hardware than the Executive branch of the government has been. Almost without exception the Congress has cut expenditures in the Pentagon below that which a President recommended, whether it was Mr. Truman, Mr. Eisenhower, Mr. Kennedy, Mr. Johnson, and I presume President Nixon. Congress has been tougher on both the uniform personnel in procurement and ~~the~~ ^{on} the supplier. And I'll say that the Congress in the future will be even tougher. I happen to believe despite this pressure from the Congress and the public that we're fortunate in America to have the high caliber of people that we have had and have today in the military services protecting us through our national defense program. We're lucky to have men of the quality and caliber that we have. And I also happen to believe that the suppliers of military hardware over the years have done a good job. And by comparison with the suppliers in any other country that I know, they've done a far better job. I think the Congress has to keep its eye on how we make choices as to what weapons system we use and the number that we buy. But I think we shouldn't destroy the integrity and the leadership of the military leaders. And I don't think we ought to destroy the industrial organizations that have produced those weapons that have kept America free. And I applaud rather than condemn both the military and the industrial leaders in our country. (Applause)



MAX M. FISHER: The final question has two parts to it, Jerry.

(Reading Question) "DID YOU HAVE AN EASIER JOB AS MINORITY LEADER WHEN JOHNSON WAS PRESIDENT?"

(Reading Question) "AS A UNIVERSITY OF MICHIGAN ALUMNI, HOW MANY POINTS ARE YOU GIVING OHIO STATE THIS SATURDAY?"

HON. GERALD R. FORD: Well, I had a lot less responsibility when I was the Minority Leader under a Democratic president because my function then was to try and rally our troops to defeat those programs recommended by Mr. Johnson that we thought were bad, or to develop and get on the legislative record those programs that we thought were constructive alternatives to the programs recommended by Mr. Johnson. We developed, starting in 1965, a deliberate effort to produce what we called "constructive alternatives" to the legislative recommendations of Mr. Johnson. Now my problem is with 188 Republicans versus 245 Democrats to find one or more Democrats who will join us so that we can get President Nixon's legislative program through the House. Mathematically we have to have Democratic support.

So we start with the Speaker, who is a great and good friend of mine and we go from there. If he can't help us, then we scrounge around and try to find any other Democrats who will help us. You just have to get 40-some Democrats in order to get a majority. It gets a little tough at times.

Now, Max, I want to report to you on that last question. You're a kind and generous man. I want you to know that an alumnus of Ohio State, a member of the Congress of the United States, gave me 40 points today.. (Laughter). . . and I'll take 40 points from you, and the sooner we shake on it, the better.

(Applause)



RUSSEL A. SWANEY: Thank you, Jerry. We appreciate your taking time to come out here from your busy schedule and give us this very illuminating and worthwhile discussion on what's going on in Washington. And certainly no one is better qualified to do this than you are. Mr. Fisher, we appreciate you acting as our Presiding Officer. We know that you're spending a good deal of time in Washington, too. We thank you all for coming. This meeting is adjourned.

A D J O U R N M E N T



Detroit Economic Club, Detroit Michigan
Monday Evening
November 17, 1969
0 OFFICE COPY
Re: Miltich, "Ford Speeches"

(The meeting was opened by President Russell A. Swaney, who presented Max M. Fisher, Special Consultant to the President on Voluntary Action, Chairman, New Detroit, Inc., and Chairman of the Board, Fisher-New Center Company, as Presiding Officer.)

MAX M. FISHER: Ladies and gentlemen:

for good copy

It's always a pleasure to preside at a meeting of The Economic Club of Detroit, but tonight's opportunity to introduce our guest speaker is of even more importance to me, for Jerry Ford is not only one of the most influential men in America today, but he is also a good and respected friend of mine.

Jerry is a man for whom I have the highest regard -- for his dedication, for his integrity, and for his devotion to his country. My personal judgment of Jerry Ford has been confirmed by his constituents who have sent him to Congress for two full decades. It is confirmed, too, by his colleagues in the House of Representatives who have selected him as Minority Leader. And it has been further confirmed by the President of the United States who has sought his counsel, his advice, and his leadership.

Jerry's life has been one of major accomplishments. As a lad he won top athletic honors. At The University of Michigan he was voted Most Valuable Player of the 1934 championship football team, and received the highest academic honors. Since then he has been designated as one of the "Ten Outstanding Young Men in America" by the United States Junior Chamber of Commerce.

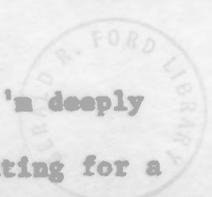
From the time he was first elected to the House of Representatives in 1948, Gerald Ford has served on key Congressional committees. He has served on the House Public Works Committee; the Appropriations Committee; and the Select Committee on Astronautics and Space Exploration.

Jerry's legislative experiences, as well as his legal background, have given him a deep and abiding respect for the law. He believes wholeheartedly in the importance of an electorate informed about the legislative process. He believes, too, in the fullest possible participation of all citizens in the making of our laws.

Here to speak to us tonight on the subject of "Legislating for a Better America" is the Minority Leader of the United States House of Representatives, The Honorable Gerald R. Ford.

HON. GERALD R. FORD: Thank you very much, Max. Russ Swaney, distinguished guests, ladies and gentlemen:

It's a great privilege and a high honor to be here tonight. I'm deeply grateful for this opportunity to share with you my ideas on "Legislating for a



Better America."

Max, I'm always a little bit uncomfortable about being presented to a mixed audience as the Minority Leader of the House, with the inference that I'm potentially the Speaker of the House. I think all wives know who the minority leader of the house is -- a husband. On the other hand, I know very well who all husbands believe is the speaker of the house.

When I was invited by Russ Swaney to come here tonight I received a letter that went something like this:

"We have had a full program. We've had Frank Borman, Paul McCracken, General Chapman -- and now we would like to have you accept our invitation."

And it ended with this sentence:

"Up until now we've had outstanding speakers." (Laughter)

I hesitate to tell this story but Max in his introduction made an inadvertent slip. You might expect that of somebody from Ohio State ... (Laughter) ...but it reminded me of an incident that happened, Max, in the state of Ohio. A year or two ago I was asked to address a large political meeting and I was being introduced by a man who was a graduate of Ohio State, as Max is, and in the course of his introduction he inadvertently indicated that I was a graduate of Ohio State. Well, I didn't know quite how to respond, how to protect the integrity of my Alma Mater, The University of Michigan, without offending this vast audience, most of whom came from the state of Ohio. And as I came to the podium I thought of an incident involving a man who was introducing the Governor of the Virgin Islands to a large audience. This man got up before this tremendous political meeting and in the course of his introduction that went on for a long, long time he talked of the Governor's accomplishments, his achievements and of course his virtues. And then he concluded with a final sentence that went like this:

"Ladies and gentlemen, it's my privilege and pleasure to to introduce to you the Virgin of Governor's Island." (Laughter)

In my initial remarks tonight on the subject, "Legislation for a Better America," I think it's appropriate to point to the factual situation that exists. In November 1968 the American people elected a Republican president and, at the same time, left control of the Congress in the hands of the Democratic Party.

This year marked the first time since 1849 that anew Administration took office with the legislative branch -- a co-equal branch of the Federal Government -- controlled by another political party. This happens very, very seldom in the history of America. But it is the fact today. A Republican in the

Representatives 245 to 188.

Naturally Republicans would prefer to see the GOP control both the Executive and Legislative branches of the Federal Government. But the American people did not so decide in the 1968 election. The unusual situation therefore entails a most unusual relationship between the Legislative and the Executive branches of the government.

I might tell one story about an election that happened in 1966. Following the 1964 election we on my side of the aisle were badly outnumbered in the House of Representatives. I think the Democrats had 295 members and we had 140, which is better than 2 to 1 odds. Those were pretty tough days. But the 1966 elections were rather kind to us and we elected 59 new Republicans, which was a substantial new "class" of Congressmen. My wife Betty and I decided that it would be a good idea if we got all of these new members and their wives and our leadership and their wives together for a 3-day seminar where we could talk about parliamentary problems, major issues, and, just get better acquainted. At the opening luncheon I was asked to say a few words. I looked out and there were the 59 new additions to our ranks. They were attractive,, articulate and able. I must have said that I was happily clucking over this new brood of Republicans.

