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Office of the White House Press Secretary

THE WHITE HOUSE

TEXT OF REMARKS BY THE PRESIDENT
TO BE DELIVERED TO THE
73rd ANNUAL NAVY LEAGUE CONVENTION

FAIRMONT HOTEL

I would like to discuss with you today the strength and size of our Merchant Marine and our Navy.

Both are vital to our survival as a Nation, and yet both of them face serious problems today. But the problems are not insolvable.

In the case of our Merchant Marine, I have always believed in doing everything possible to keep the American flag flying over a large, modern merchant fleet.

In the Congress, I worked long and hard to help pass the Merchant Marine Act of 1970. This important legislation initiated a Federal program to improve the international competitive position of the U. S. Merchant Marine. Through this program, contracts will have been awarded by June 30 of this year on approximately 77 ships with an average annual funding of \$284 million.

Budget requests for construction subsidies will continue at approximately the same level in 1976, despite a drastic decrease in demands for oil tankers.

Operational subsidies for U. S. Flag Ships will climb to a record high of \$316 million. Our total Federal expenditures for Federal Maritime programs in 1976 will be \$678 million as compared with \$503 million in 1974.

And I give you my word that, just as I worked for a vital American Merchant Marine in the Congress, I will continue to work for it in the White House.

And while I am on the subject of our Merchant Marine, let me add my personal congratulations to Paul Hall, the President of Seafarers' International, for the award he has received here today. This is a well-deserved tribute to a great union leader and a great American -- a man who has done as much as anyone to keep America's merchant fleet alive and well during challenging times.

Our Navy, too, has entered a time of challenge. Like the rest of our Armed Forces, its cost -- even its very purpose -- is being questioned by many serious, sincere Americans, in and out of Congress.

No doubt some of this questioning results from our long and tragic American experience in Indochina. No doubt some stems from the very understandable desire to spend money on plowshares rather than swords -- to put our resources into social programs instead of into defense.

But to keep America at peace -- to enable us to make the kind of social progress we all want -- we must keep America strong.

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One of the keys to achieving peace is a strong, modern American fleet. The Navy is still a major instrument for resolving crisis short of war. Its very presence in a troubled spot serves as a deterrent. It carries supplies, shows the flag and provides a flexible yet powerful instrument of force that can help defuse tension in an area before it deteriorates into crisis. It is a vital part of our defense establishment in peace as well as in war.

Historically speaking, this is a very appropriate date to talk about sea-power. For, if ever America learned the importance of seapower, it was on April 23, 1814--161 years ago today.

The War of 1812 was at its height and the British, backed up by their enormous navy, decided on that day in 1814 to extend a blockade along the entire American coast. The small, weak and ill-equipped American Navy could do little to stop it. The British roamed the East Coast almost at will.

By August of 1814, we had even suffered the humiliation of an enemy attack on Washington, D. C., and the burning of the White House. We had been helpless to defend our own capital city. In the century and a half since 1814, we have been taught even more about the importance of sea power.

Perhaps Teddy Roosevelt summed it up best when he said, "A good navy is not provocative of war. It is the surest guaranty of peace." Today, even more than in the past, America is dependent on seapower. This includes a strong Merchant Marine as well as Navy.

For one thing, we need free sea lanes and fast merchant ships to maintain the crucial flow of raw materials and energy to the United States. For instance, in 1974 alone, we imported more than two billion barrels of crude oil and refined products, accounting for 36 percent of our domestic consumption. Of this total, more than 90 percent was carried into this country in foreign bottoms. It is my policy to reverse this dependency on foreign oil by making America energy independent. But for now, the facts are plain:

American prosperity--perhaps even American survival--still depends on keeping the sea lanes open. And only a strong American Navy can guarantee this.

So the obvious questions are: What is the state of American seapower today? What will it be in the future?

Since 1968, the size of the Navy has been cut in half. Today, our fleet of 501 ships is the smallest since 1939--two years before Pearl Harbor. And it is still shrinking. In fact, the Navy's active fleet will be down to 490 ships--by June 30, 1976--five days before we celebrate our 200th birthday as a free and independent nation.

