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THE WHITE HOUSE

REMARKS OF THE PRESIDENT
AND
QUESTION AND ANSWER SESSION
TO THE
GOP RECEPTION GUESTS

SAN ANTONIO CIVIC CENTER

2:08 P.M. CST

THE PRESIDENT: John and Seagal Wheatley and all of you good Republicans:

I have been in San Antonio three or four hours thus far. I have been here a number of times before, but I am deeply grateful for the warm reception and the opportunity to meet many, many more wonderful people from San Antonio.

Let me say something that I feel very deeply about. It has been my privilege during the period of some 25 years in the House of Representatives to have many, many contacts with members of the Senate on both sides of the aisle, as well as a good many members of the House.

You are so fortunate from the State of Texas to have John here, John Tower, as your representative. I am deeply grateful for his strong support, and I would be most appreciative and grateful for any support ythat any of you can give me in the forthcoming race.

But, let me give you some thoughts as to what has happened in the 19 plus months that I have been privileged to be President. Let me assure you it hasn't been the easiest time. Nineteen months ago, if you will refresh your memories a bit, you will recall that we were suffering inflation of about 12 to 13 percent. We were on the brink of the worst recession for some 40 years in the history of the United States, and within a very few months after I became President unemployment soared, employment plummeted.

There were all kinds of quick fixes and various panic proposals coming from the other side of the aisle, the liberal side of the Democratic Party, to try and get us to do this or do that, to try and solve our economic problems.

The facts are, we didn't panic. We knew we had to solve inflation, and we knew that the best way to do it was to do it with a firm steady course. We knew that big Government, expensive Government was a principal cause of inflation in this country, and so we repeatedly tried to hold down the lid, as far as Congress was concerned, as they came from Capitol Hill with one bloated budget proposal after another.

John mentioned the vetoes. In 19-plus months, well, it's 47 now, I vetoed one yesterday. (Laughter) I vetoed one yesterday, that if they sustain it, it will save us \$150 million. But the more important thing, out of the 46 I vetoed, Congress has sustained 39 of them and in the process of sustaining 39, we have saved the taxpayers \$13 billion.

And I might add parenthetically, I think the Congress, either the House or Senate, will sustain the one I vetoed yesterday.

But the net result of a firm steady course that relied on the private sector taking us out of the recession instead of trying to get us out of the recession by expanding the Federal Government has proven sound.

We are now well on the road to controlling inflation. We have gone from over 12 percent inflation down to 6 percent or less per year, and it is going further downward.

At the same time, we are increasing employment, and we are decreasing unemployment. We got a report last Friday, not this Friday, that we had gained 375,000 new jobs in our economy in one month, the month of March.

The statistics showed that we had increased the total number of jobs in the last ten months by 2 million, 600 thousand and that the total employment in the month of March for the country as a whole was 86 million, 700 thousand, the most people employed in our country's history. So we are on the right road.

And we have done it with the emphasis on the private sector, which is the crux of what all of us as Republicans believe in and a good many of our conservative Democratic friends believe in.

Now, let's take a look at the world situation. When I became President, most of our allies weren't sure what our attitude would be. Our adversaries were looking to take an opportunity to perhaps exploit the situation, and so what we had to do right from the outset was to convince our allies, Japan, NATO and elsewhere that we would have a firm foreign policy and a strong military capability.

And I can assure you from my many contacts in Europe, in the Pacific and elsewhere that our allies believe America is firm and America is capable of meeting any crisis that would be thrust upon us.

And from my contacts with those adversaries that we have, I think they know that your President is a pretty good Yankee trader. (Laughter)

We haven't given up anything, and we don't intend to give anything up as far as the capability of protecting the United States is concerned.

And now one other comment. For the last six years, the Congress of the United States has cut a total of \$32 billion out of military appropriation requests. And that action by the Congress for the last six years has caused me, a year ago, to submit to the Congress the largest military budget in the history of the United States.

It was necessary to do that to reverse the trend that the Congress had forced upon the previous President and the previous Administration.

Unfortunately, last year the Congress cut that budget \$7.5 billion. So in January of this year, I submitted again the largest military budget in the history of the United States, \$112.4 billion, \$14 billion more than the bill that Congress finally sent down to the White House.

That legislation, or that appropriation -- I think Congress has finally awakened -- is needed and necessary. But let me assure you this country is militarily ready, alert, well trained, well equipped, is unsurpassed by any other power in the world today, and we are going to keep it there.

One final word, I took the oath of office and almost from the first day I decided this: I would never promise more than I could produce, and I would produce everything that I promised. And that is the crux of what this Administration believes in.

