"Today the United States faces a world situation unique in its history and more directly critical than heretofore... The steady growth of Soviet military power -- in its wide-ranging nuclear capacity, its massive armies, its increasingly versatile airforce, its vast missile capability and its worldwide navy -- constitute the largest military machine ever assembled by any nation in peacetime...

"The Russian thrust for expansion -- indeed, for a world hegemony -- is no secret. The Czars started it. Stalin advanced it. Khrushchev continued it. Admiral Gorshkov built his navy for it. Brezhnev, while agreeing to 'detente,' proclaimed the continuation of the ideological struggle through a global effort...

"And the Soviets have been doing just that on a world-wide basis -- through bribery, blackmail and bugging, through infiltration, subversion and political activity, through espionage, guerilla activities and through supporting so-called 'wars of liberation,' economic pressures, intimidation, and outright military intervention.

"This is the Soviet side of the coin. The obverse is that none of the independent nations nor any combination of them without the United States can counterbalance the Soviet challenge. The leadership in this task, accordingly, is squarely ours... Accordingly, while maintaining the necessary strategic nuclear balance, the United States must equip and re-equip itself with ever-new and modern arms, and pursue non-nuclear science and technology, for enhancement of its military capacity.

"The constant attacks on defense spending and other demands on the Federal budget have brought United States defense spending to its lowest percentage of the Federal budget since 1940... In the past decade, Congress has consistently cut the President's annual defense budget requests. The aggregate of these cuts is over $48 billion. While our defense spending has been cut back to pre-Pearl Harbor percentages, the Soviet Union has moved dramatically in the opposite direction. If we were to match the present level of Soviet effort here in the United States it would cost us some $144 billion a year... Since 1962, the Soviets have built four times as many ships for their Navy as we have for ours..."
"Clearly, the Congress and the nation face a critical decision. If the downward or static trend of U.S. defense expenditures of the recent past continues, the United States will be abandoning its ability to maintain its essential strength vis-a-vis the Soviet Union. President Ford has asked for a defense budget that would begin to reverse this downward trend. We must expand and modernize our military forces, enhance their capabilities and advance our military technology. We cannot afford to have the Soviet Union surpass us.

American science and technology have been in the forefront of the fabulous strides that have been made in new concepts, new systems and new products. The time has come, once again, to enlist the creativity and a fuller participation of American science and technology in a special effort to strengthen our national security. This means the imaginative development of bold new military concepts and systems. The objective is to leap-frog the conventional devices and approaches... We should supplement existing Defense Department research and development activities, and separately organize and separately fund a government effort which will harness our undoubted scientific and technological genius...

The overreaction in the Congress to the problems raised about American intelligence and covert activities following Watergate have done serious damage to our intelligence capabilities in a difficult and crucial time in our history... Clearly, it is impossible for a confidential and effective intelligence effort to function under existing and proposed Congressional limitations and procedures. It is necessary to counteract the Soviets' covert imperialism -- which they carry out world-wide through an infinite variety of methods including subversion of individuals in communications, in political, military, labor and academic life, through buying of elections, the use of military equipment and colonial troops to overthrow independent governments. To hobble our own capabilities in these fields is not only naive but could be disastrous...

Imaginative diplomacy systematically conducted can enhance our national security and help protect the freedom and independence of other nations. The progress made by President Ford and the Secretary of State toward ending hostilities in the Middle East, opening relationships with China, achieving through detente the Interim Strategic Arms Limitation Agreement with the Soviet Union, and the subsequent Vladivostok accord, are examples of such creative diplomacy.

We must always be alert for other equally imaginative and productive diplomatic initiatives. Such opportunities beckon, for example, in the development of the resources of the oceans and the underlying seabeds, the rational use of the atmosphere, space and the polar regions, and cooperative ventures with our allies in such areas as energy, raw materials, transportation, environment, food, weather information and control, and international monetary relations. The Ford Administration has addressed itself with foresight and imagination to all of these opportunities...

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"In concluding, there is one imperative for our nation's security and well-being that must be mentioned. No nation is stronger in foreign affairs than it is at home. And no nation can be strong at home without confidence in its purposes, and the energy and will to pursue those purposes with steadfastness and vigor. It is time to stop magnifying our shortcomings. It is time to take a proper pride in the very real values and to renew our faith in the strengths of our nation and our basic institutions.

