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AN ADDRESS BY REP. GERALD R. FORD, R-MICH.
REPUBLICAN LEADER, U.S. HOUSE OF REPRESENTATIVES
BEFORE THE 1971 ANNUAL CONVENTION
OF THE AUTOMOTIVE SERVICE INDUSTRY ASSOCIATION
AT THE PALMER HOUSE HOTEL, CHICAGO
3:30 P.M., MONDAY, MARCH 8, 1971

FOR RELEASE ON DELIVERY

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We all know that men must be challenged to strive mightily and to achieve lofty goals. We know that change is the essence of progress, that change requires challenge, and that challenge involves the clash of differing ideas.

This is the kind of time we are living in--a time of challenge, a time of change, a time when different ideas are colliding.

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I will talk with you today about a number of challenges--the challenge of militant Communism in the Middle East and Indochina and the search for peace; the challenge posed by the economy, where we must wrestle with the hangover from the inflationary binge of the late 1960s while making a transition from wartime to peacetime; the challenge of the environment, where astronomical sums will be needed to restore and maintain our physical environment and to assure our survival; and the challenge of governmental reform, where we must restructure the Federal government so it becomes the servant and not the master of the people.

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I speak first about the Middle East--because while it is Vietnam which has torn this Nation apart and ravaged its soul it is in the Middle East that the danger of World War III is the greatest. It is there that we have most to fear a head-on collision with the other nuclear super-power, the Soviet Union.

We work ceaselessly for peace in the Middle East, but all the time we are aware that the Soviet Union has arrogantly and flagrantly embarked on a drive to turn the Mediterranean into a red sea, undermine the southern flank of NATO, and expand Russian influence across Africa from the Indian Ocean to the South Atlantic.

If we were to allow the Soviet Union to crush Israel indirectly, through the weapons the Soviets have placed in Egyptian hands, this would mean the end of hope for all free nations of the Mediterranean and even western Europe. It would give the Soviet Union dominance throughout the Middle East--throughout the entire Mediterranean area. We will not let that happen.

The situation in the Middle East is most complex. There will be no settlement until both sides are prepared to make some sacrifices.

The Administration last August put forward the initiative which resulted in a cease-fire and now the Jarring Talks. Some progress has been made through indirect negotiations. There are indications that the Jarring Talks will continue. This gives us reason to hope.

There are those who are inclined to condemn the Israelis for refusing to pull back to their prewar boundaries. Personally, in view of past history, I find Israel's attitude completely understandable. A nation which is confronted by hostile powers backed by the military might of the Soviet Union cannot be blamed for seeking secure and defensible borders.

While we seek to achieve a settlement of the Middle East conflict, we continue to resist Communist aggression in Southeast Asia and to work for peace in that war-torn region of the world.

Some critics charge that President Nixon has widened the Vietnam War. This is a fiction. It is North Vietnam which made the Vietnam War an Indochina War--by using Laos and Cambodia as supply and staging areas for attacks on South Vietnam.

The Vietnam War is a political war, but this does not mean that the Allied Forces should ignore sound military policy.

Sound military policy dictated that the South Vietnamese move into Cambodia and Laos, seek to disrupt the Communists' supply lines and hit the enemy in sanctuaries used to launch attacks against South Vietnam.

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I also support the Laotian incursion. If it is successful--and I believe it will be despite the tough going--great benefits will flow from it.

At a minimum, effective disruption of enemy supply lines in Laos will prevent major enemy attacks on South Vietnam for six months to a year. Meantime, U.S. withdrawals from South Vietnam will be accelerated in time and number.

We have drawn our forces in Vietnam down from an authorized strength of 549,500 men to 326,000--and we will be down to 284,000 men by May 1. In April, the President will have an option to announce further withdrawals.

Our goal in Vietnam is to make it possible for the South Vietnamese to determine their own future. With the incursions into Cambodia and Laos and continued progress in Vietnamization, we have moved considerably closer to that goal. Prospects are good that we will achieve it.

Anyone who wants to see the South Vietnamese government gain the upper hand against the Communists cannot help but be heartened by the incursions into Cambodia and Laos.

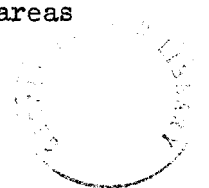
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The North Vietnamese had seized a corridor of land extending all the way from the northern Panhandle of Laos through the Ho Chi Minh Trail and along the border with South Vietnam and Cambodia, all the way to the sea. From this sanctuary area the enemy mounted his attacks against South Vietnam and against U.S. forces.