We are not going to kid anybody. We are going to call them as we see them. We are going to stand tall and strong. We are going to be honest, candid, forthright, and we are going to work like the devil for the good of this country because all of us love the liberty, love the freedom, love the system. It's the greatest country in the history of mankind. We are proud to be an American, and we are proud of America. Thank you.

This young lady has a question.

QUESTION: Yes, sir. I have a problem. There is money coming from your office to fund something in San Antonio that many people are very unhappy about. We need your help, sir. That is funding for the homosexual conference.

THE PRESIDENT: It is my understanding that an organization here was awarded by the National Endowment of Humanities to the extent of \$5,000. We are looking into it. We understand -- I can't give you a firm answer today -- we are looking into it. We understand there are allegations in the application that was made that there were some misstatements made. Whether that is true or not, I can't honestly tell you here this morning.

I can only assure you that if there were misstatements made to justify the award, appropriate action will be taken.

Yes, sir.

QUESTION: Mr. President, please do not give away the Panama Canal. (Laughter)

THE PRESIDENT: Sir, I don't think you have to worry about that. (Laughter) The United States, as far as I am concerned, will never give up its defense responsibilities and capability. It will never give up the rights of navigation and so forth. You just don't have to worry.

QUESTION: Thank you very much.

QUESTION: Thank you for recognizing me. Will big John Connally be your Vice President? (Laughter)

THE PRESIDENT: Some very attractive lady said, no, make it Anne Armstrong.(Laughter) Well, Anne has a big job, you know. We accept Anne over to be the first U. S. Ambassador to Great Britain in the history of the United States, and I think from what I hear, she is wooing them over there. (Laughter)

Let me say we have a number of outstanding, potential Republican candidates for Vice President. We have some from the Congress. We have some governors, we have some former governor and certainly John Connally has some outstanding qualifications, having served as Governor of this State for six years, he was Secretary of the Navy, Secretary of the Treasury, he is an outstanding person, but I think it is premature to make any comment. In the first place, I have to get nominated myself. (Laughter)

Page 5 QUESTION: President Ford, are you taking credit for all of the savings, the \$13 billion, is that plus interest or including interest? THE PRESIDENT: That is money that we didn't spend because those vetoes were sustained. If we didn't spend it, we are saving not only the cash, but the interest that would have had to be paid if we had to borrow more. We are going to keep on vetoing, vetoing and vetoing because that is the only way we can teach that irresponsible Congress, or a majority of it. going in Italy, how will that affect our NATO relationship?

QUESTION: Mr. President, if the Communist Party keeps

THE PRESIDENT: I have said, not only while in the United States, but I have spoken very directly to the top people in NATO coming from the 15 NATO nations, that any communist government would thoroughly undercut, undermind the aims and objectives of NATO and, if there is a communist government in any one of the NATO countries, I think it would have a seriously adverse impact on the justification and the reason for NATO.

I can only say with emphasis, we vigorously oppose any government in NATO that would have a communist head or control vigoroulsy.

QUESTION: Mr. President, I happened to turn my television set on yesterday just in time to hear Mr. Humphrey talking. He referred to your football playing days and talked about you seeing the world upside down. He is a very gracious fellow, but I think if he had been sitting in that hot seat for the 19 months you have been in it, I think the world would be upside down. (Laughter)

THE PRESIDENT: I am going to recruit you as a speech writer. (Laughter)

QUESTION: Mr. President, would you initial your protrai for me?

THE PRESIDENT: I tell you what, there are 400 people here?

QUESTION: I won't tell anybody. (Laughter)

THE PRESIDENT: We will try and do it, but if I do it for one, I have an obligation to do it for everybody, but if no one else will ask me -- (Laughter) -- or the other alternative is to send it to the White House, and we will sign it there and get it back to you. Let's see how we do it.

Yes, Ma'am.

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QUESTION: Give our love to Betty. (Laughter)

THE PRESIDENT: I will. She did very well not only for herself but the Ford family last night. I was very proud of her, and she is coming to Texas next week, I guess. You know she campaigns hard for me, trying to get my votes up to her polls. (Laughter)

QUESTION: The foster grandparents attended a White House conference, and I was a member of the National Conference on Aging.

THE PRESIDENT: The foster grandparent children is one of the outstanding programs, and it costs relatively little, and it calls on the great talent and the experience of grand-mothers and grandfathers who go to disadvantaged homes primarily and help with the care and the upbringing of these unfortunate children, and I congratulate you, it is an outstanding program.

THE PRESS: Thank you.

END (AT 2:24 P.M. CST)