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EDUCATION--Overview--

"The education of our children is vital to the future of the United States. From the start, our Founding Fathers knew that ignorance and free government could not coexist. Our Nation has acted from the beginning on the sound principle that control over our schools should remain at the State and local level. Nothing could be more destructive of the diversity of thought and opinion necessary for National progress than an excess of control by the central government."

President Ford  
March 1, 1976

"Our schools are no better than we make them. They can provide a solid educational foundation for our children. They can provide a training ground for leadership development. They can offer an opportunity for expanded technical knowledge and cultural enrichment through continued education. They can become a center for community involvement. But the future our schools provide is in large measure dependent upon our involvement."

President Ford  
May 10, 1975

It is President Ford's concern, above all else, that all Americans receive a quality education.

Major Revisions of and Reform of Existing Education Programs

President Ford believes that public education is primarily a state and local responsibility. The Federal government helps, however, to assure that children with special needs, such as the handicapped and disadvantaged, receive an equal educational opportunity. President Ford has proposed four major efforts in the field of education for 1977:



- \* Consolidation of 24 categorical programs under the Financial Assistance for Elementary and Secondary Education Act into a single block grant (see below).
- \* Provision of aid to school districts facing problems in eliminating discrimination.
- \* Reform of the Impact Aid Program.
- \* Full funding of basic educational opportunity grants for all eligible undergraduate post-secondary students.

The major vehicle for reform will be the Financial Assistance for Elementary and Secondary Education Act which was submitted to the Congress in March, 1976. In addition to the major consolidation noted above, this legislation would:

- \* Bring under the block grant umbrella Titles I-V of the Elementary and Secondary Education Act of 1965, the Education of the Handicapped Act, the Vocational Educational Act of 1963, and the Adult Education Act.
- \* Continue to assure that funds are available to the States and localities prior to the start of the school year.
- \* Minimize the intrusiveness and burden of Federal regulations while continuing appropriate Federal support for education.

### The Handicapped

Funds will be allocated to States on a formula basis. Three-quarters of the Federal funds will have to be used to serve the disadvantaged and the handicapped. The remaining quarter may be spent on any program consistent with the purposes of the programs consolidated in the block grant.

### Public Participation

The Act will require state plans to be developed with full public participation. Each State will have to certify that funds (\$2.5 billion) will have been used for purposes required by the law and consistent with the State plan. Actual use of funds will be verified by an independent audit to be conducted by the State.



### Non-Discrimination, Non-Public School

The Act will also require that to receive funds the State may not discriminate against a participant on the basis of race, sex, national origin or handicapping conditions.

In addition, non-public school children will continue to be served on an equitable basis as under the program to be consolidated.

### Elementary and Secondary Education

By law and tradition, State and local governments have the responsibility for providing free and universal public education. Over time, the Federal Government has furnished increasing assistance to State and local governments to support elementary and secondary education. The Federal government today supports about 7% of the total cost of elementary and secondary education. The bulk of that support is channeled through numerous narrow categorical programs. The Federal effort has helped to assure that children with special needs receive an equal educational opportunity.

However, Federal assistance has also led to the promulgation of layers of rules and regulations and to the impositions of administrative burdens at the local level which are unrelated to the development of programs of quality education. Although Federal, State and local efforts overlap, the rules often earmark Federal funds for specified, often narrow purposes. As a result the test often becomes not whether children are helped, but whether the State or community meets the rules. As the President has noted:

"Too often we have found ourselves asking whether Federal forms have been properly filled out, not whether children have been properly educated."

### Emergency School Aid

President Ford has requested continued financial assistance to those school districts that are in the process of eliminating discrimination. Increased support will be provided for Title IV of the Civil Rights Act of 1964 which will provide greater advisory support and technical assistance to help educational institutions move toward equality of educational opportunity.

### Reform of Impact Aid Program

Recognizing that Federal activities provide an economic benefit to host communities, President Ford has proposed reform of the Impact Aid Program. These reforms would limit Federal aid to those school districts where free education is provided for children whose parents both live and work on Federal property. Since Federal property is exempt from local taxes, these families do not contribute to the cost of education as other families do, and Federal contributions are therefore fully justified. This proposal will save nearly \$285 million in 1977 and approximately \$330 million in 1978.

### Higher Education

Two principles underlie President Ford's support for the provision of Federal funds for higher education:

- \* No student should be denied access to a post-secondary education because of financial barriers. Those in need should receive grants; others with higher family incomes should be helped to borrow to meet the costs.
- \* In most cases, aid should be provided to the individuals rather than to institutions. In this way, the student -- who is the ultimate consumer in the education process -- can exercise choice, not on the basis of the aid that a school receives, but on the basis of the kind of education the student wants. Aid to institutions should be limited to carefully defined objectives or supplementary to direct student aid.

President Ford's budget for FY 77 provides \$6.3 billion for higher education, including \$4.3 billion for the G.I. Bill. This will provide assistance to approximately 2.4 million students enrolled in colleges, universities and other post-secondary institutions across the country. The budget also proposes:

- \* A request of \$1.379 billion for the Basic opportunity Grant program (with supplemental).



- \* A funding level of \$44 million for the State Student Incentive Grant program.
- \* \$400 million in subsidies for loans made under the Guaranteed Student Loan program.
- \* \$250 million for the College Work-Study program.
- \* \$110 million for the Developing Institutions program.
- \* \$60 million for Special Programs for the Disadvantaged.

#### Budget Outlays for Education

Substantial Federal educationally related expenditures are directed toward activities whose purposes are not primarily educational. The Federal Government invests in specialized education for many activities, the largest of which is defense related and the second largest is in the health field. An estimated \$8.7 billion in outlays will be provided in 1977 which indirectly benefit education, but are directed toward other purposes.

