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THE WHITE HOUSE

REMARKS OF THE PRESIDENT  
AT THE  
GOP FUND-RAISER DINNER

THE ROBERT TREAT HOTEL

8:55 P.M. EDT

Ed Forsythe, may I reciprocate by thanking you for the many times that you were helpful and cooperative and for the fine leadership that you have given in the House of Representatives as the senior delegate in the New Jersey delegation.

May I also express my deep appreciation to Senator Cliff Case, who I have known both as a House Member and subsequently while I was Vice President, and now President.

Cliff, I am most grateful for your help and assistance and understanding. New Jersey is most fortunate to have you as its United States Senator.

Of course, I am delighted to see Millicent Fenwick and Matt Rinaldo here, who I learned to know in the days that I was a Member of the House, and I am grateful to them, as all of you should be grateful to them, for their contribution for good Government in representing you in the House of Representatives.

I got a bit nostalgic as I saw Bill Widdenaut, Frank Wosmer, Charlie Sandman, Joe Maricini, John Hunt, Bob Kean, former Members of the House that I served with who I know from past performance and their contributions to good Government, not only from the point of view of New Jersey, but from the point of view of the country as a whole.

We miss each and every one of you, and your contributions will never be forgotten.

We thank you very, very much.

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Of course, Web Todd represents the best in party leadership, and, Web, New Jersey should be indebted to you from our side of the aisle for what you have done and especially in giving us the kind of people, like Jack Ewing, Steve Dudziak and all the others who have worked so hard to make this party a success.

Let me say with great emphasis and the maximum of sincerity that Betty and I are delighted to be here in New Jersey, and especially in the City of Newark. Thank you very, very much.

Speaking of Newark, Mayor Ken Gibson, it is delightful to see you with us this evening. I have had the privilege over a period of time to learn of the problems that Ken has had in the City of Newark and the monumental efforts that he has made to handle those difficulties that are presented to a mayor of a city such as Newark.

I applaud your efforts to "revitalize the city. Ken, your new container ports, your commercial buildings, your educational institutions -- I think these testify to the commitment that a person is making, to make this city a great city in the history of the United States and a better place in which to live. I thank you very much.

Before discussing several national issues, which I would like to give you my views and observations on tonight, I would like to take just a minute to tell of a very important political issue that I think transcends. Whether it is Republican or Democrat, one of the key ingredients in making our country great is the existence of a two-party system.

Competition in the political arena is healthy, whether it is in the Congress of the United States or whether it is in your State Legislature, an evenly balanced legislature or a House of Representatives or a United States Senate is good.

When we compete with views, with programs, with words, we inevitably work out better answers if there is no overwhelming numerical advantage on one side of the political aisle or the other.

I understand you have a great election coming up here very soon in the State of New Jersey, and it is my understanding out of the 80 members of your Assembly, the Republican Party is, unfortunately, limited to some 14.

They are all quality, they all survived, they are doing their best, but when you have 14 out of 80, your ability to make significant contributions are very, very limited, considerably handicapped.

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What you need in the State of New Jersey is a ~~whole~~<sup>wholly</sup> competitive political situation in your Assembly, and each and every one of you have, in my judgment, an opportunity, as well as an obligation, to write that balance so that in your Assembly you will have the kind of political competition which is good for this great State.

So I urge each and every one of you to maximize your efforts, forget your inter-party differences, work together so that when the election is held this fall, you can say that you made your individual contribution to having a competitive situation in your assembly.

You have good candidates. You have good principles. You have a real challenge, and I just hope for the benefit of your great State you can elect about 27 more good Republicans in your Assembly in the State of New Jersey.

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As Cliff Case said to me the other day, the great thing about our party here in New Jersey, and frankly across the Nation, is that we have within our ranks Republicans of every ideological stripe. We have conservatives. We have moderates. We have liberals. We have all the variations from one shade to another.

I happen to think that this diversity is good, and this is what gives the Republican Party the vitality that we have had since its formation over 100 years ago.

Let me add a postscript, if I might. Unity is what gives a political party its victories, and if we are to accomplish what we have to do, whether it is in the Executive Branch or the Legislative Branch, victory gives us the tools with which to achieve those principles, from which we build and for which we stand.

I understand from every source, whether it is in one part of the political spectrum or the other, there is a growing and necessary unity in the Republican Party in the State of New Jersey, and with all the conviction that I can give, I say it must be done if we are to achieve the principles for which we stand.

I think you have to concentrate on beating Democrats, not discrediting Republicans. That is the way to win elections, and to finish second best in this league doesn't pay off very much.

What are some of the principles that I think all of us believe in, whether we are in one part of the Republican spectrum or another? Fortunately, I believe very sincerely that most Americans -- the Independents, certainly, and a good many discerning Democrats -- have the same views that we have.

They want fiscal restraint and responsibility by your Federal Government. They want unnecessary regulations, limitations removed from our free enterprise system so that the individual or collective judgment of people to make our country better for all of us can move ahead.

The heavy hand and the overwhelming burden of the Federal Government in too many instances hurts rather than helps, and so we must work together to lift this unnecessary, uneconomical, inefficient, heavy hand of the Federal Government.