"We as a people, in our values and freedom, in our respect for individual dignity, are the most successful society in every way that the world has ever known. We have every reason to be proud of our country, to have faith and belief in ourselves, to have confidence in our future. This can be the most exciting moment in our history if we but have the vision, the wisdom and the courage to grasp it."
FOLLOWING IS FULL TEXT OF SPEECH

AMERICAN SECURITY AND THE FUTURE OF FREEDOM -- History does not repeat itself. But history certainly bears repetition -- for what it may teach us. For although historical parallels are surely not precise, nevertheless, they can cast a sharp light of experience on the present, and afford a perspective for the future.

An Historical Perspective -- Some of the utterances, attitudes and actions of today may be all too reminiscent of those of some 35 to 40 years ago. It was not then talk of some "military industrial complex" that was raised as a bogeyman against military security actions, but a series of exposes of "the international munitions makers" who allegedly fomented wars and reaped the profit therefrom.

A Senate Committee conducted extensive hearings and inquiries in this vein and produced the Neutrality Act of 1935 with amendments in 1936, 1937 and 1939. This helped to stymie efforts to prepare the nation's security forces against the gathering Nazi-Fascist storm already threatening human decency, peace and freedom in Europe.

It was a period when young men took the Oxford pledge never to fight in any war -- since it was said no war was justified and "war never settled anything." It was a period when unemployment was high and the ravages of the recession had borne down heavily on America, Europe, and, indeed, the world.

It was a time when military expenditures were attacked as too expensive, and unnecessary and non-productive. It was claimed that the defense money could better be spent on social programs. American freedom and security were taken for granted. It was a period when the free world allowed its armies, its navies and its fledgling air arms to languish, while the nations with one-party dictatorships mounted enormous military programs.

It was a time when a British Prime Minister bought peace for what he called "our time" by a sell-out of Central European democracy to the Nazi Fuhrer. It was a time when Japan, Germany and Italy built new naval vessels with great striking power.

The American Navy had stagnated -- with old ships, inadequate maintenance, limited readiness, and limited personnel; it was only beginning to be rebuilt. It was a time of voluntary military service -- no required universal military training or service.

It was to be a time when, in the nation's approaching hour of dire need, the new Selective Service Act was to be extended by a margin of one vote in the House of Representatives. It was a time when the Congress tied the hands of the President by the Neutrality Act, the paucity of military appropriations and the series of sensational investigations into foreign and military affairs.

It was a time that bred the isolationism that sought to ignore, or somehow, escape the forces that were uprooting the world as though America could stay aloof, uncommitted and unaffected by the mounting hurricane that was to engulf the world in history's bloodiest war.

It was a time when two military giants -- the Nazi and the Soviet -- were considered to be implacable enemies and thus to provide by their ideological antagonism a kind of security for the free world, only to find the Nazi-Soviet Pact launching the destruction of Poland and the onset of a carnage that ended some six years later.

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There are disturbing parallels to today's situation -- but they need not forecast the future. President Ford has recognized these dangers. There are encouraging signs of the Congress facing up to the situation. If we as a nation but have the will -- and act in time -- there is no need for us or the world to go through what we did before.

The successful defeat of the Axis powers in World War II and the following 30 years of American leadership have helped bring more independence to more peoples, greater opportunity to more individuals, and a greater economic growth, social upward movement and better living to more people than ever before in human history.

Throughout these decades, the United States has been a bastion of strength and a source of help for the independent nations of the world, the principal champion and shield for freedom and freedom-loving peoples of the world.

The credit surely is not all ours, by any means. But a fair share of the credit clearly belongs to America for its leadership in science, technology, management, the free labor movement, and agriculture, and for America's willingness to share these through gifts as well as trade and commerce with much of the rest of the world.

All of our Presidents since World War II have been identified with these causes. President Ford has carried on these efforts in the trying times of our Constitutional crisis, recession, and inflation at home, as well as turmoil abroad.