In 1977 total Federal outlays for education are estimated to be \$18.2 billion. By general category these are estimated to be:

- \* \$9.2 billion for programs whose primary purpose is education.
- \* \$4.6 billion for elementary and secondary education. This includes \$3.3 billion to be funded under the block grant program.
- \* \$3.6 billion for higher education.
- \* \$1.0 billion for adult, continuing, and other education.

### Other Actions

In other actions since taking office, President Ford, in 1974, signed H.R. 69 which extended the Elementary and Secondary Education Act, the impact aid laws, the Adult Education Act, the Bilingual Education Act, and the Indian Educational Act through Fiscal Year 1977, and the Emergency School Aid Act through Fiscal Year 1976.

Provisions of that Act:

- \* Authorized aid to States and local school districts for the education of disadvantaged students.
- \* Prohibited the use of all Federal funds (except Impact Aid) for busing activities.
- \* Established a Deputy Commissioner for a new Bureau of Handicapped.
- \* Provided financial assistance to State and local agencies to establish equal educational opportunity for children of limited English-speaking ability.
- \* Consolidated existing authorities into a new categorical grant program focusing funds on metric education, women's educational equality, consumer, gifted career, and community schools.
- \* Extended the current Adult Education Law for 4 years and established a new 15% set aside from State funds for innovative programs and teacher training.
- \* Provided 2 new Vocational Education Act categorical authorities dealing with bilingual education.
- \* Extended the Indian Education Act program for special projects for Indian education and programs for Indian children in public schools through FY 78.
- \* Authorized a new Reading Improvement Program with categorical programs for 1975-1978 to be distributed to States on school age population formula.



- \* Liberalized veterans cost of instruction payment institutional eligibility, to require only 10% of undergraduates to be veterans.
- \* Extends present Ethnic Heritage Studies program through FY 1978.

BUSING

The President has stated that he is firmly opposed to the use of court-ordered busing as a means of achieving racial balance in our schools. Nonetheless, he has repeated his intention to enforce the laws of the country and the order of the Courts as is his Constitutional duty.

The President has stated that ". . . without any hesitation or qualification. . . if the Court says something has to be done, it will be done, as far as this Administration is concerned." He is most concerned that all Americans receive a quality education.

To help alleviate some of the burden imposed by court - ordered busing, and to explore better ways to bring a quality education while upholding the law and the courts, the President has:

- \* Proposed the Desegregation Assistance Act of 1975 to target to school districts in the process of desegregation support on the basis of need.
- \* Ordered the Department of Justice and Health, Education and Welfare, to undertake an extensive review of the effect of busing.

### School Desegregation Standards and Assistance Act

In June 1976, after months of study by Administration officials and meetings by the President with large numbers of concerned groups, the President sent to Congress the School Desegregation Standards and Assistance Act.

- \* The purpose of this legislation is to maintain progress toward the orderly elimination of illegal segregation in public schools while preserving community control of schools. The legislation would set guidelines for Federal courts concerning the use of busing in school desegregation cases. It would require that courts determine the extent to which acts of unlawful discrimination have caused a greater degree of racial concentration in school or school system than would have existed otherwise and to confine the relief provided to correcting the racial imbalance caused by those unlawful acts. The legislation would also limit the duration of court-ordered busing generally to a period of no longer than five years.

In his message of transmittal, the President noted that:

- \* "First, for all of my life I have held strong personal feelings against racial discrimination. I do not believe in a segregated society. We are a people of diverse background, origins, and interests, but we are still one people--Americans--and so much we live.
- \* "Second, it is the duty of every President to enforce the law of the land. When I became President, I took an oath to preserve, protect and defend the Constitution of the United States. There must be no misunderstanding about this--I will uphold the Constitutional rights of every individual in the country. I will carry out the decisions of the Supreme Court. I will not tolerate defiance of the law.
- \* "Third, I am totally dedicated to quality education in America--and to the principle that public education is predominantly the concern of the community in which people live. Throughout the history of our Nation, the education of our children, especially at the

elementary and secondary levels, has been a community endeavor. The concept of public education is now written into our history as deeply as any tenent of American belief."





ENERGY--Overview--

Early in his Administration, President Ford said that he would not sit by and watch the Nation continue to talk about an energy crisis and do nothing about it. Nor, he said, would he accept half-way measures which failed to change the direction that has made our nation so vulnerable to foreign economic interests.

The President proposed firm, but necessary measures designed to achieve energy independence for the U.S. by 1985, and to regain our position of world leadership in energy. To accomplish this objective, President Ford recommended to the Congress the first comprehensive national energy program specifically designed to reduce dependence on foreign oil, by:

1. increasing domestic energy production;
2. promoting the conservation of scarce energy supplies; and
3. new domestic energy supplies, including fossil, nuclear, solar, and geothermal energy sources.

It was no easy task, however, to accomplish the President's goal of a comprehensive national energy policy. The diverse and sometimes competing interests of many Americans led to months of national debate. President Ford's strong leadership resulted in a solid step forward in December with his signing of the Energy Policy and Conservation Act of 1975. In signing the compromise bill, President Ford said:

"This legislation is by no means perfect. It does not provide all the essential measures that the Nation needs to achieve energy independence as quickly as I would like.

"First, this bill will enable the U.S. to meet a substantial portion of the mid-term goals for energy independence that I set forth...Second, the pricing provisions of this legislation, properly implemented, will permit the gradual phasing out of controls on domestic oil...and should give industry sufficient incentive to explore, develop, and produce new fields in the Outer Continental Shelf, Alaska, and potential new reserves in the lower 48 states...Third,...this legislation represents the most constructive bill we are likely to work out at this time...