But, let me say, in addition, we have an objective of making Uncle Sam live within its means, and this requires restraint and responsibility on how your Federal Government spends your money.

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I think most Americans believe that we have wasted too much. We have spent things in the wrong way, and we have to husband our resources in Washington, like you try to do it in your home or your church or your school.

If we do, it is my judgment that we can attract many, many others in our society who have the same reaction to the problems that we face and they face. You know our basic philosophy can be attributed to a great statesman of another era, and even though it was better than 100 years ago, those principles espoused by Abraham Lincoln are equally applicable today.

Let me quote from Abe Lincoln, over 100 years ago. It has a sound and responsible ring today. He said, "The legitimate objective of Government is to do for a community of people whatever they need to have done but cannot do at all or cannot do so well for themselves in their separate and individual capacities."

That is the responsibility of Government, to free the individual and to let Government take over if that individual or those associated with him cannot accomplish it for the common good.

Let me take, for just a moment, a specific issue that we face in this country today -- the problem of energy -- which demands Federal action, basically, if we are to solve the problem.

If we are to deal effectively with this problem, we must act with boldness and with a truly national commitment. More than nine months ago, I sent to the Congress legislation to start this Nation on the road to energy independence. So far, we have had a minimum amount of action and very little, if any, results.

Just last week, I proposed the establishment of an Energy Independence Authority to help finance the development of this Nation's resources and to meet our goal of energy independence in ten years or less.

Time is running out. If Congress acts on these programs that I have submitted, we will be on our way to this era of independence. This time it is not independence from foreign rule, but from foreign oil. We suffer the consequences today that when OPEC raises prices, we have no counterweapon to use.

Do you realize that in the last four years, we have had a 700 percent increase in our payments to foreign nations for the oil that we import for them, and today we are the victims that we have to use 40 percent of the oil we consume coming from overseas sources.

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When they raise oil prices, as they did 10 percent or thereabouts, we have no counter, and we won't have until we develop more and more domestic energy capability on the one hand or more effective conservation measures on the other.

Time is passing, and every day that it goes by we become more and more vulnerable. May I say the Energy Independence Authority that I have requested can help in stimulating the public, as well as private efforts to achieve energy independence for our country.

It is not our goal that Government replace private enterprise in the energy field. Far, far from it. But, it can be an active partner in this great national endeavor. The endeavor is great and as urgent as those which saw America two or three decades ago produce synthetic rubber in the heat of World War II, harness the atom with the Manhattan Project and to put the first man on the moon just a few years ago.

We must, as a Nation, have an adequate supply, a dependable resource of energy, if we are to keep our economy moving forward, producing jobs and profits so that people can live a happy and a successful life.

No national goal today in the domestic area is more important than this one. Yes, energy does mean much more than operate machines of industry or heat our homes or power our automobile. It fuels our total economy.

Energy means jobs. If we increase our energy capability or capacity, there will be more jobs for New Jersey and for every one of our States, including my State of Michigan, which is in a somewhat comparable situation to all of you in this great State.

If our domestic source, or supply continues to diminish as it is, and our dependence on high priced foreign oil increases, there will be fewer and fewer and fewer jobs and higher and higher unemployment in America.

To put it very practically, we must stop exporting American dollars and American jobs. We must keep those jobs in America, in New Jersey, in Michigan, and we must create more and more jobs in this country.

Let's talk about specifics, if we might. This State -- and it is a great State -- is one that faces a potentially serious problem in getting enough natural gas supplies for this very winter, particularly if we should happen to have a cold winter, an abnormally difficult winter.

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New Jersey gets 90 percent of its natural gas deliveries from two major pipelines. One of these pipelines will curtail supplies to Southern New Jersey by 52 percent. The other will curtail supplies to Northern New Jersey by more than 20 percent.

What do these curtailments mean for some industries? The answer is very simple. They could mean cutbacks in production, or worse, and that could mean many, many of your fellow citizens out of jobs.

Yes, I admit that because of advance planning New Jersey does have some alternative sources of energy to fall back on, like synthetic gas. Yes, with a mild winter, New Jersey could probably pull through. But, we have been very lucky for the last two winters. It wasn't as cold; the snow wasn't as bad.

Can we gamble in the future for the security of jobs in New Jersey and the Eastern Seaboard and in the United States and the variables of winter? I don't think so. We have to have a program, a source of energy. We can't tolerate a lack of effective action, affirmative action in the Congress of the United States, in legislative means and methods.

I hope and trust that the Congress will respond to give us deregulation so we can get more energy, more gas from the States that have it to the States that need it. A dependable source of natural gas for this energy source is crucial to you here in New Jersey.

Why is there a shortage? Let me be quite practical: Because the Federal Power Commission, under existing legislation, has artificially set very low prices at the wellhead for natural gas sold in international markets.

The net result has been that gas producers sell as much of their product as they can locally or inside their own borders, within their own State borders to the extent they can. They can get a better price within their State than they can by selling it to Michigan or New Jersey.