Following the Cambodian cross-border operations last spring, this sanctuary area was cleaned out along the South Vietnamese border, and the new government of Lon Nol in Cambodia shut off the use of Sihanoukville port so that the enemy found himself totally dependent on the supplies coming down the Ho Chi Minh Trail.

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If the Laotian operation succeeds, it is reasonable to assume that the South Vietnamese can stand up against the Communist threat when the military burden is turned over to them completely. I look forward to saluting an independent and viable South Vietnam.

Our withdrawal from South Vietnam has, of course, had a tremendous impact on our economy. And at the same time that we have reduced Defense Department personnel by 750,000 and cut Vietnam War spending in half, we have deliberately cooled off the rest of the economy to bring inflation under control.

Now we must stimulate the economy while continuing to fight inflation. We are doing exactly that.

We have cracked down on steel and oil price increases and on inflationary pressures in the construction industry.

The President has sent the Congress a full employment budget which is obviously expansionary. The Federal Reserve Board is cooperating as far as monetary policy is concerned, although the Board cannot make any commitments.

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What we need now is an upsurge of consumer confidence to get the economy rolling.

We can rely on President Nixon's prediction that 1971 will be a good year and 1972 will be better.

I also see 1971 as a good year and 1972 as better as we step up our efforts to enhance our physical environment.

Two key organizations have been established at the Federal level to fight pollution, and both are working aggressively. One is the Environmental Protection Agency, which has taken strong action against pollution on the land, in the air and in the water. The other is the President's Council on Environmental Quality.

While 1970 was a year of progress, we must greatly improve upon what has been done. President Nixon has proposed a comprehensive program, embracing not only tough plans for air and water pollution control but the establishment of a national land use policy. His program will be implemented through 21 bills sent to Capitol Hill. It is time for the Congress to act.

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I am sure the automotive industry will do everything possible to meet automotive clean air standards by the deadlines of 1975 and 1976. At the same time, I feel sure that realities will be recognized in the event that all possible efforts fail to bring achievement of our goals by the deadlines now established.

There is a still greater challenge than restoring our environment--one that is perhaps even more difficult of attainment.

I speak of providing all of our citizens with an opportunity to participate in American society and in the shaping of governmental decisions affecting their lives.

This is a challenge which eclipses all others. It is central to our future as a Nation. It is basic to our growth as a people. It goes to our philosophy of government and touches the lives of every one of us.

The challenge is whether any man, woman or child really counts in America anymore--whether the system has become more important than the individual--whether we have all become just digits cranked into a computer operated by a faceless bureaucracy.

There is a better way--a better way to control the vast federal bureaucracy.

The answer is "Federal Revenue Sharing." It is an idea whose time has come.

I talk about it today not in a partisan vein. There are Democrats who support it, as well as some who oppose it.

Let's look at revenue sharing from the standpoint of political philosophy.

What is the conceptual basis for revenue sharing? I believe that government is best which is closest to the people.

What is the President asking? He is asking the Congress to appropriate \$5 billion to be shared by the states and cities with no strings attached. This comes under the heading of general revenue sharing. He is also asking the Congress to take about 130 categorical grant-in-aid programs, lump them together under six general purpose headings of education, urban development, rural development, transportation, job training and law enforcement and let the states and cities decide how to pursue their priorities under those broad purposes.

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flowed to the central government. This was inevitable as the nation grew. More and more of its problems became national in scope, demanding national answers.

With the advent of the New Deal, a revolution occurred. A people paralyzed by a great depression saw the Federal Government assume powers never before visualized. A crisis was at hand. Extreme measures were called for.

Today we are living through a new kind of crisis--a crisis which has so slowed the wheels of social progress as to create a new kind of paralysis, of musclebound government with too much power and money in the hands of the federal bureaucracy.

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It can be done by bringing government back to the people--by making an investment in the local political process through Federal revenue sharing. Status quo government cannot be accepted. As times change, we must reform government--so that instead of sliding further into musclebound ineffectiveness it at last can deliver the services it promises and bridge the gap between promise and performance.

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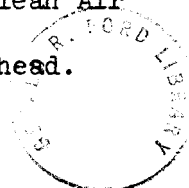
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