"...On balance,...I find that this legislation is constructive and puts into place the first elements of a comprehensive energy policy."

The measure contains these important provisions:

- \* Strategic Petroleum reserves for use in emergency.
- \* Provisions for the decontrol of oil prices after 40 months.
- \* Standby energy emergency authorities to enable the President to deal with severe energy emergencies that may arise in the future.
- \* Coal conversion authorities to permit the conversion of oil and gas fired utility and industrial boilers to coal.
- \* Assistance for States in developing energy conservation programs.

President Ford took other actions to get the U.S. on the road to energy independence. The President:

- \* Signed into law an act creating the Energy Research and Development Administration, and presented a \$2.3 billion energy research and development budget for FY '76;
- \* Launched a voluntary automobile efficiency program to increase gasoline mileage, and a voluntary energy conservation program in industry;
- \* Took administrative steps to accelerate leasing of the Outer Continental Shelf to find and develop oil and gas reserves while providing, at the same time, protection for the environment;
- \* Took actions which led to reduced energy use by the Federal government;
- \* Increased international cooperation in the energy field through our support of the International Energy Agency.

The President knows that there is a great deal more to do. In his State-of-the-Union message for 1976, he said:

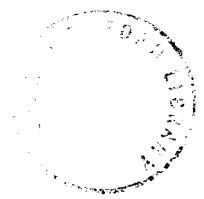
"Taking a longer look at America's future there can be neither sustained growth nor more jobs unless we continue to have an assured supply of energy to run our economy. Domestic production of oil and gas is still declining. Our dependence on foreign oil at high prices is still too great, draining jobs and dollars away from our own economy at the rate of \$125 per year for every American ....

I again urge the Congress to move ahead immediately on the remainder of my energy proposals to make America invulnerable to the foreign oil cartel..."

Other proposals which he has submitted to the Congress and which are vital to the achievement of energy independence would:

- \* Reduce domestic natural gas shortage;
- \* Allow production from national petroleum reserves;
- \* Stimulate effective conservation, including revitalization of our railroads and the expansion of our urban transportation systems;
- \* Develop more and cleaner energy from our vast coal resources;
- \* Expedite clean and safe nuclear power production;
- \* Create a new national Energy Independence Authority to stimulate vital energy investment;
- \* And accelerate development of technology to capture energy from the sun and the earth for this and future generations.

President Ford has, from the outset of his Administration, shown strong leadership in setting the nation's energy policy, to finally enter the road to energy independence.







ENVIRONMENT-- Overview --

President Ford is deeply committed to achieving a balance between the needs of the environment and the needs of a dynamic, growing economy.

"I am committed to the Nation's effort to clean up the environment. At the same time, I am concerned about the costs and impact on the economy. We can't do it all tomorrow."

The budget submitted for Fiscal Year 1977 by the President included an outlay of \$4.5 billion for the Environmental Protection Agency. Out of this total, 84% was earmarked for use in sewage treatment construction. The policy highlights of this budget include:

\*An effort to continue to make progress in cleaning our lakes and streams by emphasizing expenditures for sewage treatment plants.

\*Greater priority will be given to catching up on the backlog of sewage treatment plants needed to solve immediate water quality problems while at the same time Federal commitments to projects of marginal effectiveness will be reduced.

\*Additional aid will be given to States for the implementation of the Safe Drinking Water Act in order to assist them in assuming primary enforcement responsibility.

\*A continuation of efforts aimed at assisting State and local pollution abatement agencies meet the environmental goals through the continued funding of their programs. This will include funds to aid in the implementation of the Safe Drinking Water Act, the Clean Air Act, and the Federal Water Pollution Control Act.

On December 4, 1974 the President transmitted to Congress a proposal for 37 new additions to our National Wilderness Preservation System, this would add over 9 million more acres to the Wilderness System. The President has just recently proposed the use of \$1.5 billion over the next ten years in order to increase the size of the National Park System.



One of the first bills the President signed upon entering office was the Forest and Rangeland Renewable Resources Planning Act of 1974. This bill provides a process which should permit better choices to be made in the management of the Nation's vital renewable resources.

On February 27, 1976 the President stated:

"It is a measure of our progress as a Nation that today, in the 200th year of American Independence, we are in the midst of a dynamic movement to restore, protect and preserve our environment and, at the same time, the objective of providing a better life for ourselves and for our children and grandchildren."

Speaking at Yellowstone National Park on August 29, 1976, President Ford unveiled the Bicentennial Land Heritage Act. This program proposes to spend \$1.5 billion during the next ten years, and will more than double our present acreage of land for national parks.

"Now it is our turn to make our gift outright to those who will come after us 15 years, 40 years, 100 years from now. What better way can we add a new dimension to our third century of freedom."

*New River - Scenic Area.*

*Land & Water Conservation Fund Amendment.*



ETHNIC AMERICANS--Overview--

Meeting with leaders of the Nation's ethnic organizations at the White House in May of this year, the President said:

"A sense of neighborhood, a sense of belonging, of cultural identification, are threatened. I can appreciate your deep concern for the future of institutions which you work so very hard to establish--the ethnic church, the school, the credit union, the fraternal lodge.

"As we enter our third century, I believe that we can have a rebirth of individual freedom and that we can protect the diverse heritage which gives so much strength and so much richness to our society. Working together, we can achieve these goals."

President Ford's remarks underscore his conviction that cultural diversity is one of America's greatest strengths.