Today's Situation -- Today the United States faces a world situation unique in its history and more directly critical than heretofore. America's geographic isolation has disappeared with the advance of modern science and technology. There are no buffers today comparable to the British and French naval and military forces of yesteryear. The United States, instead, finds itself on the front lines throughout the world.

The steady growth of Soviet military power -- in its wide-ranging nuclear capacity, its massive armies, its increasingly versatile airforce, its vast missile capability and its worldwide navy -- constitute a formidable and growing challenge. And to this is now being added a new dimension of sophisticated satellites and sensors, with a diverse range of missions. The Soviet military effort is backed by a major military-industrial complex with priority call on manpower and resources. It can draw not only material resources from the Soviet bloc but in addition, as Angola has shown, it can draw on colonial troops now as well.

The Russian thrust for expansion -- indeed, for a world hegemony -- is no secret. The Czars started it. Stalin advanced it. Khrushchev continued it. Admiral Gorshkov built his navy for it. Brezhnev, while agreeing to "detente", reasserted it. Brezhnev proclaimed the continuation of the ideological struggle through a global effort.
And the Soviets have been doing just that on a worldwide basis -- through bribery, blackmail and bugging, through infiltration, subversion and political activity, through espionage and guerilla activities, and through supporting so-called "wars of liberation", economic pressures, intimidation and outright military intervention. This is the Soviet side of the coin. The obverse is that none of the independent nations nor any combination of them without the United States can counterbalance the Soviet challenge.

The leadership in this task, accordingly, is squarely ours. The task itself involves three major areas of effort -- none of which by itself is sufficient, but all are essential: (1) Military strength; (2) covert activities, and (3) overt actions in the realms of diplomacy, economic growth, and social progress.

1. The Military Factor

At this juncture, the United States and the Soviet Union have arrived at a rough nuclear balance. Efforts have been and are being made through existing Soviet-American agreements and the SALT talks to assure the continuation of such an equivalence and to keep either power from escalating its capabilities and developing a significant advantage that could upset the balance. The nuclear balance has given new emphasis to non-nuclear weaponry and other military technology.

The fact, of course, is that since the end of World War II there have been several wars -- and some very decisive ones, but neither side has employed nuclear weapons. Accordingly, while maintaining the necessary strategic nuclear balance, the United States must equip and re-equip itself with ever-new and modern arms, and pursue non-nuclear science and technology, for enhancement of its military capacity.

The Defense Budget -- The American defense effort can be put in perspective by a look at the United States defense budget. The constant attacks on defense spending and other demands on the Federal budget have brought United States defense spending to its lowest percentage of the Federal budget since 1940. United States defense spending today is 25 percent of the total. It was 43 percent in 1964 before the Viet Nam War. In the past decade, Congress has consistently cut the President's annual defense budget requests. The aggregate of these cuts is over $48 billion.

While our defense spending has been cut back to pre-Pearl Harbor percentages, the Soviet Union has moved dramatically in the opposite direction. If we were to match the present level of Soviet effort here in the United States, it would cost us some $144 billion a year. Estimates of the magnitude of the Soviet Union's defense effort in relation to the Soviet Union's gross national product is such that for the United States to mount a similar effort would require us to spend some $200 billion per year.

Comparative Forces US-USSR -- Leaving aside some 400,000 military security force members, the Soviet Armed Forces have risen to 4,400,000 men. The United States has 2.1 million today, down from the 3.4 million peak of the Viet Nam War.
In recent years, the Soviet Union's investment in new systems and facilities in crucial areas like research, development, testing and evaluation for military purposes has clearly exceeded ours. And the Soviet Union has developed an impressive military-industrial base that is presently out-producing the United States in most categories of military hardware. Currently, the Soviets are testing and deploying a new generation of intercontinental ballistic missiles and strategic submarine-launched missiles. Since 1962, the Soviets have built four times as many ships for their Navy as we have for ours. There is now a Soviet naval presence in all the oceans of the world.

Numbers, of course, do not tell the whole story. There are significant areas of American quantitative and qualitative superiority. The wide variety of weapons, the degree of their accuracy and sophistication, the readiness of equipment, and the skill of personnel to use it, all add variables that must be taken into account.

One must also weigh the different missions, offensive and defensive, that the Soviet and American military must encompass in judging their comparative effectiveness. Many more statistics could be added to show the growing Soviet numbers and improved quality.