The luncheon broke up and we went on to our business. We had a social hour that night. I came down to an early breakfast the next morning and when I walked in somebody handed me a copy of the New York Times with a front-page story, lead-article, first sentence:

"Congressman Jerry Ford, House Republican leader, was happily clucking over his new brood." (Laughter)

I thought it was amusing that a great newspaper like the New York Times would make a simple typographical error that would somewhat change what I had said at the previous luncheon. I passed it off and kidded the New York Times Correspondent. My wife Betty came down for a late breakfast an hour or so later and some friend of mine...(Laughter)...immediately handed her a copy of the New York Times. I have yet to satisfactorily explain who that new brood is.

In the situation as we find it today, the public has to understand that when the President sends a legislative message to the Congress, he doesn't have the same relationship with the leadership in the House and Senate that he would have if the leaders were of his own political party. In a divided government, he doesn't necessarily get the reaction in the Congress that he would get otherwise.

Let me say parenthetically that I'm not being critical of the Democratic

States, Democratic congressional leaders have stood forthrightly with the President of the United States. The American people ought to applaud the Democratic Speaker and the Democratic Majority Leader of the House, for they are acting in the finest American tradition.

But on domestic issues it is logical and proper that since there is a philosophical difference between the two major political parties there are some legislative differences between the Democrats and the Republicans.

Since January 20th of this year the President of the United States has sent approximately 40 major messages to the Congress, most of which resulted in legislative proposals.

The three major issues we as a nation face today are all related to these various messages. Those major issues fall into three categories: (1) foreign policy -- primarily the problem of Vietnam; (2) the status of our economy -- whether we can dampen down the problems of inflation without unacceptable unemployment; and (3) the problem of crime -- all the ramifications, not only enforcement of the law but eradication of the sociological causes of crime.

As I said a moment ago, most of the messages that have come from the President in one way or another have involved these three basic problems.

The President had some basic decisions to make on taking office in January of 1969. I was present at a number of meetings where the choices were pretty well sifted out.

The President could have taken those programs that have been on the statute books -- the new ones as well as the old ones -- and sought to use those legislative tools for the purpose of meeting our domestic problems. He could have simply spent more money to try to make them work. That was one choice.

Another choice was to recognize the sociological and economic problems we face at home and to seek new solutions to those problems -- new legislative tools.

The decision was made by the President -- and I think rightly so -- that instead of just taking the old programs and seeking to spend more money he would seek innovative, imaginative approaches for the decade ahead.

Before discussing domestic problems and President Nixon's new approaches to them, I would like to comment on where we may be going and what we hope to accomplish in Vietnam.

Let me say categorically that I firmly believe it is in the national interest for the United States to be successful in Vietnam. I believed that under former Presidents Kennedy and Johnson; I believe it today. I want no misunderstanding

in that regard.

At this point, I don't think it is wise for us to be critical of how we got into Vietnam. I don't think it is wise for us to analyze whether we used the right military policy the last four years in trying to find the answer to Vietnam. Those decisions were made, rightly or wrongly, and I assume with the best of intentions.

Our problem today is how we find a way to be successful in Vietnam, not only in solving that conflict with all its ramifications but at the same time maintaining the national prestige and influence of the United States world-wide -- because the generations that will follow us are as interested in what happens then as we are in what happens today.

The other day I was reading William L. Shirer's book, "The Rise and Fall of the Third Reich." There are passages in that book that ought to teach us a lesson today. The author relates how Chamberlain went to Munich in September 1938 to discuss with Hitler the dismemberment of Czechoslovakia. The purpose -- to achieve an alleged peace in Europe.

Chamberlain agreed to the dismemberment of Czechoslovakia. He came back to England and made a speech in The House of Commons declaring that we were to have peace in our time through acceptance of the terms laid down by Hitler. Amid the pandemonium that ensued in the House of Commons -- because all Britishers were anxious for peace in their time -- one man spoke out against the deal of Chamberlain. Who was it? A lion among men, Sir Winston Churchill. His voice was drowned out. He was ignored. But history proved him right.

Today most of us would recognize that England's appeasement of Hitler in 1938 opened wide the door to what transpired in the years that followed.

As in those days preceding World War II, the Free World should heed a strong voice. Britain should have heeded the words of a Churchill rather than those of a Chamberlain. Today the United States -- and indeed the entire Free World -- should listen to the strong voice now being raised in warning. President Nixon who is speaking with a strong voice in trying to solve the problem of Vietnam. Yes, trying to solve it through meaningful negotiations in Paris. We must pursue the course the President set forth in May of this year -- a fundamental 8-point plan for the negotiators to work around in trying to end the war in Vietnam, not only honorably but permanently.

We have not had a single affirmative response to the Paris negotiations and they have gone on for better than a year.

give up. As a matter of fact, I was listening to Dr. Kissinger, the President's top adviser, the other day at the White House, and history also tells us something here; that there is a tendency on the part of Communist negotiators to be as critical, as adamant, as mean and abusive as they can be, just when they are about to make a deal. This is what happens historically. Maybe we can learn a lesson from it.

If you look back to the early 1950's you will find Secretary of State Dulles negotiating with the Soviet Union and with our two other major allies -- France and Britain -- for the restoration of Austria. Austria had been occupied by the four major powers following World War II, and negotiations were going on between the Soviet Union and the Allies. Just prior to an agreement permitting Austria to become a sovereign nation again, the Soviet Union was the most abusive they had ever been in the negotiations. Yet, there was a break and Austria was restored to sovereignty. The Allies and the Soviet Union moved out, and Austria lived again.

The same sort of thing took place at Panmunjom where negotiations went on for two years between the United Nations negotiators and the North Koreans. The abuse reached a peak. Then suddenly a settlement was reached in July of 1953.

So even though our Ambassador is abused every time he meets with the North Vietnamese in Paris we should stick it out and keep pursuing meaningful negotiations that may end in an honorable settlement of the Vietnam War.

Even if a settlement is not achieved, there is an alternative by which the United States can phase out its military responsibilities in Vietnam and phase in the combat responsibilities of the South Vietnamese. The term is "Vietnamization" of the war. It can be successful, and I think it will be successful.

It does require that we have a degree of political stability in South Vietnam. One of the most encouraging reports I have heard regarding the political situation in Vietnam has come from a former colleague of mine. Not a Republican. Not even a middle-of-the-road Democrat. But from a Democrat whose credentials are as liberal as those of any Democrat I know. Many of you here I am sure have met and know Neil Staebler. If my memory is correct, Neil ran for Mayor of Ann Arbor on the Socialist ticket in the 1930's. He has been Democratic Party Chairman in Michigan. He has been Democratic National Committeeman for Michigan. Neil Staebler went over to South Vietnam a month or so ago at his own expense. He came back and reported the following. He said: "Jerry, our country can be successful in Vietnam with a program there we are undertaking and will continue with it."

The most encouraging sign is that the Thieu government is really getting broad-based and has ever-increasing popular support."

We should listen to a man with Neil's experience. What he says coincides with the observations and the analysis of officials in our government today. I would simply say this. The President has a plan. It is a plan that can work. If we get a minimum of cooperation from the enemy, this plan will bring peace in Vietnam and will at the same time maintain the leadership and the prestige of the United States in the Free World. In my judgment this is the best course for us to take today, tomorrow and in the future. It would be tragic if the United States of America should accept, as Chamberlain did, an easy peace that would only lead to a broader war.

Now if I might, let me turn to some of the domestic problems that I think fit within the context of "Legislating for a Better America." Early this year it became evident that something had to be done to amend the Selective Service Act. Most people don't realize it but the draft law that has been used in the last several years for the annual induction of some two or three hundred thousand young Americans is virtually the same Selective Service Act or Draft Law used to induct most of us in World War II. It is basically the same. Most of us would recognize that the problems of maintaining a military force of 15 million men as we did in World War II are quite different from maintaining a military force like the one we have today of approximately 3,600,000. And yet the same law is affecting the lives of those who are subject to the draft.

Under present law, young men today are vulnerable to the draft for a period of 7 years, from age 19 to 26. All the experts tell us that this extended period of vulnerability is one of the principal causes of the unrest on our college campuses. And I can understand why.

The President has recommended that Congress approve -- and I'm glad to state to you that the House of Representatives two or three weeks ago approved it and now it appears the Senate will do likewise -- a change, a significant change in the Selective Service Act that makes young men vulnerable for just one year unless we were to have a major conflagration or a military engagement far broader than what we have. This in my opinion will be a first big step in trying to win our young people back to the kind of dedication to America they fundamentally feel.

I believe that as we move toward peace in Vietnam and hopefully achieve it we as a country ought also to move to a career or all-volunteer military force. It's achievable. Many people doubt it. But go back to 1959 -- four or five years

after the war in Korea -- when we had a military force of about 2,600,000. Virtually all of the young men then in the Army, Navy, Air Force and Marines were volunteers.