Shortly after assuming office, President Ford established an Ethnic Affairs Office in the White House with responsibility to ensure a rich and continuing dialogue between the White House and the Nation's ethnic communities.

Actions and Accomplishments

In the two years of his Presidency, Mr. Ford has:

- \* Invited over 500 Italian, Eastern European, Greek, Hispanic, and other leaders to the White House for discussions and review of Federal policy affecting ethnic communities.
- \* Provided funds for an Ethnic Heritage Studies Program.
- \* Established a Presidential Committee on Urban Development and Neighborhood Revitalization to develop better Deferal programs for our Nation's neighborhoods.



- \* Through the Immigration and Naturalization Service created an Advisory Committee for Spanish-speaking peoples.
- \* Added to the Bureau of the Census and ad hoc Committee for Spanish-speaking people.
- \* Created a statistical census base for Hispanics by signing into law H.R. 92.
- \* Appointed the first Hispanic Special Assistant to the President.
- \* Advocated and signed legislation extending the protection of the Voting Rights Act to the Spanish-speaking and other Americans who do not speak English.
- \* Increased from \$42 million to \$70 million Federal assistance for bilingual/bicultural education programs.

President Ford has met with leaders of virtually every ethnic community in this Nation and has, with pride, asked members of all of America's ethnic communities to serve in his Administration.

In addition, the President has held 121 meetings with foreign leaders, and has visited 14 countries in his two years in office, including Belgium, Germany, Poland, Finland, Romania, and Yugoslavia. These visits have helped maintain the country's relations with the homelands of many of America's ethnic citizens.

The Ford White House has followed an open-door policy. The President has welcomed discussion of the problem affecting these communities and is responsible for bold achievements in this area.



FEDERAL SPENDING--Overview--

In the past decade, the Federal budget has been growing at an average rate of over 10% every year. President Ford has repeatedly asserted his intention to halt this trend. It is one of his primary goals to make the Federal government fiscally responsible:

. . . To put it simply, we must decide whether we shall continue in the direction of recent years -- the path toward bigger Government, higher taxes, and higher inflation -- or whether we shall now take a new direction -- bringing to a halt the momentous growth of Government, restoring our prosperity, and allowing each of you a greater voice in your own future.

To accomplish this, the President believes that (1) the Federal government must make a substantial and permanent cut in Federal taxes, and (2) make a substantial reduction in the growth of Federal spending. President Ford called upon the Congress to join him in restraining Federal spending by placing a \$395 billion limit on FY 77 expenditures -- some \$28 billion below projected spending for that year. Specific actions that he has taken include:

- \* Setting a 5% limit on Federal pay increases
- \* Using the Presidential veto power to save the taxpayer over \$9.2 billion. Congress has overridden only ten of President Ford's 56 vetoes.

In his speech to the nation on October 6, 1975, President Ford said:

. . . If we cut only taxes but do not cut the growth of Government spending, budget deficits will continue to climb, the Federal Government will continue to borrow too much money from the private sector, we will have more inflation, and ultimately we will



have more unemployment. . . In 1962, the Federal budget for the first time in our history ran over \$100 billion. In only 8 years, the budget doubled in size. In the coming fiscal year, unless we act, it doubles again to over \$400 billion. . . (M)uch of the increase in each year's budget is required by programs already on the statute books. . . If we don't slow it down, Federal spending could easily jump to more than \$420 billion -- without a single new Federal program.

The President has pointed to the financial experience of our biggest and richest city--New York--as a profound lesson to all Americans about the dangers of living beyond our means:

". . . Though we are . . . the richest Nation in the world, there is a practical limit to our public bounty, just as there is to New York City's. . . If we go on spending more than we have, providing more benefits and more services than we can pay for, then a day of reckoning will come to Washington and the whole country just as it has to New York City. . . When that day of reckoning comes, who will bail out the United States of America?"

President Ford means what he says when he talks about fiscal responsibility--his speeches about cutting the budget and saving money are not just rhetoric. His views on holding down Federal spending are simple: for every dollar saved in cutting the growth in the Federal budget, there can be another dollar saved by the taxpayer in tax reductions. The budget he has submitted for FY 1977 cuts the rate of growth of Federal spending in half, for the first time in a decade of increasing federal budgets. President Ford's budget for FY 77 -- \$394.2 billion -- was even less than he had promised. By holding down the growth in Federal spending, the President has been able to ask for additional tax cuts -- nearly \$10 billion more than the Congress agreed to in December. This means a total tax cut of \$28 billion for the American taxpayer, because of President Ford's fiscal restraint.

President Ford has recognized that an election year is a difficult time in which to try to make massive and sweeping changes in the inefficient welfare system. But he strongly believes that the improvements he has undertaken and proposed are needed urgently now.

Meanwhile, he has ordered a careful study of alternatives for really comprehensive welfare reform.

### Health Care

President Ford's proposed Financial Assistance for Health Care Act would consolidate Medicaid and 15 categorical Federal Health programs into a single \$10 billion block grant to the States.

The President's proposal is designed to overcome some of the most serious defects in the present system of Federal financing of health care and to permit States to meet their citizens' health needs more effectively. The program would:

- \* Eliminate state matching requirements.
- \* Distribute Federal health dollars more equitably.
- \* Give States greater flexibility in providing for delivery of health care services to those with low incomes.
- \* Expand public participation in planning health services.

### Child Nutrition

President Ford is a strong supporter of Federal action to help provide a healthy diet to children whose families are not able to do so.

In a special message to Congress on March 23, 1976, requesting enactment of the Child Nutrition Reform Act of 1976, the President said:

"I believe that the Federal government has a responsibility to provide nutrition assistance to those most in need.

