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AN ADDRESS BY REP. GERALD R. FORD, R-MICH.
REPUBLICAN LEADER, U.S. HOUSE OF REPRESENTATIVES
BEFORE THE MANUFACTURERS ASSOCIATION
AT WARREN, OHIO
6:30 P.M. MONDAY, MAY 18, 1970

FOR RELEASE AT 6:30 P.M. MONDAY

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De Toqueville put his finger on the key character trait of Americans -- their restlessness, their thirst for something better, their drive toward change, the riveting of their eyes on tomorrow.

So it has always been in this great and glorious land we call America, and so it is today.

We stand today on the threshold of great change. I am sure this is not apparent to some, perhaps even to millions of Americans. I am not speaking of the kind of changes sought by the violently revolutionary elements in our society but of changes that are being wrought within and at the instigation of what is called "The Establishment."

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I am talking about the "new ecology." I am talking about welfare reform. I am talking about population planning and population control. I am talking about giving cities and states a percentage slice of Federal income tax revenue, and of everything else that comes under the heading of "the New Federalism."

These are revolutionary changes, and they are changes which I believe are not only acquiesced in but demanded by what has come to be known as The Silent Majority.

Some of these reforms stem from the fact that we have witnessed the demise of the New Deal, as surely as if a curtain had been drawn across the spectacular drama which began with the Great Depression.

We have reached a point where Federal programs have piled upon Federal programs in a mix that constitutes a mess, duplication that has mounted to chaos, a multiplicity of Federal programs that has mayors and State officials groping for Federal help as in a maze.

We are now striving to straighten out that mess, bringing order out of chaos, cutting a direct route through the maze. We are reversing the flow of power. Far too much power has become concentrated in Washington. We are seeking to turn some of that power back to the cities and states.

This is what we call "the New Federalism." It can be found in the Administration's proposed new comprehensive Manpower Training Act, the proposed Family Assistance Act which would turn welfare into "workfare," changes in the unemployment insurance system, and a long overdue Revenue Sharing Act.

This is a fundamental change in Federal policy -- a new approach in manpower training, income maintenance, and Federal aid to cities and States with top priority to local priorities.

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The introduction of this revenue-sharing bill marked the first time in recent history that a concerted effort has been made to give states and local governments funds that will allow them effectively to live up to their commitments to their citizens.

Now, money flowing from the Federal Government to the states is being dispensed in the form of categorical grants, with the Federal Government determining how and where the funds will be spent. The legislation we are seeking would provide additional funds that states and cities could spend as they see fit.

There are those who lack confidence in the ability of states and local governments to spend money effectively or properly. But we have no farther to look than the Federal Government to see how great sums of money have been badly spent on poorly devised programs devised for questionable reasons.

A majority of Americans have lost faith in heavily centralized government. And the cause for that is not hard to find, for in the five years prior to 1969 we saw scores of new Federal programs enacted with tens of thousands of new employees added to Federal payrolls and tens of billions of dollars spent with the avowed aim of healing the Nation's grave social ills. Yet despite this massive infusion of Federally-directed programs and dollars, the problems of our cities deepened into flaming crisis.

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Earlier I mentioned manpower training in connection with the New Federalism. I did so because at present mayors control none of the Federal manpower funds that come into their cities under the Manpower Development and Training Act and the Economic Opportunity Act.

In contrast, if the Administration's new Manpower Training Act was fully implemented, the Nation's mayors would have administrative control over about three-quarters of a billion dollars in Federal funds each year.

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One of the most dramatic stories of American heroism unfolded during the Great Depression when millions of families throughout the country found some way to piece together a living.

While most Americans clung to the work ethic throughout the depression, millions were forced onto the dole. Welfare became a way of life for them and for their sons and daughters.

Today we have an opportunity to break the welfare cycle -- to make a viable truth of the principle that it pays to work.

I am speaking of the proposal now before the Congress to wipe out the scandalous welfare hangover of the depression days -- wipe it out by replacing it with the Family Assistance Program, a new plan called "workfare." The new program is called workfare because it encourages people to work.

Under the present welfare system, a poor man who is working can look across the street at a family on welfare getting more for not working.

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And as we invest in human resources through the workfare program we must also accept the expensive challenge of restoring the American environment -- cleaning up our air and water and dealing with the solid wastes that clutter up our land.

The challenge of the "new ecology," as it is called, is being taken up by government at all levels, the students in our colleges, and our forward-looking industries.

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It is a challenge that demands far more of us than putting a man on the moon, magnificent as that mission was.

It is far more difficult because it involves far more than the assembling of great brains and technology in pursuit of a clear-cut national goal. It does involve the assembling of a complex technology but it also requires coordination of effort on the part of the Federal, state and local governments.

I believe we can win the fight to save our environment. And the reason I believe it is that we now have Presidential leadership in the effort. That makes all the difference between empty rhetoric and a program that can move.

This is not a victory that can be won overnight. But I believe we can establish a bridgehead this year and achieve victory within this decade. Let me remind you that we do have a blueprint for victory in the fight to restore our environment -- a 37-point battle plan which has been laid before the Congress by the President of the United States.

This is just one bit of evidence that we are re-ordering our priorities at the Federal level. We are winding down the Vietnam War -- extricating ourselves from that tragic conflict halfway around the world -- and turning our priorities around.

Let me give you dollars-and-cents proof of the shift in our priorities. Let me point out to you that last year, as in every year since the Korean War, national defense ate up the biggest part of the Federal dollar. In the fiscal 1971 budget, by contrast, the largest share of the Federal budget goes to the civilian sector and specifically to human resources programs -- education, health, welfare, veterans needs and manpower projects.

The shift is quite dramatic. In fiscal 1969, 44 per cent of the Federal budget went to defense and 34 per cent to human resources. In fiscal 1971, nearly the reverse is true, with 41 per cent going to human resources and 37 per cent to defense.

I have talked tonight about policy changes made or sought by the Nixon Administration, about the New Directions in which this country is moving.

I would be remiss if in addressing this audience I did not comment on the policies this Administration has employed to move toward relative stability in the economy and a new era of sound economic growth.

We have employed the techniques of restraint without coercion -- a holddown in Federal spending and a tight rein on the money supply. We have refused to employ what I call economic blackmail.

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You have heard much criticism of the Administration for not reimposing price and wage guidelines, putting industry and labor into a public fishbowl and whipping the fishbowl into a froth if they engaged in wage and price actions deemed inflationary by the White House.

We know how the guidelines worked in practice. While labor ignored the wage guideline, major industry was publicly castigated for price increase announcements and government business was withheld to whip companies into line. That, I repeat, is economic blackmail and I am pleased that the Nixon Administration is having no part of it. I, for one, do not think it naive to believe that when large industrial concerns raise prices in a competitive field those price increases are caused by rising costs and shrinking profit margins. So I make no apologies for the Nixon Administration's refusal to go back to wage and price guidelines and to jawboning.

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Besides slightly loosening the curbs on the economy, we must also focus on the need to avoid the economic dislocation which would come from a nationwide strike in transportation. There is a pressing need for quick congressional action to improve our handling of national emergency labor disputes in the transport field.

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We need the will and the wisdom of the American people if we are to do all that must be done to win the victory against the forces of defeatism at home and armed aggression abroad.

Building on the past and learning from our errors, we can make America more deserving than ever of the great pride we feel in her -- more worthy than ever to serve as a model for other lands.

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