Once we achieve peace in Vietnam and go from the present 3,600,000 in the military to a far lower military manpower requirement, we can move to an all-volunteer military force if we are willing to pay the necessary compensation and fringe benefits.

Oh I know people have alleged that a professional army is not democratic and that therefore we should not have it. Well, for most of the years of America's history we've had a professional military force and yet democracy has thrived in America. So I give no credence to the contention that a professional army is bad for America. History has proved otherwise.

Now let me turn to a matter I suspect is of considerable interest to many of you here -- tax reform. I was talking to Walker and Max at the head table and they were curious, like many of you are, about what's going to happen. In my judgment tax reform legislation will be enacted by this Congress before January 1, 1970.

The tax reform bill approved by the House of Representatives -- some 368 pages of major changes in the Internal Revenue Code -- calls for some 37 basic revisions in the federal tax structure.

I know the proposed legislation that passed the House raised many questions, to put it mildly. But let me say this. Whether you in this audience recognize it or not, there is a tax revolt in America. I understand that revolt because over the last decade we've seen a wide variety of local taxes increase year after year; we've seen the state tax burden go up and up; and there's been virtually no relief from the federal burden. The American people, paying more each year in total taxes, naturally look to see whether there is equity in our federal tax structure. And, admittedly, there are areas where inequities exist. I might parenthetically say that what is one man's loophole is another man's thoroughly justified benefit. It's all not black and white. But nevertheless there is this ground swell of resentment on the part of the ordinary taxpayer who earns seven or eight thousand dollars a year and pays a thousand dollars in taxes. He sees some wealthy individuals who, under existing law, pay nothing. He doesn't understand it, He's disturbed. The Congress responds to the majority of its constituents. The Congress will do something about it. I hope it's as fair and equitable as we can make it, bearing in mind the wide differences of viewpoint

The end result will be frustrating to many. It will make some people angry, as a typically independent American should be.

I might tell you a story about such an American. My wife Betty and I have a neighbor in Alexandria, Virginia, who is a high-ranking official in the Bureau of Internal Revenue. Last summer he talked to me and he said, "Jerry, have you ever noticed in the upper righthand corner of your Internal Revenue tax return there's a blank area and underneath the blank area in large black type there's an admonition: 'Please Do Not Write Here'."

I confessed I had never noticed the blank area. I had not been conscious of the admonition.

Then he smiled and said: "Jerry, you'd be surprised. After they sign their name at the bottom of the return alleging that all the facts and the figures are the truth and nothing but the truth, and after they sign that check paying Uncle Sam whatever they allegedly owe him, then literally thousands of taxpayers in typical American frustration and total American independence write in their own handwriting across the blank area: "I'll write any damned place I please."

(Laughter)

Let me discuss now another major Administration proposal -- that the President's recommendation for work fare rather than welfare. This is a measure which should be approved by the Congress before adjournment in 1970. There's never been a more propitious time for a change in our welfare system. Those on the far left of the political spectrum in America agree that the system hasn't worked. It's duplicative, it's expensive. And you can find those on the far right of the political spectrum in the United States who agree that the system has not really helped to get individuals or families out of the cycle of welfare. Under the existing welfare setup, there's never been a real incentive for good people to free themselves from the dole.

And so the President has suggested that the Congress abolish the old welfare system, start from scratch and come up with a program labeled Workfare. The House Committee on Ways and Means has started hearings on the President's proposal. The principal ingredient in this White House proposal is incentive. If people on welfare are willing to seek training for jobs that do exist, or if people who are out of jobs are willing to seek training for new employment, they will be given that opportunity. And if they start to earn they will not be penalized dollar for dollar because they are supplementing their government checks. It's the incentive ingredient that's vital and important in this new approach.

No man stands taller than when he stands on his own two feet. When a man is laid down, he needs a hand up instead of a handout. In the final analysis, I believe the Congress will approve this legislation.

It is a new approach, an innovative, imaginative answer to a problem that has defied a solution for more than three decades.

Let us now turn to the need for affirmative action in the area of the Postal operations. I made a speech in California the other day and totally inadvertently, I spoke of the "Post Awful Department." Well, the truth is that in the existing Post Office Department we keep getting poorer service, we pay more for that service and we seem to have perpetually expanding deficits which the ordinary taxpayer finances. Unfortunately, the Post long as America has existed, the Post Office Department has been rampant with partisan politics. The President has said that there will be no more politics in the Post Office Department and for that I applaud him. The President has recommended that we move away from the kind of Post Office Department we have today to one that is run by managers free and clear of any political influence. The Congress must respond in this area. Every survey that is taken indicates the American people want a new answer for a department that today has about 750,000 employees. Next to the Department of Defense, it's the largest department in the Federal Government. This is a responsibility of the Congress to all of the millions of people who use the facilities of the Post Office Department.

Another area -- crime. You are familiar with the statistics -- the crime rate increasing ten times faster than the population. The tools that we have, legislatively speaking, are inadequate to meet the challenges of organized crime, drug abuse, and the distribution of pornographic literature throughout the country.

Let me just give you quickly an observation that came out of a meeting at the White House several weeks ago on the second problem -- narcotics control. The Congress hasn't responded as rapidly as it should in this area. I don't understand why. As a consequence, the President invited the Democratic and Republican leadership to the Cabinet room one morning and he had three people there to present the problem. The first was the director of the Narcotics Bureau. He discussed the need for stronger penalties for dope peddlers: tough, mandatory, long sentences for those who prey on the weak.

The second speaker was the Secretary of Health, Education and Welfare, who pleaded for the Congress to legislate more lenient, more flexible penalties for o

youths who for the first time may have bought one or more of the narcotics that are available. The Secretary of HEW was pleading for a more constructive approach to help rehabilitate these unfortunate people. He pointed out that the courts and juries need more flexibility in such cases.

The last one to speak to this group was Art Linkletter. Less than two weeks earlier he had lost his youngest child -- his 20 or 21-year-old daughter. This was the most dramatic presentation I have ever seen in my life. It took a lot of courage for a man to talk to some 20 people, including the President of the United States about his daughter's death. He pointed out that his daughter was not a hippie and that his was a close-knit family. He told us there, and he has since carried out the promise, that he was going to crusade in any and every way he could to arouse America to the narcotics crisis. He pleaded with the Congress to do as the Secretary of HEW had recommended. He also urged stiffer penalties for the peddlers and pushers.

Congress must respond in this area. Then it will be the responsibility of the prosecutors, the courts and the juries to act.

One final observation. We must strengthen our federal system.

As I said earlier, local taxes are rising and have risen. State costs have gone up. It would be my impression that state and local taxes have about reached the limit. Our federal tax structure is different.

As our economy grows, without even a change in the Federal tax rate, the Federal Government takes in six to eight billion dollars more a year.

Now, if we are to strengthen local and state governments -- and I happen to believe that's a necessary ingredient to maintain our governmental system -- the Administration proposes we share federal revenue with state and local governments; share this growth income that comes to the federal treasury.

I know there are some who will say, "Well, why don't you reduce federal taxes and allocate any extra amounts to the state and local communities?" Well, history tells us that in the last 10 or 20 years any extra federal revenue has gone into what we call grant-in-aid programs -- categorical grant programs.

Let me quickly tell you the history of categorical grants. Twelve years ago there were less than 100 Federal categorical grants programs. They cost about a half a billion dollars annually at the outset. Today, in this fiscal year, we have almost 500 categorical grant programs and the annual cost to the federal budget is nearly \$20 billion. Categorical grant programs have mushroomed, with all kinds of duplication and ballooning cost to the taxpayers. The net result

is that, in the main, a federal administrator in Washington decides how you, at the local level, are going to spend the money that comes from the Federal Government to the City of Detroit.

If you look at the projections of those who believe in categorical aid, you find they anticipate there will be expenditures out of the Federal Treasury ten years from now of at least \$50 billion a year for such programs. These federal expenditures are not going to go away. You're faced with a choice of expanding categorical aid programs, with a federal bureaucrat in Washington making the basic decisions, or whether sending back to state and local governments a fixed percentage of gross revenue from the Federal Treasury for local people -- the people you elect in Detroit, the people you elect in Michigan -- to use as they see fit on their own list of priorities.

