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MAY 2, 1976

OFFICE OF THE WHITE HOUSE PRESS SECRETARY
(Fort Wayne, Indiana)

THE WHITE HOUSE

REMARKS OF THE PRESIDENT
AND
QUESTION AND ANSWER SESSION

ALLEN COUNTY WAR MEMORIAL COLISEUM

8:08 P.M. EST

THE PRESIDENT: Bob Orr, Ambassador Ross Adair, Mayor Bob Armstrong, Jerry Heller, Reverend Clergy, distinguished guests, ladies and gentlemen:

It is great to be back in Indiana where the only thing taller than corn is the basketball players.
(Laughter)

I think it was an outstanding display of neighborliness when the University of Michigan had the most defeats -- 30-0 -- and Indiana became the top college basketball team in the Nation.

This great area of the Middle West is oriented toward the business of agriculture in both the production of farm products and the manufacture of farm equipment and supplies.

It is important that you know where I stand on farm policies that affect so many of you. I want you to know what I am for and what I am against.

I am against policies that would have farmers producing grain for Government storage bins and a Government check. I am strongly opposed to subsidized imports from foreign lands. I don't want our American farmers competing against the treasuries of foreign governments, and I don't want American grain used as a pawn in international relations.

America is the greatest agricultural power in the world and agriculture is an all-important element in determining the shape of America's future. I want to make sure that agriculture and the businesses dependent on it receive their full share of America's increasing prosperity.

Let me tell you of a specific proposal that affects the family farm and affects the small businessmen of this country. I have recommended to the Congress that we increase the estate tax exemption from \$60,000 to \$150,000. I furthermore propose that we extend the time of payments of whatever the estate taxes may be for a period of 25 years.

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The aim and objective of this proviso, this change in our Internal Revenue Code is to make sure, to make positive that we preserve the family farm concept and that we preserve small business.

I think most of you know, from what I have said, how deeply I feel about American agriculture. And let me say that the programs and policies that we are implementing and that we are executing are in no small measure due to our Secretary of Agriculture, Earl Butz.

I will be forever grateful to the State of Indiana for lending me one of your native sons to help run the Department of Agriculture and all related agricultural policies. I believe very strongly that Earl Butz is one of the finest Secretaries of Agriculture our country has ever had.

Under the leadership of this Administration and Secretary Butz, we have made solid gains in agriculture. The last three years have registered the highest net farm income in America's history.

American farmers have been relieved of heavy and costly burdens of Government intervention. They have been given new freedom to meet the challenge of the open market and have been rewarded for it.

Not only is farm income improving, but business is improving -- employment is going up and inflation is going down. We have succeeded in stalling the vicious upward spiral in the cost of living.

The Department of Commerce figures for the first quarter of 1976 -- that is, January, February and March -- show an annual rate of increase in the Consumer Price Index of less than 3 percent. That is a reduction of 75 percent from the double-digit inflation that we had when I was sworn-in as President in August of 1974. We did this because we had the right policies and those policies that are strong and constructive and fundamentally sound will be continued.

Now the majority in the Congress, obviously, believe that more direct Federal intervention in our economic recovery is required to keep it going. They believe higher Federal spending on a host of social programs will stimulate a more rapid recovery and that the Government should provide jobs for everybody if private employers don't do so fast enough.

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They believe in an acceptable price for economic recovery is a new round of higher and higher and higher inflation. They believe that bigger Federal deficits are required to keep the recovery underway.

They are wrong. You know it and I know it. We will not achieve the full employment by letting the Federal Government plan and control the national economy. We will not achieve full employment by relying on the Federal Government to create hundreds and hundreds of jobs, of dead-end jobs, at the taxpayers' expense.

We have not based this recovery -- which is one of phenomenal success -- on Government quick fixes but on the solid foundation of the American private enterprise system and, as a result, we are in a far better shape economically than we were a year ago, and we are going to get better and better in the months ahead.

Speaking of these big budget-busting bills that the majority in the Congress wanted to thrust down our throat, let me cite some facts: Since I have been President, I have vetoed 48 bills. That is, I think, a record. Thirty-nine of them have been sustained by the Congress, and in the process of those vetoes we have saved the taxpayers \$13 billion.