"At the same time, I believe that existing Federal taxpayer subsidies for the meals of children from families able to feed themselves extends that Federal responsibility beyond the appropriate point.

"In addition, under existing law, the 15 programs enacted into detailed legislation with the same objective -- feeding needy and non-needy children -- have resulted in a patchwork of complicated federal controls and regulations."

CUTTING THE GROWTH OF FEDERAL SPENDING

"We all know from recent experience what runaway inflation does to ruin every other worthy purpose. We are slowing it; we must stop it cold..."

The way to a healthy non-inflationary economy has become increasingly apparent; the government must stop spending so much and borrowing so much of our money; more money must remain in private hands where it will do the most good. To hold down the cost of living, we must hold down the cost of government..."

President Gerald R. Ford

The Federal budget is an important step toward reversing the long-term trend in Federal spending. President Ford proposes to cut the rate of growth of Federal spending, year to year, to 5.5%--less than half the average rate experienced over the last ten years.

At the same time, President Ford has proposed further, permanent income tax reductions so that individuals and business can spend and invest these dollars instead of having the Federal Government collect and spend them.

In proposing his budget, the President was determined to achieve fairness and balance:

- between the taxpayer and those who will benefit by Federal spending;
- between national security and other pressing needs;
- between our own generation and the world we want to leave to our children;
- between those in some need and those most in need;
- between the programs we already have and those we would like to have;
- between aid to individuals and aid to State and local governments;
- between immediate implementation of a good idea and the need to allow time for transition;
- between the desire to solve our problems quickly and the realization that for some problems, good solutions will take more time; and

--between Federal control and direction to assure achievement of common goals and the recognition that State and local governments and individuals may do as well or better without restraints.

President Ford's budget recommended \$394.2 billion in Federal outlays for FY 1977, a reduction of nearly \$29 billion in the projected growth of Federal Government spending.

As a result of this spending restraint, the Federal deficit would be reduced from an estimated \$76 billion in FY 1976 to \$43 billion in FY 1977. By continuing to check the growth in Federal spending, the budget can be balanced in FY 1979. Significant spending restraint coupled with tax cuts will foster sustained economic growth without inflation.

The combination of tax and spending changes that he has proposed will set the nation on a course that not only leads to a balanced budget within three years, but also improves the prospects for the economy to stay on a growth path that can be sustained.

"...This is not a policy of the quick fix; it does not hold out the hollow promise that we can wipe out inflation and unemployment overnight. Instead, it is an honest, realistic policy--a policy that says we can steadily reduce inflation and unemployment if we maintain a prudent, balanced approach..."

(Budget Message of the President,  
Jan. 21, 1976)



FOREIGN RELATIONS--Overview--

In his August, 1974, speech before a joint session of Congress, President Ford expressed his belief that a successful foreign policy has to rest on a strong national defense, one able to command respect from adversaries and to provide leadership to friends:

"A strong defense is the surest way to peace . . .  
Weakness invites war . . ."

Since taking office, President Ford has continued to add to the record of leadership in foreign affairs and in maintaining a strong national defense that he built in his 25 years in the Congress. As President, he has pursued a realistic foreign policy, reaching to all areas of the globe in his efforts to strengthen allies and to minimize the danger of needless confrontation between ourselves and potential adversaries.

President Ford talked about his policy of peace through strength in a recent interview:

" . . . the United States will meet with super powers, the Soviet Union and with China and others, and seek to relax tensions so that we can continue a policy of peace through strength. If we are strong militarily, which we are, and if we continue that strength, we can negotiate with the Soviet Union, with China and with others in order to maintain that peace. I think we ought to talk about the realities--the negotiation for a lowering of a strategic nuclear ballistic type capability. We ought to talk about trade. We ought to talk about science and those things in an atmosphere where we are dealing from strength."

In pursuing a more constructive relationship with the Soviet Union, President Ford, in the short time he has been in office, has been able to:

- \* Bring our two countries towards the completion of a reliable strategic arms limitation agreement, based on the principles of strict equality agreed to at Vladivostok in November, 1974 -- an agreement that will ultimately limit the strategic arms buildup of both sides for a 10-year period; and to
- \* Achieve a long-term grain agreement with the Soviet Union that is good for American farmers and that will minimize the impact on food prices for American consumers.

In the Middle East, President Ford seized an historic opportunity to help the area move towards a secure, just, and omprehensive peace settlement. During the Spring of 1975, the President held an extensive series of meetings with important leaders in the area, including Egyptian President Sadat, Israeli Prime Minister Rabin, Jordan's King Hussein, Syrian Deputy Prime Minister Khaddam and others. Shortly thereafter, in early September, an interim agreement of potentially great importance was reached between Israel and Egypt. This agreement reaffirmed and strengthened the 1973 ceasefire, widened the buffer zone, and, most importantly, committed both sides to settle their differences by peaceful means. As but one result, the Suez Canal was opened to Israel for non-military shipping for the first time in years.

In carrying out his wide-ranging and comprehensive foreign policy, the President has, in other areas:

- \* Brought our alliance relations to their greatest health and solidarity in decades. We now coordinate closely in economic areas, as at the Rambouillet and Puerto Rico Summits, and on energy matters, as in the International Energy Agency. The President has led the NATO Alliance in the development of positions for the Mutual and Balanced Force Reduction Talks with the Soviet Union and the Warsaw Pact, and he has worked for the standardization and more efficient use of defense resources within the NATO Alliance.
- \* Underscored our commitments to our Asian allies, Australia, Korea, New Zealand, Indonesia, and, to Japan, in the first visit of an American President to that country; and

- \* Continued to seek better understanding and cooperation with the world's most populous nation. In a visit to the People's Republic of China in December, 1975, President Ford had useful and constructive discussions with China's leaders, reaffirming the durability of this important new relationship.