Now, who do you have more faith in? The people you elect in Detroit or the people that are immunized from your control -- the bureaucrats in Washington? In my opinion the choice is very simple. I put my faith in those elected officials whom you choose -- not some immunized career service individuals protected by Civil Service in Washington, D.C. You can make better decisions on priorities here, through your elected officials.

There are different kinds of priorities. The problems of San Francisco are not the same as those of Detroit. The problems in my hometown of Grand Rapids are not identical with those of Miami, Florida. And I happen to think that the people you elect and we elect have a little better appreciation of how that money should be spent.

Revenue-sharing is a basic ingredient for the growth, the perpetuation of a true federal system in America.

Let me conclude now with this. I think we recognize that the things that divide us in America -- politically and otherwise -- are not nearly as enduring as the things that unite us. It would be my observation that both Democrats and Republicans are striving together, each in their own way, to create a more perfect union. Although there are bitter debates, and much controversy, I think our compact of respect for the convictions of others and our faith in the decency of others allows all Americans the luxury of rugged political competition.

As I look ahead I would ask only this. Let's all work to banish war from our shrinking world and hate from our expanding hearts.

MAX. M. FISHER: Jerry, you were marvelous. In fact, you did such a good job that you've ruined quite a few of the questions I had already picked out here for you. But there are a couple that may be interesting or controversial. Here is one.

(Reading Question) "WHAT IS YOUR OPINION OF VICE PRESIDENT AGNEW'S SPEECH ON THE MEDIA AND HIS SPEECH ABOUT COLLEGE DEMONSTRATORS?"

And here's another one that ties right in.

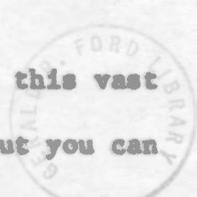
(Reading Question) "WHAT IS YOUR OPINION OF THE DEMONSTRATION IN WASHINGTON LAST WEEK?"

HON. GERALD R. FORD: In my honest judgment there is a small segment of the radio and television news media who have been prejudiced; prejudiced against a Democratic president; prejudiced against a Republican president. I understand this situation because we're all human beings and very few of us can hide our subjective feelings as we say something or do something. I don't mean to condemn the vast majority of the news media because I can say that in my own case, with some very limited exceptions, they've been fair and very understanding. But what they've got to understand is that when they report a factual situation they should report it factually. and when they editorialize, which they have the right to do, they should let the viewers know that they're editorializing, and not mix the two. Unfortunately in some situations there has been editorializing when theoretically a factual situation was being reported.

Let me give you my observations and comments concerning the Moratorium March in Washington last week. There were some 250,000 people there. A small number behaved badly. In the main, those who were there lived within the law. They were exercising their right of dissent, their guaranteed right of petition to their government. I was proud of the way 99 per cent of them exercised this inalienable right given them under our Constitution.

But I add this. There were those on Friday night who met at Dupont Circle, which is on Massachusetts Avenue, and sought to move heavily armed to the South Vietnamese Embassy for what our government knew would have been an attempt to destroy the South Vietnamese Embassy. Fortunately the government was prepared and they prevented it.

Then on Saturday afternoon, Mr. David Dellinger got up before this vast group of Americans -- I won't give you the record of Mr. Dellinger but you can read it -- and exhorted this group to move in and destroy the Department of



from carrying out their plans.

Now those who exploited the good people who were there I think ought to be condemned and prosecuted if they violated the law. This small highly organized group wasn't there for the purpose of legitimately petitioning the government; they were there to destroy our government.

MAX M. FISHER: We have a list here, Jerry, on Vietnam.

(Reading Question) "WHAT, IN YOUR OPINION, WILL DETERMINE SUCCESS IN VIETNAM: (a) MILITARY VICTORY; (b) WITHDRAWAL; (c) COMPROMISE?"

(Reading Question) "WHAT DO YOU MEAN BY 'BEING SUCCESSFUL' IN VIETNAM?"

(Reading Question) "WILL YOU PLEASE COMMENT ON WHAT YOU THINK IS THE CURRENT CONGRESSIONAL FEELING ON PRESIDENT NIXON'S RESTATED VIETNAM POLICY.?"

(Reading Question) "DO YOU DISAGREE WITH GRIFFIN WITH REFERENCE TO THE HAYNSWORTH MATTER?"

HON. GERALD R. FORD: I knew there would be a question asking me to define what I construed to be "successful" in Vietnam. That's a very logical and proper question. I define success in Vietnam as follows: the withdrawal of the United States military forces and the replacement of the forces by the South Vietnamese so that they themselves can prevent aggression from the North or internal destruction from within. And I'm convinced that the program that's under way today will provide that opportunity.

It also means that there will be a freely elected government in South Vietnam; freely elected by the people of South Vietnam under international supervision -- if that's the only way it can be done and I suspect it is. A government that has the support of the South Vietnamese people. This is what we really want. And, according to all the information I have, it can be achieved.

Every once in a while I get into an argument with people who say that elections in South Vietnam -- and there have been many -- are not perfect. "there is corruption," they say "and some candidates are not permitted to run." I think it ought to be remembered that there has never been an election in North Vietnam; so, by any standards, South Vietnam has at least given its people a number of chances to elect individuals to their Assembly or to other public office. So, on that basis, South Vietnam is far ahead of North Vietnam.

Secondly, I get a little irritated with some of our people who get quite sanctimonious about corruption in politics in America. You know, we've had some recent history in America -- 180 years after this Nation was established -- where there has been corruption in politics. So I don't really think we're in a very

good position to talk so piously to the South Vietnamese, particularly when they're fighting for their very existence and their nation's future. I think we ought to give them a chance, a hope.

One other ingredient of success in Vietnam is a pacification program which really means that the peasant in the field has a right to the land and that he's able to sell what he produces and make a profit from it. The pacification program, the land reform program is an absolutely essential ingredient of success in Vietnam.

I will just summarize by saying this. We must have a stable, broad political structure in South Vietnam. We must have a government able to meet military challenges. We must have an economy so strengthened by the pacification program that it gives hope to the 20 million people in South Vietnam.

Now to answer the other question. Max, I am not a member of the United States Senate. Therefore I have not vote on this controversial issue of whether Judge Haynsworth should be confirmed. And I want it clearly understood, Max, that I did not seek to discuss that question here today. I would simply say this. If I were in the United States Senate, I would vote for the confirmation of Judge Haynsworth. (Applause)

MAX M. FISHER: (Reading Question) "FROM YOUR LONG EXPERIENCE AS A MEMBER OF THE SUBCOMMITTEE ON THE DEPARTMENT OF DEFENSE, ARE YOU CONCERNED ABOUT A SO-CALLED PENTAGON-INDUSTRIAL COMPLEX?"

And here's another one.

(Reading Question) "ARE WE WINNING THE BATTLE AGAINST INFLATION?"

HON. GERALD R. FORD: Well, I did serve on the Defense Subcommittee on Appropriations for 12 years and I was the senior Republican member for 6 of those 12 years. I used to spend the better part of my legislative career in Washington listening to Secretaries of Defense, Chiefs of Staff, civilian and military witnesses, so I have a little background in this area. The facts are that Congress has been tougher on the military and the producers of military hardware than the Executive branch of the government has been. Almost without exception the Congress has cut expenditures in the Pentagon below that which a President recommended, whether it was Mr. Truman, Mr. Eisenhower, Mr. Kennedy, Mr. Johnson, and probably President Nixon. On procurement, Congress has been tougher on both the uniformed personnel and on the supplier of military hardware. The Congress in the future undoubtedly will be even tougher.

I happen to believe, however, despite this pressure from the Congress and the public, that we're fortunate in America to have the high caliber of military

people that we have had and have today, protecting us through our national defense program. I also happen to believe that the suppliers of military hardware over the years have done a good job. They have done a far better job than the suppliers in any other country that I know.

The Congress has to choose the weapons system we use and the number that we buy. However we should not destroy the integrity and the prestige of military leaders in the process. Nor should we destroy the industrial organizations that have produced those weapons that have kept America free. Overall, I applaud rather than condemn both the military and the industrial leaders in our country.
(Applause)

MAX M. FISHER: The final question has two parts to it, Jerry.

(Reading Question) "DID YOU HAVE AN EASIER JOB AS MINORITY LEADER WHEN JOHNSON WAS PRESIDENT?"

(Reading Question) "AS A UNIVERSITY OF MICHIGAN ALUMNUS, HOW MANY POINTS ARE YOU GIVING OHIO STATE THIS SATURDAY?"