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May I add if the Congress sends any more of these budget busting bills down to the Oval Office, they will be vetoed again and again and again. But, material progress in the United States will be of little comfort to us if millions of Americans are forced to live in a climate of fear.

I favor bringing the criminals who cause that fear to swift and certain justice. Making it easy on criminals invites crime and the certainty of punishment helps to stop it. I have no patience with those who picture the violent criminal as a helpless victim of society's neglect.

Many violent criminals are not victims of society but the enemies of society, and they should be dealt with as the public enemies that they are. Most crimes in this country are committed by a small hard core of lawbreakers, many of whom are chronic offenders. Too often these violent and habitual criminals are returned to the street without spending a day in jail, even after they are convicted of a serious crime.

This is not justice to the victims of crime or to society as a whole. I intend to see to it as far as the Federal Government is concerned that justice is done in the United States of America.

I strongly advocate mandatory minimum sentences for criminals who repeatedly commit Federal crimes that harm or endanger others. Last week I sent to the Congress legislation to require the imposition of mandatory minimum sentences for those convicted of trafficking in heroin and other similar narcotic drugs.

Sentences under this legislation would be at least for three years for the first offense and for at least six years for subsequent offenses or for selling hard drugs to minors. Parole would not be permitted.

I have recommended that the Congress reduce the criminal use of handguns by imposing mandatory sentences for crimes involving the use of a handgun or other dangerous weapons. Disarming law-abiding citizens is not the way to do it.

I am also very glad to report that the Law Enforcement Assistance Administration and the Administration on Aging last week signed an agreement to target law enforcement resources on the criminal threat to the elderly in America.

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I think the success of our law enforcement efforts can be seen in the fact that the rate of increase in crime nationwide has been cut in half during this Administration. It is still too high, but it went from 17 percent in 1974 to 9 percent in 1975.

What we are trying to do will reduce it in the future even further, and we are going to work at it. Of course, we must pursue the constitutional goal of insuring domestic tranquility with due regard for the constitutional rights of those accused.

But, the time has come to put more emphasis on the protection and safeguarding of the rights of the innocent victims of crime, and that is the watchword of this Administration.

The peace that America enjoys internationally and the progress and the prosperity that we are working for at home will profit us very little unless we insure for ourselves the most basic blessings of liberty, including the ability to walk in our own streets, raise our own families and live our own lives in safety.

We are at peace abroad for the first time in many, many years, and now we must concentrate on restoring domestic tranquility to our cities and to our suburbs. This is a task befitting our very, very best efforts during this historic year, our Bicentennial. For the wisdom of our founding fathers was that without peace there could be no true progress and without respect for the law we can have no true freedom.

Thank you very much. I am ready for the first question.

QUESTION: I am a resident of Fort Wayne. With your permission I would like to break this question into three parts for clarity, all right?

THE PRESIDENT: Sure. (Laughter)

QUESTION: According to the information that I understand from the news media, you are willing to give concessions considerably in the coming negotiations on Panama.

THE PRESIDENT: Do you want me to answer that now?

QUESTION: Well, we can go through.

THE PRESIDENT: Why don't you give me all three and I will answer them simultaneously.

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QUESTION: All right. (Laughter) Go ahead.

Recently this last week we had a man, by name, Major Wright, who had been stationed in the Canal Zone for years and for the information I got from him, I think we all got from him was the fact I think as far as South America is concerned, Brazil is the largest nation and the President of Brazil favors our continuing holding the Canal; also, that we are the buyers of 80 percent of Panama's output. Is this information correct?

THE PRESIDENT: Let me first say that I will tell you what my views are on the negotiations concerning the Panama Canal. But, I was very interested this afternoon to see my good friend -- I am sure he is a good friend of yours -- Senator Barry Goldwater on Meet the Press.

I am reading from the text of what the question was and what the answer was by Senator Goldwater. He was asked this question. "On the Panama Canal, you raised it earlier in the program, who is right on that? Whose position do you support, Ford or Reagan?"

Senator Goldwater, "I have to support Ford's position on it, and I think Reagan would, too, if he knew more about it." (Laughter)

But, to answer the second question, the nation of Brazil does not support the position of the United States holding as it is the situation down there in the Panama. As a matter of fact, the Government of Brazil is standing with the Panamanian Government, and that is also the inference here in Senator Goldwater's statement where he supports me and is opposed to Governor Reagan.