President Ford fully recognizes the responsibility that accompanies American economic power. He has committed his Administration to policies which will bring about an improved international economy and stable growth serving the interests of America and the world. Stable economic growth is critical to solving the problems of the developing world and President Ford has taken concrete steps to ensure that our country plays a constructive leadership role in meeting these challenges:

- \* At the 1975 UN Special Assembly, the U.S. set forth comprehensive proposals in food, trade, and raw materials.
- \* The Paris Conference on International Economic Cooperation brought together the industrial, developing and oil producing nations to strengthen economic and energy arrangements for the mutual benefit of all.
- \* At the World Food Conference in Rome, the United States pledged to meet 60% of the world food aid target to ensure the basic needs of the poorest nations.

The pursuit of peace requires decisive action:

- \* When the Cambodians illegally seized the U.S.S. Mayaguez, President Ford ordered, and personally directed, the recovery of the ship and its crew by U.S. Marines. The right of innocent passage on the open sea was upheld by President Ford's assured, firm response to the situation.
- \* Similarly, when North Koreans brutally murdered two U.S. officers in the DMZ, President Ford's firm response upheld our rights in the DMZ and elicited significant North Korean concessions assuring the safety of our personnel in their peacekeeping role.





President Ford's pursuit of peace has been based on a realistic understanding of world affairs and a commitment to a strong national defense. The President has pledged to maintain a national defense second to none, and to modernize and upgrade our capabilities. He has:

- \* Proposed a real increase of \$7.4 billion for the fiscal year 1977 defense budget.
- \* Continued development of the modern B-1 intercontinental bomber and the Trident strategic submarine.
- \* Streamlined our conventional combat strength by shifting personnel to combat functions.
- \* Continued the technical modernization of our land forces, new ship construction, and modernization for our Naval forces.

Without question, President Ford has built a solid record of achievement in foreign affairs:

- \* Our volunteer military forces are strong and ready.
- \* Our principal diplomatic and military alliances are solid.
- \* America has launched a serious dialogue between the industrial and non-industrial world.
- \* A lasting Middle East peace agreement is possible.
- \* Sino-American relations have been put on a durable basis.
- \* And most importantly, America is at peace.

CUBA

Recent Cuban intervention in the domestic affairs of other nations such as their attempt to interfere in the U.S. relationship with Puerto Rico and their massive involvement in the Angola conflict, is unacceptable and precludes any improvement in relations between the United States and Cuba at this time.

While we acceded to persistent Latin American demands within the Organization of American States that each government be free to determine and follow its own policy with respect to relations with Cuba, the administration nonetheless has maintained the U.S. bilateral prohibition against trade with Cuba. The President has made clear that no improvement in U.S. relations with Cuba is possible as long as Cuba pursues such interventionist policies.

President Ford reaffirmed this position on February 28, 1976:

"When you look at the fact that he (Castro) took the initiative to try and upset the problems in Puerto Rico, when he took aggressive action in Africa some 4,000 or 5,000 miles from Cuba where he sent 12,000 mercenary forces, I see nothing but an aggressive, anti-freedom movement and so, under Fidel Castro, unless there is a 180 degree turn, I can't imagine any change . . ."

And on July 29, 1976, he said:

"My administration will continue a policy of friendship toward the people, and I underline the people, of Cuba. But, I add very emphatically, we will not accept intervention by the Fidel Castro regime in the affairs of other countries. We will not accept the counsel of those who would give in to Fidel Castro."

THE MIDDLE EAST

President Ford's policy in the Middle East is to take advantage of what is now an historic opportunity to help the area move to a secure, just and comprehensive peace settlement. So long as this conflict remains unsolved, it poses the constant danger to us of renewed war, international crisis and economic disruption, strains in our major alliances and nuclear confrontation with the Soviet Union. These are intolerable dangers. Because the United States is in a unique position of trust with all the parties, we have -- at their request -- been engaged for the last two years in a peacemaking effort without precedent in three decades. The President is determined that this effort continue until the achievement of a negotiated peace as foreseen by the UN Security Council Resolutions 242 and 338.

Because President Ford believes that this nation can make a decisive contribution to world peace, he has:

- \* Conducted an intensive series of meetings with Egyptian President Sadat, Israeli Prime Minister Rabin, Jordan's King Hussein, Syrian Deputy Prime Minister Khaddam, and other important leaders in the area, to advance the negotiating process.
- \* Brought about a second interim agreement in September, 1975, between Egypt and Israel. This agreement reaffirms and strengthens the ceasefire, and widens the buffer zone. It publicly commits both sides to settle the Middle East conflict by peaceful means and to refrain from use or threat of force or military blockade, and permit non-military Israeli cargoes to use the Suez Canal. This is the first agreement between Israel and an Arab country that was not simply to halt fighting or disentangle military forces.
- \* Submitted foreign assistance requests to the Congress, including assistance to Israel and moderate Arab states, to strengthen their ties with us and their survival against extremist pressures which seek to undermine the process of peace. We will maintain, as we have for decades, military supply programs commensurate with Israel's defense needs and our commitments to her survival and security. The President has proposed U.S. assistance to Israel of \$4.2 billion for a 27-month period, over 40% of all U.S. aid to Israel since 1948. At the same time, American support has been requested to help nations in the moderate Arab world who are our friends and supporters of the peace process.