HON. GERALD R. FORD: Well, I had a lot less responsibility when I was the Minority Leader under a Democratic president because my function then was to try to rally our troops to defeat those programs recommended by Mr. Johnson that we thought were bad, or on the other hand to develop and get on the legislative record those programs that we thought were constructive alternatives to the programs recommended by Mr. Johnson. Starting in 1965, we made a deliberate effort to produce what we called "constructive alternatives" to the legislative recommendations of Mr. Johnson. Now, with 188 Republicans versus 245 Democrats, my problem is to find Democrats who will join us so that we can get President Nixon's legislative program through the House. Mathematically we have to have Democratic support to achieve success.

So we start with the Speaker, who is a great and good friend of mine and we go from there. If he can't help us, then we scrounge around and try to find any other Democrats who will help us. You just have to get 60-some Democrats to add to our Republican forces in order to get a majority. We do have some Republican defections at times. And so it gets a little tough.

Now, Max, I want to report to you on that last question. You're wise, kind and generous man. I want you to know that an alumnus of Ohio State, a member of the Congress of the United States, gave me 40 points today on the Ohio State-Michigan game...(Laughter)...and I'll take 40 points from you, and the sooner we

RUSSEL A. SWANEY: Thank you, Jerry. We appreciate your taking time to come out here from your busy schedule and give us this very illuminating and worthwhile discussion on what's going on in Washington. And certainly no one is better qualified to do this than you are. Mr. Fisher, we appreciate you acting as our Presiding Officer. We know that you're spending a good deal of time in Washington, too. We thank you all for coming. This meeting is adjourned.

ADJOURNMENT



Distribution - 20 Copies Mr. Ford

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AN ADDRESS BY REP. GERALD R. FORD, R-MICH.
BEFORE THE DETROIT ECONOMIC CLUB
MONDAY EVENING, NOVEMBER 17, 1969
AT DETROIT, MICHIGAN

(The meeting was opened by President Russel A, Swaney, who presented Max M. Fisher, Special Consultant to the President on Voluntary Action, Chairman, New Detroit, Inc., and Chairman of the Board, Fisher-New Center Company, as Presiding Officer.)

MAX M. FISHER: Ladies and gentlemen:

It's always a pleasure to preside at a meeting of The Economic Club of Detroit, but tonight's opportunity to introduce our guest speaker is of even more importance to me, for Jerry Ford is not only one of the most influential men in America today, but he is also a good and respected friend of mine.

Jerry is a man for whom I have the highest regard -- for his dedication, for his integrity, and for his devotion to his country. My personal judgment of Jerry Ford has been confirmed by his constituents who have sent him to Congress for two full decades. It is confirmed, too, by his colleagues in the House of Representatives who have selected him as Minority Leader. And it has been further confirmed by the President of the United States who has sought his counsel, his advice, and his leadership.

Jerry's life has been one of major accomplishments. As a lad he won top athletic honors. At The University of Michigan he was voted Most Valuable Player of the 1934 championship football team, and received the highest academic honors. Since then he has been designated as one of the "Ten Outstanding Young Men in America" by the United States Junior Chamber of Commerce.

From the time he was first elected to the House of Representatives in 1948, Gerald Ford has served on key Congressional committees. He has served on the House Public Works Committee; the Appropriations Committee; and the Select Committee on Astronautics and Space Exploration.

Jerry's legislative experiences, as well as his legal background, have given him a deep and abiding respect for the law. He believes wholeheartedly in the importance of an electorate informed about the legislative process. He believes, too, in the fullest possible participation of all citizens in the making of our laws.

Here to speak to us tonight on the subject of "Legislating for a Better America" is the Minority Leader of the United States House of Representatives, The Honorable Gerald R. Ford.

HON. GERALD R. FORD: Thank you very much, Max. Russ Swaney, distinguished guests, ladies and gentlemen:

It's a great privilege and a high honor to be here tonight. I'm deeply grateful for this opportunity to share with you my ideas on "Legislating for a



Better America."

Max, I'm always a little bit uncomfortable about being presented to a mixed audience as the Minority Leader of the House, with the inference that I'm potentially the Speaker of the House. I think all wives know who the minority leader of the house is -- a husband. On the other hand, I know very well who all husbands believe is the speaker of the house.

When I was invited by Russ Swaney to come here tonight I received a letter that went something like this:

"We have had a full program. We've had Frank Borman, Paul McCracken, General Chapman -- and now we would like to have you accept our invitation."

And it ended with this sentence:

"Up until now we've had outstanding speakers." (Laughter)

I hesitate to tell this story but Max in his introduction made an inadvertent slip. You might expect that of somebody from Ohio State ...(Laughter) ...but it reminded me of an incident that happened, Max, in the state of Ohio. A year or two ago I was asked to address a large political meeting and I was being introduced by a man who was a graduate of Ohio State, as Max is, and in the course of his introduction he inadvertently indicated that I was a graduate of Ohio State. Well, I didn't know quite how to respond, how to protect the integrity of my Alma Mater, The University of Michigan, without offending this vast audience, most of whom came from the state of Ohio. And as I came to the podium I thought of an incident involving a man who was introducing the Governor of the Virgin Islands to a large audience. This man got up before this tremendous political meeting and in the course of his introduction that went on for a long, long time he talked of the Governor's accomplishments, his achievements and of course his virtues. And then he concluded with a final sentence that went like this:

"Ladies and gentlemen, it's my privilege and pleasure to to introduce to you the Virgin of Governor's Island." (Laughter)

In my initial remarks tonight on the subject, "Legislation for a Better America," I think it's appropriate to point to the factual situation that exists. In November 1968 the American people elected a Republican president and, at the same time, left control of the Congress in the hands of the Democratic Party.

This year marked the first time since 1849 that a new Administration took office with the legislative branch -- a co-equal branch of the Federal Government -- controlled by another political party. This happens very, very seldom in the history of America. But it is the fact today. A Republican in the White House; Democrats in control of the Senate 57 to 43, and of the House of

Representatives 245 to 188.

Naturally Republicans would prefer to see the GOP control both the Executive and Legislative branches of the Federal Government. But the American people did not so decide in the 1968 election. The unusual situation therefore entails a most unusual relationship between the Legislative and the Executive branches of the government.

I might tell one story about an election that happened in 1966. Following the 1964 election we on my side of the aisle were badly outnumbered in the House of Representatives. I think the Democrats had 295 members and we had 140, which is better than 2 to 1 odds. Those were pretty tough days. But the 1966 elections were rather kind to us and we elected 59 new Republicans, which was a substantial new "class" of Congressmen. My wife Betty and I decided that it would be a good idea if we got all of these new members and their wives and our leadership and their wives together for a 3-day ^lseminar where we could talk about parliamentary problems, major issues, and, just get better acquainted. At the opening luncheon I was asked to say a few words. I looked out and there were the 59 new additions to our ranks. They were attractive, articulate and able. I must have said that I was happily clucking over this new brood of Republicans.

The luncheon broke up and we went on to our business. We had a social hour that night. I came down to an early breakfast the next morning and when I walked in somebody handed me a copy of the New York Times with a front-page story, lead-article, first sentence:

"Congressman Jerry Ford, House Republican leader, was happily clucking over his new broad." (Laughter)

I thought it was amusing that a great newspaper like the New York Times would make a simple typographical error that would somewhat change what I had said at the previous luncheon. I passed it off and kidded the New York Times Correspondent. My wife Betty came down for a late breakfast an hour or so later and some friend of mine...(Laughter)...immediately handed her a copy of the New York Times. I have yet to satisfactorily explain who that new broad is.

In the situation as we find it today, the public has to understand that when the President sends a legislative message to the Congress, he doesn't have the same relationship with the leadership in the House and Senate that he would have if the leaders were of his own political party. In a divided government, he doesn't necessarily get the reaction in the Congress that he would get otherwise.

Let me say parenthetically that I'm not being critical of the Democratic leadership. On the major issues involving the national security of the United



States, Democratic congressional leaders have stood forthrightly with the President of the United States. The American people ought to applaud the Democratic Speaker and the Democratic Majority Leader of the House, for they are acting in the finest American tradition.

But on domestic issues it is logical and proper that since there is a philosophical difference between the two major political parties there are some legislative differences between the Democrats and the Republicans.

Since January 20th of this year the President of the United States has sent approximately 40 major messages to the Congress, most of which resulted in legislative proposals.

The three major issues we as a nation face today are all related to these various messages. Those major issues fall into three categories: (1) foreign policy -- primarily the problem of Vietnam; (2) the status of our economy -- whether we can dampen down the problems of inflation without unacceptable unemployment; and (3) the problem of crime -- all the ramifications, not only enforcement of the law but eradication of the sociological causes of crime.