Fortunately, there is also a positive side to all this. Today's U. S. Navy has some tremendous assets.

Our aircraft carriers and their air groups are potent weapon systems. These forces contribute immeasurably to making our overall strike forces the best in the world.

Our nuclear powered submarines and nuclear surface ships are the finest in the world. And we have more of them than any other power.

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The United States Marine Corps is unrivaled as a combat force. And the spirit and morale of the Marines are as high as they ever were.

In fact, the entire Navy-Marine Corps team has these three vital ingredients: Combat-proven strength, dynamic leadership, and dedicated professionalism. We all owe a debt of gratitude to the Navy and Marines for their heroic efforts in evacuating Americans and a number of Cambodians from the besieged city of Phnom Penh without casualties and without a hitch. It was a professionally planned and executed maneuver, typical of what we have come to expect from our Naval forces.

I have full confidence in the new professionals of our Navy and Marine Corps. But the Navy and Marine Corps of today are the result of careful planning of the past. If both are to maintain the same high standards in the future, we must begin laying the groundwork now. And we must take into account some dramatic changes in the global balance of power. At the outset of World War Two, America had a 3,000 mile ocean barrier on our east coast, and a 10,000 mile ocean barrier on our west coast. A mighty British fleet acted as a friendly buffer, and the United States had a two-year lead time to gear up our great military production capabilities between the outbreak of war in Europe and our own entry after Pearl Harbor.

Today, we face a very different situation. Soviet Naval units now freely roam the world's seas, circumnavigating the State of Hawaii in the Pacific and operating in the Gulf of Mexico.

Let me give you a graphic example -- something that has happened within the past few days. Elements from all four fleets of the Soviet Navy have just completed global maneuvers. More than 220 Soviet ships, deployed in all the oceans of the world, participated in the exercise. More than 50 Soviet ships were deployed in the Atlantic, extending their maneuvers to the Norwegian Sea and southwest of the British Isles. Soviet reconnaissance aircraft operating from Cuba and Guinea conducted ocean surveillance over wide areas of the Atlantic. The Soviet Navy was also active in the Mediterranean, the Pacific and the Indian Ocean.

There is no doubt about it. The Soviet Union understands the importance of sea power. The Russians built up their navy while we permitted ours to shrink. And they know how to show their flag!

Unfortunately, the double blows of inflation and recession -- along with other drains on government revenues -- are occurring at precisely the time that we should be putting more funds into more ships. As a consequence, Department of Defense expenditures in the next fiscal year will represent slightly less than 6 percent of the Gross National Product -- the lowest point since the pre-Korean demobilization.

In real terms -- after adjusting for inflation -- Defense Department spending has been cut almost 40 percent since the height of the Vietnam war; it is 15 percent below the pre-Vietnam level. As a percentage of total government spending, including State and local, Defense expenditures come only to 16 percent, the lowest point since before Pearl Harbor.

As for our human resources, today only one percent of America's population is under arms. Our military manpower is actually 600,000 below the pre-Vietnam level.

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However good their intentions, those who claim that America is over-armed and over-spending on defense are dead wrong. We cannot afford to cut any further without endangering our national security. Detente and national defense are closely tied together. In fact, the foundation of detente is the military balance that exists today.

While our own military spending has been declining, others have not been idle. The Soviet Union, for example, is outspending us on defense by at least 20 percent.

As far as the Navy is concerned, the budget I have submitted to Congress requests \$3.1 billion to build 23 new ships and an additional \$2.3 billion to restore full funding to our shipbuilding account of prior years.

I deeply believe that the vast majority of our citizens want to maintain American sea, land and air forces that are second to none.

Let it never be said that our generation allowed American seapower to erode into a second class status. Let it never be said that we permitted our merchant fleet to disappear by attrition.

Only a strong America -- an America strong of will, strong of purpose -- can be an effective force for peace in the troubled modern world. And a strong Navy and Merchant Marine are essential to a strong America.

I pledge to you that I will continue to work for that kind of an America. And I ask for your help in pursuing this vital national goal.

Thank you very much.

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