My State, and your State, are going to have less and less natural gas unless we deregulate the price at the wellhead and for transmission. I have listened to all the arguments, and I listened to them when I was a Member of the House of Representatives, but you know what is happening?

Not only do they have the capability of turning off the spigot so you won't get the gas, but in my State, because the natural gas -- which is a great source of energy for industry, for jobs in their States -- they are taking plants from Michigan and taking them to Texas and to Oklahoma and to Louisiana.

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Does that make sense? It sure doesn't.

So, I say to you, it is important, in my judgment, that we deregulate natural gas on the short-haul, as well as the long-term, so that you will have a source of supply.

You may have to pay a little more, but isn't it better to have it and to have jobs and to have income and to have industry than to end up with your plants closed, and the door, with a big sign on it saying, "I am sorry, we don't have the energy." That is what it could be.

We don't want that. We want jobs and industry because we have the sources of energy.

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Now let me speak for a moment, if I might, about another matter. If we are going to keep our economy going, we have to have energy. If we are going to keep peace in the world, if the United States is going to be a power for peace, it has to be strong militarily.

The United States, ever since the end of World War II has done a magnificent job of trying to work through the United Nations, through bilateral negotiations, through extra third-party efforts to not only achieve peace, but to maintain it. And we have been extremely helpful. We have had some disappointments. We have not entirely been successful, but basically, if you travel around the world today you find that the United States is respected, they know we have no ulterior motives, they know we have no designs on people or territory, they know that the good American people are anxious to solve problems and to make it a better world for everybody.

We have the right motives, but we also, over the years, have had sufficient military power so that we are respected as a Nation that can maintain the peace if we are challenged by those that would seek to seize some country or some nation by affirmative, aggressive action.

In January of this year, I submitted a military budget which, on the basis of the total expenditures by the Federal Government, was the lowest percentage for the last 30 years. Out of the total expenditures of your Federal Government, the budget that I submitted for the Army, the Navy, the Air Force, the Marines was 27 percent out of all the money we spend, and the expenditures for domestic programs for people for cities was about 44 percent.

Five years ago the percentages were just about reversed, about 40 some percent for the military, and roughly 28 or 29 percent for domestic programs. So we have been putting a greater and greater emphasis out of our total resources in recent years for people, for cities, for States, for programs, and we have been cutting back a percentage of what we utilize for our national security as we protect our own interests and seek to help others as they are challenged throughout the world.

Now I don't say the Army and the Navy and the Air Force and the Marines spend every penny the most economically and the most efficiently, but as I look around the room, I bet a good percentage of the people and men in this room served in one or more of the services. We know basically we should be very proud of our Armed Forces because they have done a great job.

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And they have a responsibility for all of us to maintain the peace, and they will if we give them the resources to do the job. We cannot slash the appropriations and cut their programs and limit their weapons systems if we expect them to do a job.

You know it never pays off to be second best in any military conflict I have ever read about or participated in. That is about the worst experience for a country or for a service. And if I have to err, I would rather err on being a little more generous rather than seeking to destroy their capability.

I am disturbed, for example, that the House of Representatives this last week cut roughly \$7 billion to \$9 billion in our defense appropriation. I think they went too far. I hope the United States Senate will restore some of the reductions that were made because we cannot seek to have an influence and an impact for good, for peace in this world if we are not respected, not for aggressive action, but because they know we have the capability to insure the peace.

What we want in this world is peace. We want to help those nations less well off than ourselves. We want to make sure that there is negotiation rather than confrontation between us and those nations that have different ideologies than we do. I think we are making headway and progress, whether it is in the Middle East where Secretary Kissinger has done a superb job in achieving something that no other foreign minister could possibly have accomplished.

We are more respected and have a higher degree of respect in the United Nations than we have had for a long, long time because we are negotiating rather than confronting, and yet we are doing it with firmness and strength.

The United States has a unique opportunity to make some real headway. Yes, I happen to believe that SALT I was progress, and we should work strongly to put other limits on strategic arms between the Soviet Union and ourselves.

Detente is a policy of relaxing tensions for the good, not that it means a solution to every problem, but if we can negotiate rather than confront, and everything is a two-way street so no one gets an advantage and we slowly but successfully and constructively lead to peace, I think that is good for us at home and for the world as a whole.

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But I come back to what I said a moment ago. We must have the kind of military strength, programs, policy, people, leadership, so that we are respected.

May I simply close by saying to you that it is always an inspiration to come to New Jersey because you have a great challenge here. You have the peaks and valleys of this great State, whether it is in the State legislature, the Governor's office or the Congress. New Jersey now, not only this year with your State Assembly elections, has a tremendous challenge to make some kind of balance, but next year you have the opportunity to add to the three fine people you have in Ed and Millicent and Matt. We must have, this year and next year, a resurgence that will overcome the defeats that we took in 1974.

I have such faith in America, in its people, its policies, its dedication, conviction and what we do in the political arena is so meaningful as to what we do to help our economy or to direct our foreign policy.

So I urge you, I plead with you to make your contribution with your neighbor, your friends, your community, to make 1975 in New Jersey a bellwether for what it can be in the United States in 1976.

Thank you very much.

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(AT 9:30 P.M. EDT)