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THE WHITE HOUSE

TEXT OF REMARKS BY THE PRESIDENT  
TO BE DELIVERED  
AT A FORUM OF THE  
SAN DIEGO CHAMBER OF COMMERCE  
AND THE  
SAN DIEGO COUNCIL OF THE NAVY LEAGUE  
EL CORTEZ CONVENTION CENTER  
SAN DIEGO, CALIFORNIA

It is a privilege to be here this afternoon in the beautiful city of San Diego speaking to the Chamber of Commerce and the Navy League. You and I have much in common. We share a belief that our free use of the seas is fundamental to our nation's economy and its security.

San Diego and the Navy have grown steadily together for over 75 years, in a very successful partnership. San Diego likes the Navy, and the Navy likes San Diego.

This afternoon let me share with you some of my thoughts on our Naval forces, describe some of the reasons for my decisions as President, and chart our direction for the future.

The oceans have always served the United States both as barriers for defense, and as avenues of commerce and influence.

Ninety-nine percent of our overseas trade moves by ship. We have two states, the Commonwealth of Puerto Rico, and the territories of Guam, Samoa and the Virgin Islands linked by sea lanes to the continental United States. Furthermore, the vast majority of our allies -- 41 of the 43 nations with whom we have security treaties -- lie overseas. Since our neighbors to the north and south are friendly, our major strategic interests -- and more general political and economic interests -- depend on maintaining our access to and control of the seas.

We and our allies must maintain our freedom to move over, across and beneath the seas. We must not only be able to protect the sea lanes. We must be able to project our power from the sea onto the land -- wherever and whenever we must -- and we must be capable of preventing our enemies from doing likewise.

When I shipped out of San Diego as a Lieutenant in October of 1943, America was on its way to becoming the strongest naval power the world had ever seen. We emerged from World War II with an overwhelming naval superiority.

In the next two decades we replaced many ships in our fleet with more modern ones. But much of it remained World War II vintage, and by the 1970's, we were forced to face the obsolescence of a large block of our ships.

When I came into office two years ago, this threat to our seapower was one of the most serious problems I faced.

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I knew we had to maintain a naval force able to counter any adversary on the seas today. At the same time, we had to lay the keels for the ships which would provide the foundation of America's combat-ready fleet into the 1980's and 90's and beyond. Our defense structure stands on four basic premises.

First, we must have the military might necessary to meet any challenge. Second, our allies and adversaries must know we have it. Third, we must have the will to use our weapons if we must, to protect our national interest. Finally, all who might consider aggression must know we have that willpower-- and respect it.

The basis for our present naval superiority is broad, and is built upon American technological skills. Our aircraft carriers are unmatched, and can bring squadrons of our newest aircraft within range of targets on land or sea. Our submarines are more advanced, and our expertise in the critical areas of amphibious warfare, anti-submarine warfare, and fleet resupply are unsurpassed.

And perhaps the single deciding factor--one of special interest to you in the Navy League--is the quality and caliber of the men and women of the Navy and Marine Corps. Their training, professionalism, and experience are unmatched. I know and I admire their dedication to duty. Both our allies and our adversaries are fully aware of our tremendous naval power.

We must commit ourselves fully to maintaining the superiority of American seapower. Ever since I became President, I have fought to reverse the dangerous trend in the Congress toward giving defense a smaller and smaller slice of our Federal budget. Between 1964 and 1974, the Congress cut fifty billion dollars from defense spending.

I fought this dangerous trend for 25 years in the Congress, for fourteen of those years in the thick of it on the Defense Appropriations Subcommittee. As President, I had the chance to take decisive action--and I took it. My budgets for fiscal years 1976 and 1977 were designed to produce a net increase in the size of our fleet. My fiscal '76 budget contained 5.4 billion dollars for navy shipbuilding. For the next fiscal year I increased that request to 6.3 billion dollars.