QUESTION: What do you plan to do with the Panama Canal if you are elected President? (Laughter)

THE PRESIDENT: Let me tell you what we are doing. In the first place, in 1964 there were very serious riots in Panama. Twenty-four people were killed, 20 Panamanians and four Americans, and following that riot the then President of the United States, Lyndon Johnson, undertook negotiations with the Government of Panama and those negotiations have continued under President Johnson and then under President Nixon and now under my Administration.

What we are trying to do, we are trying to establish a long, long-term treaty of about 50 years that would guarantee to the United States the right to defend, to maintain and to operate that Canal.

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All the experts that I have talked to tell me that the economic feasibility of the Canal is no longer than 50 years. In fact, it is getting less and less valuable as a means of transportation today than it was five or ten years ago. So, what we are trying to do is to make sure that during the economic lifetime of the Canal we have an absolute control over it.

Now, let me just add one other point. The people who say we should break off negotiations have to be very realistic, that if those negotiations are broken off you will find that those riots will come back, we will have not one but many, and you will inevitably have bloodshed.

Number two, you will antagonize 25 nations in South America, including Brazil, and that is about 309 million people.

In order to adequately defend the Canal if negotiations are broken off, you will find the United States, instead of having 10,000 GIs down there to defend it, you will have to have 20,000 or 30,000 and maybe they can't defend it.

Now, what we are trying to do, as Senator Goldwater says, where he agrees with me and he disagrees with Governor Reagan, we are trying to protect the economic and the military capability of that Canal as long as it is necessary in our national security.

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QUESTION: Mr. President, if I am correct, Dr. Kissinger, in Africa, stated that the Americans favor the position of the black nationalists in Rhodesia for getting control of the nation, or at least their numerical control of the Government.

What would you do if the 15,000 Cuban troops stationed in Angola intervened for the black nationalists in Rhodesia?

THE PRESIDENT: First, let me say that the orders are -- and Dr. Kissinger stated them publicly while he was in Africa -- that we would not use any military force; we would not provide any weapons for any of the nations that might try to put pressure on Rhodesia. That is a matter of firm, hard statement.

Now the question as to if 15,000 Cubans went into Rhodesia, in the first place, they have been warned that any adventurism by them will be met by appropriate action by this country. We have diplomatic, we have economic and we have military options, and whatever they do we will exercise the necessary option to make sure that they are not successful.

Now let me add one final point: The policy of this country is a policy that led to the establishment of the United States. We, as Americans, became America because of self-determination. That is how we became the United States of America. That is what we have traditionally believed in.

We have also believed in the absolute guarantee of minority rights in any country, and, furthermore, we, under no circumstances, believe that Cuba or the Soviet Union or any outside country should have the authority, the power, or the capability to interfere with internal affairs in Africa, period.

QUESTION: Mr. President, do you plan to continue to lead our country to full socialism, primarily through Social Security, with a guaranteed income and with welfare? Where are we going to stop continued taxation for these programs and let the individual plan for the portion of his own support for living, retirement and health care -- come from him?

THE PRESIDENT: Sir, if you are asking me if I am going to do away with Social Security, the answer is categorically no, and if you want to do away with Social Security, I would vigorously oppose you.

QUESTION: My point is the continuing escalation of it.

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THE PRESIDENT: Well, Social Security now pays benefits to roughly 33 million people and those people over there working years have contributed, along with their employers, to a fund from which they expect certain benefits, and the Government, in my opinion, has an obligation to see that their payments do result in the benefits that they are getting.

I think Social Security can be improved but, under no circumstances, for example, would I invest the proceeds into the stock market or would I, in any other way, interfere with the financial integrity of the Social Security Trust Fund.

Those 32 million people are expecting their benefits to come from our Government for which they made payments, and I am going to make darn sure they get them.

QUESTION: I would like your views on forced busing.

THE PRESIDENT: The question is, what are my views on forced busing?

I have consistently, for a period of 10 or more years since the first Supreme Court decision, called the Brown case -- I have said that court-ordered, forced busing is not the way to achieve quality education. There are better ways of achieving quality education, and some judges have recognized it and others have not.