Suffice it to say that the combined nuclear, naval, air, and Red Army capabilities make the Soviet a super power today. In their weapon systems, the equipment of their forces, and in their military doctrine which now stresses the offensive philosophy for a "blitzkrieg" type of war, the Soviets present a formidable challenge to us and our allies -- to all independent nations throughout the world.

Clearly, the Congress and the nation face a critical decision. If the downward or static trend of U.S. defense expenditures of the recent past continues, the United States will be abandoning its ability to maintain its essential strength vis-à-vis the Soviet Union. This means the United States would become inferior in status and capability, with all the grave portent that entails for America's own security and the fate of independent nations and freedom in the world.

President Ford has asked for a defense budget that would begin to reverse this downward trend. We must expand and modernize our military forces, enhance their capabilities and advance our military technology. We cannot afford to have the Soviet Union surpass us. We must be willing to pay the costs for this effort.

It is time, also, to involve our allies and associates in ever greater participation in this mutual defense effort -- in money, in materials, in technology, and in manpower. A greater sharing and pooling of our collective talents and resources is called for. A cohesive, positive effort, by NATO and our other allies and friends, and most importantly by the United States itself, can insure our mutual independence and freedom against any threat.

Full Utilization of Our Scientific and Technological Talents. -- As we face the challenge to our security, growth and strength as a nation, our demonstrated scientific and technological capability is one of the nation's resources to which we can look with particular confidence.
From the outset, we have been an inventive people, a nation of tinkerers, both pragmatic and creative. These natural instincts, first cultivated on the wilderness frontiers, have been continuously stimulated and rewarded by the American enterprise system.

The pace of our scientific competence and achievements accelerated as our educational institutions grew in number, quality and sophistication. They were supplemented both by the extraordinary American system of private philanthropy, and a program of government support that encouraged freedom of individual research initiatives.

The growth of scientific knowledge, and the development of our unique technological capabilities, together with their applications, have been almost unbelievable in the last decade. American science and technology have been in the forefront of the fabulous strides that have been made in new concepts, new systems and new products.

The time has come, once again, to enlist the creativity and a fuller participation of American science and technology in a special effort to strengthen our national security. This means the imaginative development of bold new military concepts and systems. The objective is to leap-frog the conventional devices and approaches.

It is imperative to recognize that neither science nor security is a static affair. For every weapon, a defense can be contrived, for every defense, technical ingenuity can devise a way to circumvent or negate it.

"That is crucial to our military strength, as it is to the vitality of the American enterprise system, is to stay sufficiently ahead of the competition in new knowledge, new applications and new products. Lead time and relative superiority are the objectives. These can be maintained only by constant and attentive emphasis on the scientific and technological bases of military strength.

To achieve this required level of emphasis, I believe we should supplement existing Defense Department research and development activities, by separately organizing and separately funding a government effort which will harness our undoubted scientific and technological genius. The present organizational structure of government is having trouble in attracting and holding enough such talent. Such an effort should be limited in time, responsive to the Commander-in-Chief, and supplemental to the existing scientific and technological efforts of the government.

2. Covert Activities

Over 2,000 years ago, a Chinese General, Sun Tzu, in his treatise on the "Art of War" said: "Those skilled in war subdue the enemy's army without battle. They capture his cities without assaulting them and overthrow his state without protracted operations." Sun Tzu's writings have had a major influence in shaping the strategic thinking and the tactics of Mao Tse-Tung and Stalin.

Intelligence and covert activities are the gray areas of international relations affecting national security. The overreaction in the Congress to the problems raised about American intelligence and covert activities following Watergate have done serious damage to our intelligence capabilities in a difficult and crucial time in our history. Other nations' foreign intelligence and covert operations have little difficulty functioning here in our democratic, open society.

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Let me quote from the 1975 Report to the President on CIA Activities Within the United States, which states: "While making large-scale use of human intelligence sources, the Communist countries also appear to have developed electronic collection of intelligence to an extraordinary degree of technology and sophistication for use in the United States and elsewhere throughout the world and we believe that these countries can monitor and record thousands of private telephone conversations."