I budgeted for 16 new ships in our Navy--a one-fourth increase over our average shipbuilding in the previous nine years. At the same time, I saw that the new problems we faced demanded a sweeping new approach. I called for a study within the National Security Council of our long-term naval requirements and shipbuilding needs. This blueprint for our future naval requirements is not yet finished. Its tentative findings confirm, however, that we must increase our shipbuilding efforts--now.

For this reason, I recently asked for another 1.2 billion dollars over our original budget request for fiscal 1977. This will provide for the construction of five additional ships, and advance funding for a new Nimitz-class aircraft carrier, the finest afloat. The Navy needs these ships. The fact is, we cannot afford less. We must have a balanced Navy. One that can deter conflict--but one that can, if necessary, handle the full spectrum of possible conflict, from firing a warning shot across a bow--to winning an all-out war. It must be modern and it must be balanced. Such a naval force requires a major effort to build new ships, and requires that we continue to modernize our existing fleet and its arsenal. With your tremendous technological and productive capability here in California, you will continue to play a crucial role in this effort.

Through the years Southern California industry has also made enormous contributions to another vital area of our national defense--aircraft design and technology. United States aircraft--military and commercial--out-perform their counterparts throughout the world. The B-1, our newest strategic bomber, represents the ultimate in advanced aircraft design and performance.

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Here again, however, the Congress seems intent upon turning victory into defeat. After completing the most thorough test program in the history of manned flights -- now 90% complete -- after three Presidents and seven Defense Secretaries and every Congress since 1970 have certified its value and importance -- after almost 25 years since our last strategic bomber was built, the Senate has jumped up and said, "Let's wait til next February."

Well, I believe the American people will recognize the transparency of that kind of political interference with our national security needs. On November 1, I will make the final decision on whether or not to go ahead with production. The money the Senate wants to hold back would be spent only if and when the tests are completed in a satisfactory way and only if I have made the decision to go ahead with production.

I hope that the Congress will understand the folly of preventing us from being able to produce this aircraft in a timely manner. We are strong today and our allies and our adversaries know it. That is why America is at peace today. Let there be no doubt that we intend to stay strong so that we can stay at peace.

We will continue to give our soldiers, sailors, Air Force and Marines the tools to do their job. We will use our weapons if we must. We will always favor reason over force -- but we will use force if force is necessary. We will stay strong by maintaining America's total strength. That means we must keep America's economy strong.

Not long ago, America's strength was threatened -- not by a foreign adversary, but by our economic problems. Too many Americans had lost their jobs. Inflation was eating up the value of the dollar. Businessmen feared to invest, and the future looked very bleak.

There were some who lost faith in our great system. They thought that we could only get out of the recession if we bought our way out with a federal check, or by letting the government interfere in the people's business. But we didn't panic. We decided to fight this threat to America's strength with sound and steady action. We gave tax cuts to consumers, incentives to industry, and we made every effort to hold down the cost of government.

The Presidential veto is an important weapon in the fight to hold down Federal spending. The Congress knows that the President has that weapon. And the Congress knows the President has the will to use it, because I have used it 49 times to save the American taxpayers over \$13 billion.

Now we are in the full surge of recovery. Inflation has been cut in half. Since the bottom of the recession almost a year ago, we have gained 3,300,000 new jobs. More Americans are employed today than ever before in the history of our country. And America's faith and confidence in our economic system has been restored. We will maintain that confidence, and we will keep our economy strong. One way we will do that is by minimizing Federal interference in American commerce.

I believe the government can and should help individuals and businesses when it is absolutely necessary -- but most of the time, we should stand back and let the American people get on with the job.

Just as we are laying the foundation for a bigger and better Navy, so we are laying the foundation for a new prosperity in America's third century. That will be a century for individual achievement and self-fulfillment. In our next century Americans will build on all the great accomplishments of our first 200 years.

But to do that, Americans must be secure -- in their homes and on their streets -- in their jobs -- and in a peaceful world. It must be a century of security for all Americans. And that is the goal of all our efforts -- in defense, in diplomacy, and in economic stability. All our efforts in the last two years, both at home and abroad, have been laying the foundations for a peaceful and prosperous third century for the United States.

There can be no better way to honor our Bicentennial.

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