President Ford intends to maintain our peace effort, to prevent the momentum of events in that volatile region from rushing again towards war. This effort serves important American interests, and interest of world peace, our moral commitments in the area and the desire of the American people to see the specter of war and dislocation banished from the Middle East. Any stagnation of the negotiating effort poses intolerable risks to the interests of the United States -- economic, political, and security -- and to world peace. The President is determined to move forward until the achievement of a final, just, and durable peace.



THE PANAMA CANAL

Every President since Franklin Roosevelt has recognized a need to modernize our relationship with Panama concerning the Canal. President Ford believes that modernization is possible, and his Administration is discussing with Panama the possibility of arriving at such a treaty relationship. The goal of these negotiations is to reach an agreement which will accomodate the needs of both the United States and Panama, while protecting our basic interests in defense and operation of the Canal. The President will not propose to the Congress any agreement with Panama that will not protect our vital national interests.

"We will absolutely insist that our interests and the defense of the Canal and of the use of the Canal be maintained. That is why the negotiations have been going on so long under five Presidents and why there is no settlement of the issues right now..."

President Gerald R. Ford  
February 18, 1976





HEALTH

- Overview -

"The health of our people is one of our nation's most vital resources."

President Ford  
February 26, 1976

Significant progress has been made in improving the health of the Nation's people during the last 25 years, as can be seen in the continued reductions in the infant mortality rate; increases in life expectancy, and the conquering of some communicable diseases. This progress has come under a largely private health care system with the support of public funds.

In the past 10 year period (1965-1975) Federal spending for health has increased from \$5 billion to \$37 billion. With greater Federal funding has come a multitude of Federal programs, regulations and restrictions--all motivated by the best of intentions but each adding to the confusion and overlap and inequity that now characterizes our efforts at the national level.

To resolve these problems, President Ford recently asked the Congress to enact the Financial Assistance for Health Care Act which will consolidate Medicaid and 15 categorical Federal health programs into a \$10 billion block grant to the States. The President proposed that future Federal funding for this new program be increased annually in increments of \$500 million plus the amounts needed after 1980 to ensure that no State will in the future receive less under this proposal than it received in fiscal year 1976.

This comprehensive block grant proposal, discussed in the following pages, was only the most recent of a great number of actions taken by President Ford over the last year and a half.

This comprehensive block grant proposal, was only the most recent of a great number of actions taken by President Ford over the last year and a half. His other initiatives and accomplishments have fallen into six main categories of health care:

- \* Health Care for Older Americans
- \* Resources and Planning

- \* Services
- \* Medical Research
- \* Disease Prevention
- \* Medical Costs

## FORD ADMINISTRATION HEALTH ACCOMPLISHMENTS

### Health Care for Older Americans

In his recent State of the Union Message, President Ford proposed protection against catastrophic health expenditures for Medicare beneficiaries. This will be accomplished in two ways:

- \* First, the President proposed extending Medicare benefits by providing coverage for unlimited days of hospital and skilled nursing facility care for beneficiaries
- \* Second, he proposed to limit the out-of-pocket expenses of beneficiaries, for covered services, to \$500 per year for hospital and skilled nursing services and \$250 per year for physician and other non-institutional medical services.

This will mean that each year over a billion dollars of benefit payments will be targeted for handling the financial burden of prolonged illness. Millions of older persons live in fear of being stricken by an illness that will call for expensive hospital and medical care over a long period of time. Most often they do not have the resources to pay the bills. The members of their families share their fears because they also do not have the resources to pay such large bills. The President summarizes his concerns this way:

"We have been talking about this problem for many years. We have it within our power to act now so that today's older persons will not be forced to live under this kind of a shadow. I urge the Congress to act promptly."



### Resources and Planning

- \* Expansion of National Health Services Corps, which places health professionals in critical health manpower shortage areas.
- \* Improved coordination in the Federal financing programs (Social Security Administration, Social and Rehabilitation Service) with the resources, services, and research programs (Public Health Service); (and unification of health policy development).

### Services

- \* Initiated coordination of rural health activities funded by the National Health Services Corp, migrant health program, community health center program and the area health education center program to serve individuals in rural areas.
- \* Strengthened program in nursing home improvement in which the quality of life and care in skilled nursing facilities is being improved through enforcement and new standards, including patients' rights. A survey of almost 300 skilled nursing homes provided essential data on the quality of care, and preliminary material is being published and discussed with providers and consumers.
- \* Improved coordination of child health activities, to concentrate on health needs of children.
- \* Implementation of the Professional Standards Review Organization program (over half the country now covered by PSROs), aimed at assuring quality and containing costs of service.
- \* Increased availability of kidney dialysis and transplant services (for person with end-stage renal disease).



### Medical Research

- \* Continued major investment in research on cancer and heart disease.
- \* Building of comprehensive research plan for the field of aging.
- \* Initiation of more research related to arthritis.
- \* Continued development of vaccine for hepatitis.

### Disease Prevention

- \* Initiated the largest public health activity in U.S. history with a program to immunize all Americans against swine influenza and prevent a pandemic of that disease.
- \* Reversal of alarming trend toward lower levels of protective immunization among U.S. children.
- \* Screening of 1,300,000 children at high risk from lead poisoning, resulting in 85,000 of them with increased lead absorption being subsequently placed under pediatric management and 13,000 receiving hospital treatment.
- \* Continued successful disease surveillance ( programs unsurpassed anywhere in the world) of such killer diseases as plague, yellow fever, cholera.
- \* Increased emphasis on health hazards of the workplace, including more research on possible carcinogenic agents.
- \* Increased attention to Federal policies affecting nutrition--The Public Health Services has developed a comprehensive nutrition policy statement; published proposed food nutritional labeling regulations to uncrease consumers' ability to select a nutritional and adequate diet; initiation of nationwide (award-winning) consumer education program on nutritional labels and their uses.