As I said a moment ago, most of the messages that have come from the President in one way or another have involved these three basic problems.

The President had some basic decisions to make on taking office in January of 1969. I was present at a number of meetings where the choices were pretty well sifted out.

The President could have taken those programs that have been on the statute books -- the new ones as well as the old ones -- and sought to use those legislative tools for the purpose of meeting our domestic problems. He could have simply spent more money to try to make them work. That was one choice.

Another choice was to recognize the sociological and economic problems we face at home and to seek new solutions to those problems -- new legislative tools.

The decision was made by the President -- and I think rightly so -- that instead of just taking the old programs and seeking to spend more money he would seek innovative, imaginative approaches for the decade ahead.

Before discussing domestic problems and President Nixon's new approaches to them, I would like to comment on where we may be going and what we hope to accomplish in Vietnam.

Let me say categorically that I firmly believe it is in the national interest for the United States to be successful in Vietnam. I believed that under former Presidents Kennedy and Johnson; I believe it today. I want no misunderstanding

in that regard.

At this point, I don't think it is wise for us to be critical of how we got into Vietnam. I don't think it is wise for us to analyze whether we used the right military policy the last four years in trying to find the answer to Vietnam. Those decisions were made, rightly or wrongly, and I assume with the best of intentions.

Our problem today is how we find a way to be successful in Vietnam, not only in solving that conflict with all its ramifications but at the same time maintaining the national prestige and influence of the United States world-wide -- because the generations that will follow us are as interested in what happens then as we are in what happens today.

The other day I was reading William L. Shirer's book, "The Rise and Fall of the Third Reich." There are passages in that book that ought to teach us a lesson today. The author relates how Chamberlain went to Munich in September 1938 to discuss with Hitler the dismemberment of Czechoslovakia. The purpose -- to achieve an alleged peace in Europe.

Chamberlain agreed to the dismemberment of Czechoslovakia. He came back to England and made a speech in The House of Commons declaring that we were to have peace in our time through acceptance of the terms laid down by Hitler. Amid the pandemonium that ensued in the House of Commons -- because all Britishers were anxious for peace in their time -- one man spoke out against the deal ^{made by} Chamberlain. Who was it? A lion among men, Sir Winston Churchill. His voice was drowned out. He was ignored. But history proved him right.

Today most of us would recognize that England's appeasement of Hitler in 1938 opened wide the door to what transpired in the years that followed.

As in those days preceding World War II, the Free World should heed a strong voice. Britain should have heeded the words of a Churchill rather than those of a Chamberlain. Today the United States -- and indeed the entire Free World -- should listen to the strong voice now being raised in warning. President Nixon ^{is} speaking with a strong voice in trying to solve the problem of Vietnam. Yes, trying to solve it through meaningful negotiations in Paris. We must pursue the course the President set forth in May of this year -- a fundamental 8-point plan for the negotiators to work around in trying to end the war in Vietnam, not only honorably but permanently.

We have not had a single affirmative response to the Paris negotiations and they have gone on for better than a year. But that doesn't mean we should

give up. As a matter of fact, I was listening to Dr. Kissinger, the President's top adviser, the other day at the White House, and history also tells us something here; that there is a tendency on the part of Communist negotiators to be as critical, as adamant, as mean and abusive as they can be, just when they are about to make a deal. This is what happens historically. Maybe we can learn a lesson from it.

If you look back to the early 1950's you will find Secretary of State Dulles negotiating with the Soviet Union and with our two other major allies -- France and Britain -- for the restoration of Austria. Austria had been occupied by the four major powers following World War II, and negotiations were going on between the Soviet Union and the Allies. Just prior to an agreement permitting Austria to become a sovereign nation again, ~~the Soviet Union~~ ^{it has} the Soviet Union was the most abusive they had ever been in the negotiations. Yet, there was a break and Austria was restored to sovereignty. The Allies and the Soviet Union moved out, and Austria lived again.

The same sort of thing took place at Panmunjom where negotiations went on for two years between the United Nations negotiators and the North Koreans. The abuse reached a peak. Then suddenly a settlement was reached in July of 1953.

So even though our Ambassador is abused every time he meets with the North Vietnamese in Paris we should stick it out and keep pursuing meaningful negotiations that may end in an honorable settlement of the Vietnam War.

Even if a settlement is not achieved, there is an alternative by which the United States can phase out its military responsibilities in Vietnam and phase in the combat responsibilities of the South Vietnamese. The term is "Vietnamization" of the war. It can be successful, and I think it will be successful.

It does require that we have a degree of political stability in South Vietnam. One of the most encouraging reports I have heard regarding the political situation in Vietnam has come from a former colleague of mine. Not a Republican. Not even a middle-of-the-road Democrat. But from a Democrat whose credentials are as liberal as those of any Democrat I know. Many of you here I am sure have met and know Neil Staebler. If my memory is correct, Neil ran for Mayor of Ann Arbor on the Socialist ticket in the 1930's. He has been Democratic Party Chairman in Michigan. He has been Democratic National Committeeman for Michigan. Neil Staebler went over to South Vietnam a month or so ago at his own expense. He came back and reported the following. He said: "Jerry, our country can be successful in Vietnam with a program where we are replacing our military personnel with theirs."



The most encouraging sign is that the Thieu government is really getting broad-based and has ever-increasing popular support."

We should listen to a man with Neil's experience. What he says coincides with the observations and the analysis of officials in our government today. I would simply say this. The President has a plan. It is a plan that can work. If we get a minimum of cooperation from the enemy, this plan will bring peace in Vietnam and will at the same time maintain the leadership and the prestige of the United States in the Free World. In my judgment this is the best course for us to take today, tomorrow and in the future. It would be tragic if the United States of America should accept, as Chamberlain did, an easy peace that would only lead to a broader war.

Now if I might, let me turn to some of the domestic problems that I think fit within the context of "Legislating for a Better America." Early this year it became evident that something had to be done to amend the Selective Service Act. Most people don't realize it but the draft law that has been used in the last several years for the annual induction of some two or three hundred thousand young Americans is virtually the same Selective Service Act or Draft Law used to induct most of us in World War II. It is basically the same. Most of us would recognize that the problems of maintaining a military force of 15 million men as we did in World War II are quite different from maintaining a military force like the one we have today of approximately 3,600,000. And yet the same law is affecting the lives of those who are subject to the draft.

Under present law, young men today are vulnerable to the draft for a period of 7 years, from age 19 to 26. All the experts tell us that this extended period of vulnerability is one of the principal causes of the unrest on our college campuses. And I can understand why.

The President has recommended that Congress approve -- and I'm glad to state to you that the House of Representatives two or three weeks ago approved it and now it appears the Senate will do likewise -- a change, a significant change in the Selective Service Act that makes young men vulnerable for just one year unless we were to have a major conflagration or a military engagement far broader than what we have. This in my opinion will be a first big step in trying to win our young people back to the kind of dedication to America they fundamentally feel.

I believe that as we move toward peace in Vietnam and hopefully achieve it we as a country ought also to move to a career or all-volunteer military force. It's achievable. Many people doubt it. But go back to 1959 -- four or five years

after the war in Korea -- when we had a military force of about 2,600,000. Virtually all of the young men then in the Army, Navy, Air Force and Marines were volunteers.

Once we achieve peace in Vietnam and go from the present 3,600,000 in the military to a far lower military manpower requirement, we can move to an all-volunteer military force if we are willing to pay the necessary compensation and fringe benefits.

Oh I know people have alleged that a professional army is not democratic and that therefore we should not have it. Well, for most of the years of America's history we've had a professional military force and yet democracy has thrived in America. So I give no credence to the contention that a professional army is bad for America. History has proved otherwise.

Now let me turn to a matter I suspect is of considerable interest to many of you here -- tax reform. I was talking to Walker and Max at the head table and they were curious, like many of you are, about what's going to happen. In my judgment tax reform legislation will be enacted by this Congress before January 1, 1970.

The tax reform bill approved by the House of Representatives -- some 368 pages of major changes in the Internal Revenue Code -- calls for some 37 basic revisions in the federal tax structure.