This means that, with the aid of sophisticated equipment the Soviets can intercept and record specific telephone and teletype communications involving our defense industries, high government officials, members of the Congress and virtually anyone with secret information. Indeed, confidentiality of information is becoming increasingly difficult for the government and defense industries to maintain under the pressure of many sources -- Congressional, media, special interest groups and the like. The leaks of information have already embarrassed us as a nation on many occasions.

When all the Congressional investigations are finished and all the proposals are vented, it must be remembered that: (1) America needs to protect itself against Soviet and other espionage infiltration, sabotage and undercover intelligence activities, and at the same time, (2) America must have a means of getting foreign intelligence, analyzing it and using it for the conduct of overt foreign policy activities, and, when necessary, covert activities to protect the security of the United States and the freedom and independence of other nations.

Clearly, it is impossible for a confidential and effective intelligence effort to function under existing and proposed Congressional limitations and procedures. Over the years, U. S. intelligence and covert assistance have helped many nations maintain their freedom and independence from subversion, infiltration and military takeover by outside forces.

It is necessary to counteract the Soviets' covert imperialism, which they carry out worldwide through an infinite variety of methods including subversion of individuals in communications, in political, military, labor and academic life, through buying of elections, and the use of military equipment and colonial troops to overthrow independent governments.

To hobble our own capabilities in these fields is not only naive but could be disastrous.


The normal open day-to-day relations of the United States with the rest of the increasingly inter-dependent world covers a broad spectrum of relations. They include concerns ranging: From the routine diplomatic to bold initiatives, from trade and transport to tourism, from the economic and financial to cultural and informational, from the educational and social to the scientific and technological.

All of these areas are intimately related to the security, well-being, and opportunity of all peoples and nations. Thus, imaginative diplomacy systematically conducted can enhance our national security and help protect the freedom and independence of other nations.

But, they are all dependent upon the maintenance of a U. S. capability to preserve freedom of the seas and the sea lanes for trade and commerce.

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The progress made by President Ford and the Secretary of State toward ending hostilities in the Middle East, opening relationships with China, in achieving through detente the Interim Strategic Arms Limitation Agreement with the Soviet Union, and the subsequent Vladivostok accord, are examples of such creative diplomacy.

We must always be alert for other equally imaginative and productive diplomatic initiatives. Such opportunities beckon, for example, in the development of the resources of the oceans and the underlying seabeds, the rational use of the atmosphere, space and the polar regions, and cooperative ventures with our allies in such areas as energy, raw materials, transportation, environment, food, weather information and control, and international monetary relations.

The Ford Administration has addressed itself with foresight and imagination to all of these opportunities. There are numerous other major elements in which the Ford Administration has taken a wide range of initiatives as part of a foreign policy designed to further our national security and enlightened self-interest, such as: Fostering economic growth and social progress at home and abroad; assuring raw material supplies and freedom of the seas; working for an open world; developing a closer partnership with other independent nations; and identifying with the progress and self-realization of all peoples.

These Ford Administration initiatives have been taken through the United Nations and various regional bodies around the world. The latest is Secretary Kissinger's imaginative proposal for a multi-billion dollar development plan for the people of Africa.

Conclusion -- It is not my purpose today to review in detail the whole range of past and possible future initiatives. But in concluding, there is one imperative for our nation's security and well-being that must be mentioned. No nation is stronger in foreign affairs than it is at home. And no nation can be strong at home without confidence in its purposes, and the energy and will to pursue those purposes with steadfastness and vigor.

For this our people must understand the issues and be united in their basic goals: For a nation and world growing in its capacity to meet the needs and aspirations of people; for a nation secure and effective in its relations with the rest of the world.

America today suffers both at home and abroad from cynicism about its institutions. It is time for Americans to stop berating America. It is time to stop magnifying our shortcomings. It is time to take a proper pride in the very real values and to renew our faith in the strengths of our nation and our basic institutions.

We as a people, in our values and freedom, in our respect for individual dignity, are the most successful society in every way that the world has ever known. We have every reason to be proud of our Country, to have faith and belief in ourselves, to have confidence in our future.

This can be the most exciting moment in our history, if we but have the vision, the wisdom and the courage to grasp it.