Our emphasis should be on quality education and we can do it without those kind of court orders that I think have gone beyond the proper remedy.

Yes, sir?

QUESTION: I am from Portage, Michigan.

THE PRESIDENT: It is good to see a Michigander here. (Laughter)

QUESTION: Thank you.

If we return you to office, what will you do to clean up our all-American cities like Detroit, or Gary, or any cities like that?

THE PRESIDENT: Well, there are two very important programs. Number one, I would make sure that the Congress pass what is called revenue sharing, which has been in existence now for almost five years.

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I recommended a year ago that it should be extended for five and three quarter years. This takes Federal funds and gives that money to local officials such as our good mayor here, Bob Armstrong, and those people that are associated with him, or the mayors in Gary, or in Indianapolis, and that money can be utilized by local officials to solve local problems in Fort Wayne, Gary, Indianapolis, Terre Haute, Evansville, et cetera.

That is one program. It is a good program and the Congress better pass it.

Number two, I would extend what we call the Community Development Act, which is the kind of legislation and funding that in many, many cities -- I am not familiar with the facts here in Fort Wayne, but I know at Indianapolis and in Grand Rapids and in many, many other cities we have had a rebuilding of the downtown primarily as a consequence of what is called the Community Development Program.

Number three, I would urge the continuation, as I have, of what we call the Law Enforcement Administration Act, which is federally authorized programs to give Federal money to local units of government and to the States to help those cities and States enforce their laws, improve the administration of justice and to make sure, as I said in my prepared remarks, that we protect the victim and we convict and send to prison the criminal.

QUESTION: Mr. President, in Detroit there is downtown -- I am sure you have been downtown -- all the windows, everything is boarded up. I mean, like you can go on Meet the Press or something--they had a news thing on the housing in Detroit and there are people moving out, people moving in, but they are not staying because of the things that are happening.

What can you do if we put you in office to maintain living abilities in there?

THE PRESIDENT: There are two things we can do. The Federal Government can do what I have indicated to you, through revenue sharing and the Community Development Act.

The Secretary of HUD was in Detroit about two weeks ago working with the Mayor of Detroit, trying to give help and assistance to the Mayor of that city to get rid of that blighted area with the help of the Federal Government.

But there is one thing I think we all have to remember: It is the obligation of the city and its citizens and its local officials to also make a substantial contribution to the improvement of their city.

QUESTION: Mr. President, we have time for one more question.

THE PRESIDENT: One here and one over there. All right. (Laughter)

QUESTION: I am from Fort Wayne. I would like to know what your views are on education, especially for the handicapped and for all veterans?

THE PRESIDENT: The question is what is my view on the aid to the disabled, including veterans.

I think you will find that in the budget that I submitted for the next fiscal year we increased the funds for aid to the disabled. In the case of the Veteran's Administration, I submitted to the Congress the largest budget in the history of the Veteran's Administration, including the biggest budget ever submitted by a President for hospital care, which would include care for the disabled, including research on how to help the disabled in one way or another so that they can utilize what physical capabilities they have to a higher degree.

So, as far as money is concerned it is more than it has ever been made available in the past, and I hope and trust it will be productive in helping our disabled Americans, including disabled veterans.

Yes, sir?

QUESTION: I am from Fort Wayne, Indiana, and I would like to know if we are going to start spending money on military facilities in case of an emergency?

THE PRESIDENT: The question is, are we going to spend money on the military for instances of emergency, is that correct?

Well, I recommended a budget to the Congress in January of \$114 billion. That is the biggest defense budget in the history of the United States. Let me take a minute to make a point that I think is one that should be made.

When I became President, in August of 1974, I found the following: I found that the Congress, over a period of nine years, had cut the military budgets by over \$45 billion. The net result of those Congressionally imposed reductions, if we didn't do something affirmatively about it, then we could be in trouble in two years or five years.

So, in January of a year ago I recommended at that time the largest military budget in the history of the country and unfortunately the Congress last year did what they had done in the last nine years. So, this year I recommended \$114 billion, about 25.5 percent of our total Federal expenditures. This year, we have convinced the Congress that they should not reduce that budget and my new Secretary of Defense and myself can claim credit in convincing the Congress that we need more money, not less money, and they darn well better stop cutting the military budget.

QUESTION: Thank you.