I know the proposed legislation that passed the House raised many questions, to put it mildly. But let me say this. Whether you in this audience recognize it or not, there is a tax revolt in America. I understand that revolt because over the last decade we've seen a wide variety of local taxes increase year after year; we've seen the state tax burden go up and up; and there's been virtually no relief from the federal burden. The American people, paying more each year in total taxes, naturally look to see whether there is equity in our federal tax structure. And, admittedly, there are areas where inequities exist. I might parenthetically say that what is one man's loophole is another man's thoroughly justified benefit. It's all not black and white. But nevertheless there is this groundswell of resentment on the part of the ordinary taxpayer who earns seven or eight thousand dollars a year and pays a thousand dollars in taxes. He sees some wealthy individuals who, under existing law, pay nothing. He doesn't understand it. He's disturbed. The Congress responds to the majority of its constituents. The Congress will do something about it. I hope it's as fair and equitable as we can make it, bearing in mind the wide differences of viewpoint.

The end result will be frustrating to many. It will make some people angry, as a typically independent American should be.

I might tell you a story about such an American. My wife Betty and I have a neighbor in Alexandria, Virginia, who is a high-ranking official in the Bureau of Internal Revenue. Last summer he talked to me and he said, "Jerry, have you ever noticed in the upper righthand corner of your Internal Revenue tax return there's a blank area and underneath the blank area in large black type there's an admonition: 'Please Do Not Write Here'."

I confessed I had never noticed the blank area. I had not been conscious of the admonition.

Then he smiled and said: "Jerry, you'd be surprised. After they sign their name at the bottom of the return alleging that all the facts and the figures are the truth and nothing but the truth, and after they sign that check paying Uncle Sam whatever they allegedly owe him, then literally thousands of taxpayers in typical American frustration and total American independence write in their own handwriting across the blank area: "I'll write any damned place I please."

(Laughter)

Let me discuss now another major Administration proposal -- the President's recommendation for workfare rather than welfare. This is a measure which should be approved by the Congress before adjournment in 1970. There's never been a more propitious time for a change in our welfare system. Those on the far left of the political spectrum in America agree that the system hasn't worked. It's duplicative, it's expensive. And you can find those on the far right of the political spectrum in the United States who agree that the system has not really helped to get individuals or families out of the cycle of welfare. Under the existing welfare setup, there's never been a real incentive for good people to free themselves from the dole.

And so the President has suggested that the Congress abolish the old welfare system, start from scratch and come up with a program labeled Workfare. The House Committee on Ways and Means has started hearings on the President's proposal. The principal ingredient in this White House proposal is incentive. If people on welfare are willing to seek training for jobs that do exist, or if people who are out of jobs are willing to seek training for new employment, they will be given that opportunity. And if they start to earn they will not be penalized dollar for dollar because they are supplementing their government checks. It's the incentive ingredient that's vital and important in this new approach.



No man stands taller than when he stands on his own two feet. When a man is down, he needs a hand up instead of a handout. In the final analysis, I believe the Congress will approve this legislation.

It is a new approach, an innovative, imaginative answer to a problem that has defied a solution for more than three decades.

Let us now turn to the need for affirmative action in the area of the Postal operations. I made a speech in California the other day and totally inadvertently, I spoke of the "Post Awful Department." Well, the truth is that in the existing Post Office Department we keep getting poorer service, we pay more for that service and we seem to have perpetually expanding deficits which the ordinary taxpayer finances. Unfortunately, for as long as America has existed, the Post Office Department has been rampant with partisan politics. The President has said that there will be no more politics in the Post Office Department and for that I applaud him. The President has recommended that we move away from the kind of Post Office Department we have today to one that is run by managers free and clear of any political influence. The Congress must respond in this area. Every survey that is taken indicates the American people want a new answer for a department that today has about 750,000 employees. Next to the Department of Defense, it's the largest department in the Federal Government. This is a responsibility of the Congress to all of the millions of people who use the facilities of the Post Office Department.

Another area -- crime. You are familiar with the statistics -- the crime rate increasing ten times faster than the population. The tools that we have, legislatively speaking, are inadequate to meet the challenges of organized crime, drug abuse, and the distribution of pornographic literature throughout the country.

Let me just give you quickly an observation that came out of a meeting at the White House several weeks ago on the second problem -- narcotics control. The Congress hasn't responded as rapidly as it should in this area. I don't understand why. As a consequence, the President invited the Democratic and Republican leadership to the Cabinet room one morning and he had three people there to present the problem. The first was the director of the Narcotics Bureau. He discussed the need for stronger penalties for dope peddlers: tough, mandatory, long sentences for those who prey on the weak.

The second speaker was the Secretary of Health, Education and Welfare, who pleaded for the Congress to legislate more lenient, more flexible penalties for

youths who for the first time may have bought one or more of the narcotics that are available. The Secretary of HEW was pleading for a more constructive approach to help rehabilitate these unfortunate people. He pointed out that the courts and juries need more flexibility in such cases.

The last one to speak to this group was Art Linkletter. Less than two weeks earlier he had lost his youngest child -- his 20 or 21-year-old daughter. This was the most dramatic presentation I have ever seen in my life. It took a lot of courage for a man to talk to some 20 people, including the President of the United States, about his daughter's death. He pointed out that his daughter was not a hippie, and that his was a close-knit family. He told us there, and he has since carried out the promise, that he was going to crusade in any and every way he could to arouse America to the narcotics crisis. He pleaded with the Congress to do as the Secretary of HEW had recommended. He also urged stiffer penalties for the peddlers and pushers.

Congress must respond in this area. Then it will be the responsibility of the prosecutors, the courts and the juries to act.

One final observation. We must strengthen our federal system.

As I said earlier, local taxes are rising and have risen. State costs have gone up. It would be my impression that state and local taxes have about reached the limit. Our federal tax structure is different.

As our economy grows, without even a change in the Federal tax rate, the Federal Government takes in six to eight billion dollars more a year.

Now, if we are to strengthen local and state governments -- and I happen to believe that's a necessary ingredient to maintain our governmental system -- the Administration proposes we share federal revenue with state and local governments; share this growth income that comes to the federal treasury.

I know there are some who will say, "Well, why don't you reduce federal taxes and allocate any extra amounts to the state and local communities?" Well, history tells us that in the last 10 or 20 years any extra federal revenue has gone into what we call grant-in-aid programs -- categorical grant programs.

Let me quickly tell you the history of categorical grants. Twelve years ago there were less than 100 Federal categorical grant programs. They cost about a half a billion dollars annually at the outset. Today, in this fiscal year, we have almost 500 categorical grant programs and the annual cost to the federal budget is nearly \$20 billion. Categorical grant programs have mushroomed, with all kinds of duplication and/ballooning cost to the taxpayers. The net result

is that, in the main, a federal administrator in Washington decides how you, at the local level, are going to spend the money that comes from the Federal Government to the City of Detroit.

If you look at the projections of those who believe in categorical aid, you find they anticipate there will be expenditures out of the Federal Treasury ten years from now of at least \$50 billion a year for such programs. These federal expenditures are not going to go away. You're faced with a choice of expanding categorical aid programs, with a federal bureaucrat in Washington making the basic decisions, or ~~whether~~ sending back to state and local governments a fixed percentage of gross revenue from the Federal Treasury for local people -- the people you elect in Detroit, the people you elect in Michigan -- to use as they see fit on their own list of priorities.

Now, who do you have more faith in? The people you elect in Detroit or the people that are immunized from your control -- the bureaucrats in Washington? In my opinion the choice is very simple. I put my faith in those elected officials whom you choose -- not some immunized career service individuals protected by Civil Service in Washington, D.C. You can make better decisions on priorities here, through your elected officials.

There are different kinds of priorities. The problems of San Francisco are not the same as those of Detroit. The problems in my hometown of Grand Rapids are not identical with those of Miami, Florida. And I happen to think that the people you elect and we elect have a little better appreciation of how that money should be spent.

Revenue-sharing is a basic ingredient for the growth, the perpetuation of a true federal system in America.

Let me conclude now with this. I think we recognize that the things that divide us in America -- politically and otherwise -- are not nearly as enduring as the things that unite us. It would be my observation that both Democrats and Republicans are striving together, each in their own way, to create a more perfect union. Although there are bitter debates and much controversy, I think our compact of respect for the convictions of others and our faith in the decency of others allows all Americans the luxury of rugged political competition.

As I look ahead I would ask only this. Let's all work to banish war from our shrinking world and hate from our expanding hearts.



MAX. M. FISHER: Jerry, you were marvelous. In fact, you did such a good job that you've ruined quite a few of the questions I had already picked out here for you. But there are a couple that may be interesting or controversial. Here is one.

(Reading Question) "WHAT IS YOUR OPINION OF VICE PRESIDENT AGNEW'S SPEECH ON THE MEDIA AND HIS SPEECH ABOUT COLLEGE DEMONSTRATORS?"

And here's another one that ties right in.

(Reading Question) "WHAT IS YOUR OPINION OF THE DEMONSTRATION IN WASHINGTON LAST WEEK?"

HON. GERALD R. FORD: In my honest judgment there is a small segment of the radio and television news media who have been prejudiced; prejudiced against a Democratic president; prejudiced against a Republican president. I understand this situation because we're all human beings and very few of us can hide our subjective feelings as we say something or do something. I don't mean to condemn the vast majority of the news media because I can say that in my own case, with some very limited exceptions, they've been fair and very understanding. But what they've got to understand is that when they report a factual situation they should report it factually. and when they editorialize, which they have the right to do, they should let the viewers know that they're editorializing, and not mix the two. Unfortunately in some situations there has been editorializing when theoretically a factual situation was being reported.

Let me give you my observations and comments concerning the Moratorium March in Washington last week. There were some 250,000 people there. A small number behaved badly. In the main, those who were there lived within the law. They were exercising their right of dissent, their guaranteed right of petition to their government. I was proud of the way 99 per cent of them exercised this inalienable right given them under our Constitution.

But I add this. There were those on Friday night who met at Dupont Circle, which is on Massachusetts Avenue, and sought to move heavily armed to the South Vietnamese Embassy for what our government knew would have been an attempt to destroy the South Vietnamese Embassy. Fortunately the government was prepared and they prevented it.

Then on Saturday afternoon, Mr. David Dellinger got up before this vast group of Americans -- I won't give you the record of Mr. Dellinger but you can read it -- and exhorted this group to move in and destroy the Department of Justice. And some tried in a highly organized way. Fortunately they were prevented

from carrying out their plans.

Now those who exploited the good people who were there I think ought to be condemned and prosecuted if they violated the law. This small highly organized group wasn't there for the purpose of legitimately petitioning the government; they were there to destroy our government.

MAX M. FISHER: We have a list here, Jerry, on Vietnam.

(Reading Question) "WHAT, IN YOUR OPINION, WILL DETERMINE SUCCESS IN VIETNAM: (a) MILITARY VICTORY; (b) WITHDRAWAL; (c) COMPROMISE?"

(Reading Question) "WHAT DO YOU MEAN BY 'BEING SUCCESSFUL' IN VIETNAM?"

(Reading Question) "WILL YOU PLEASE COMMENT ON WHAT YOU THINK IS THE CURRENT CONGRESSIONAL FEELING ON PRESIDENT NIXON'S RESTATED VIETNAM POLICY."

(Reading Question) "DO YOU DISAGREE WITH GRIFFIN WITH REFERENCE TO THE HAYNSWORTH MATTER?"

HON. GERALD R. FORD: I knew there would be a question asking me to define what I construed to be "successful" in Vietnam. That's a very logical and proper question. I define success in Vietnam as follows: the withdrawal of the United States military forces and the replacement of the forces by the South Vietnamese so that they themselves can prevent aggression from the North or internal destruction from within. And I'm convinced that the program that's under way today will provide that opportunity.

It also means that there will be a freely elected government in South Vietnam; freely elected by the people of South Vietnam under international supervision -- if that's the only way it can be done and I suspect it is. A government that has the support of the South Vietnamese people. This is what we really want. And, according to all the information I have, it can be achieved.

Every once in a while I get into an argument with people who say that elections in South Vietnam -- and there have been many -- are not perfect. "there is corruption," they say "and some candidates are not permitted to run." I think it ought to be remembered that there has never been an election in North Vietnam; so, by any standards, South Vietnam has at least given its people a number of chances to elect individuals to their Assembly or to other public office. So, on that basis, South Vietnam is far ahead of North Vietnam.

Secondly, I get a little irritated with some of our people who get quite sanctimonious about corruption in politics in America. You know, we've had some recent history in America -- 180 years after this Nation was established -- where there has been corruption in politics. So I don't really think we're in a very



good position to talk so piously to the South Vietnamese, particularly when they're fighting for their very existence and their nation's future. I think we ought to give them a chance, a hope.

One other ingredient of success in Vietnam is a pacification program which really means that the peasant in the field has a right to the land and that he's able to sell what he produces and make a profit from it. The pacification program, the land reform program is an absolutely essential ingredient of success in Vietnam.

I will just summarize by saying this. We must have a stable, broad political structure in South Vietnam. We must have a government able to meet military challenges. We must have an economy so strengthened by the pacification program that it gives hope to the 20 million people in South Vietnam.

Now to answer the other question. Max, I am not a member of the United States Senate. Therefore I have no vote on this controversial issue of whether Judge Haynsworth should be confirmed. And I want it clearly understood, Max, that I did not seek to discuss that question here today. I would simply say this. If I were in the United States Senate, I would vote for the confirmation of Judge Haynsworth. (Applause)

MAX M. FISHER: (Reading Question) "FROM YOUR LONG EXPERIENCE AS A MEMBER OF THE SUBCOMMITTEE ON THE DEPARTMENT OF DEFENSE, ARE YOU CONCERNED ABOUT A SO-CALLED PENTAGON-INDUSTRIAL COMPLEX?"

And here's another one.

(Reading Question) "ARE WE WINNING THE BATTLE AGAINST INFLATION?"

HON. GERALD R. FORD: Well, I did serve on the Defense Subcommittee on Appropriations for 12 years and I was the senior Republican member for 6 of those 12 years. I used to spend the better part of my legislative career in Washington listening to Secretaries of Defense, Chiefs of Staff, civilian and military witnesses, so I have a little background in this area. The facts are that Congress has been tougher on the military and the producers of military hardware than the Executive branch of the government has been. Almost without exception the Congress has cut expenditures in the Pentagon below that which a President recommended, whether it was Mr. Truman, Mr. Eisenhower, Mr. Kennedy, Mr. Johnson, and probably President Nixon. On procurement, Congress has been tougher on both the uniformed personnel and on the supplier of military hardware. The Congress in the future undoubtedly will be even tougher.

I happen to believe, however, despite this pressure from the Congress and the public, that we're fortunate in America to have the high caliber of military

people that we have had and have today, protecting us through our national defense program. I also happen to believe that the suppliers of military hardware over the years have done a good job. They have done a far better job than the suppliers in any other country that I know.

The Congress has to choose the weapons system we use and the number that we buy. However we should not destroy the integrity and the prestige of military leaders in the process. Nor should we destroy the industrial organizations that have produced those weapons that have kept America free. Overall, I applaud rather than condemn both the military and the industrial leaders in our country.
(Applause)

MAX M. FISHER: The final question has two parts to it, Jerry.

(Reading Question) "DID YOU HAVE AN EASIER JOB AS MINORITY LEADER WHEN JOHNSON WAS PRESIDENT?"

(Reading Question) "AS A UNIVERSITY OF MICHIGAN ALUMNUS, HOW MANY POINTS ARE YOU GIVING OHIO STATE THIS SATURDAY?"

HON. GERALD R. FORD: Well, I had a lot less responsibility when I was the Minority Leader under a Democratic president because my function then was to try to rally our troops to defeat those programs recommended by Mr. Johnson that we thought were bad, or on the other hand to develop and get on the legislative record those programs that we thought were constructive alternatives to the programs recommended by Mr. Johnson. Starting in 1965, we made a deliberate effort to produce what we called "constructive alternatives" to the legislative recommendations of Mr. Johnson. Now, with 188 Republicans versus 245 Democrats, my problem is to find Democrats who will join us so that we can get President Nixon's legislative program through the House. Mathematically we have to have Democratic support to achieve success.

So we start with the Speaker, who is a great and good friend of mine and we go from there. If he can't help us, then we scrounge around and try to find any other Democrats who will help us. You just have to get 60-some Democrats to add to our Republican forces in order to get a majority. We do have some Republican defections at times. And so it gets a little tough.

Now, Max, I want to report to you on that last question. You're a wise, kind and generous man. I want you to know that an alumnus of Ohio State, a member of the Congress of the United States, gave me 40 points today on the Ohio State-Michigan game...(Laughter)...and I'll take 40 points from you, and the sooner we shake on it, the better.

RUSSEL A. SWANEY: Thank you, Jerry. We appreciate your taking time to come out here from your busy schedule and give us this very illuminating and worthwhile discussion on what's going on in Washington. And certainly no one is better qualified to do this than you are. Mr. Fisher, we appreciate you acting as our Presiding Officer. We know that you're spending a good deal of time in Washington, too. We thank you all for coming. This meeting is adjourned.

A D J O U R N M E N T