- \* Expansion in the review of over-the counter drugs for safety and efficacy; improvement of warning labels on cosmetics; further support legislation to strengthen Food and Drug Administration review of medical devices.

#### Medical Costs

- \* Continued attention to total costs, and rates of increase in costs (at all-time highs) through the Summit Conference on Inflation.
- \* Recommendation of new legislation and usage of existing authorities to control the cost rise under Medicare and Medicaid.
- \* Continued emphasis on potential inflation impact of Federal programs.
- \* Controlling of governmental expenditures for drugs by establishing "maximum-allowable-cost" regulations.



HISPANIC AMERICANS

## -- Overview --

President Ford and his Administration repeatedly demonstrated his concern for and commitment to Spanish speaking Americans by:

- \* Providing active support for the 1975 Amendments to the Voting Rights Act of 1965, including support for specific voting guarantees for Spanish speaking and other language minority Americans;
- \* Sponsoring White House meetings on Bilingual Education, Equal Employment Opportunity Programs, Minority Business Enterprise, Consumer matters and Ethnic Concerns;
- \* Supported an increase in appropriations for bilingual education programs (from approximately 45 million to 70 million dollars);
- \* Providing ombudsman-type services to Hispanic Americans seeking to participate in Federal programs and benefits;
- \* Providing senior White House representation at major Hispanic community events;
- \* Lending support for minority business development efforts through the issuance of a December 1974 memorandum on Minority Business Enterprise;
- \* Appointing qualified Hispanic American citizens to major boards and advisory councils including the Presidential Clemency Board, the National Council on Educational Research, the Commission on International Women's Year, the Legal Services Corporation Board of Directors, the President's Manpower Planning Commission, the Corporation for Public Broadcasting Board of Directors and many others;
- \* Providing support for the Civil Service Commission's Spanish Speaking Program through the issuance of a Presidential Memorandum in March 1973.

And, President Ford has taken strong measures to assure the meaningful involvement of Hispanics at all levels of government. He has either appointed, promoted or retained in office well over 50 Hispanic super grade and management level Hispanics including Bert Gallegos, Director of the Community Services Administration; Alex Armandaris, Director of OMBE; Raymond Telles, EEOC Commissioner; Carmen Maymi, Director of the Women's Bureau; Sam Martinez, Federal Regional Council Chairman; Joe Maldonado, Regional Director of HEW (San Francisco); Gilda Bojorquez Gjurich, IWY Commissioner; Rudy Cervantes, Manpower Planning Commissioner, Rudolph Montejano, National Board of Directors of the Legal Services Corporation; Gilbert Pompa, National Deputy Director of the Community Relations Service, Department of Justice; Victor Rivera, Regional Director of SBA (Denver); Edward Aguirre, Regional Commissioner of Education (San Francisco); Edward Baca, Regional Commissioner of Education (Dallas); Edward Pena, Director of Compliance, EEOC; Lorenzo Ramirez, Regional Director of EEOC (Dallas), Angel Rivera, Associate Administrator for Field Operations, CSA; Carlos Villareal, Postal Rate Commissioner; Eddie Mercado, Regional Director of EEOC (New York); Roger Moure, Executive Officer, US Public Health Service, HEW; John Molina, Director of Bilingual Education, U.S. Office of Education HEW; John Rodriguez; Assistant Commissioner of Education, HEW; and many others.

The list is lengthy. In fact, at no time in the history of our nation have so many Hispanics occupied important decision-making posts in the Federal Government than under the present Administration.



HOUSING / CONSTRUCTION

## - Overview -

The President has repeatedly said that the health of the housing industry is of critical importance to the Nation's well-being. During his Administration, he has made a strong commitment to assist the recovery of the housing industry by:

- \* Authorizing \$13 billion in mortgage purchases by Government National Mortgage Association for the purchase of home and multi-family project mortgages at below-market interest rates.
- \* Curtailing the excessive Federal spending that has required heavy borrowing from the private sector in order to reduce interest rates for home mortgages.

In his State of the Union message for 1976, President Ford candidly noted that 1975 was a disappointing year in the housing industry. But he also pointed out:

" . . . the housing industry is improving. With lower interest rates and available mortgage money, we can have a healthy recovery in 1976."

To spur that recovery, President Ford directed HUD to provide housing assistance for 975,000 families, over a two year period (FY 1976-77) programs which will expand housing opportunities, spur construction, and help to house moderate and low income families. To reach this

- \* 400,000 low income families will be provided subsidies under a rental housing program through FY 76; 400,000 additional families will be provided with subsidies in FY 77, including 125,000 units of new construction or substantial rehabilitation. This "Section 8" program will pay the difference between a percentage of family income and the rent charged by the landlord.



- \* Mortgage subsidies will be approved for an additional 175,000 families in FY 76-FY 77 with moderate incomes to help them buy newly constructed or substantially rehabilitated homes, under the revised Section 235 homeownership assistance program.

Note - July figures for housing starts were: 1,387,000 (at seasonally adjusted rate) up 15% above rate of 1,207,000 for July 1975.

- \* On September 15, 1976, President Ford initiated a program to reduce down payments on lower and middle-priced housing by up to 50%. The President's proposal will lower the monthly mortgage payments in the early years of home ownership and then, increase them as a family's income rises.

HOME OWNERSHIP

Improving the quality of housing available to low and moderate income families is one of the key objectives of President Ford's housing policies.

Past emphasis on building large Federal Housing projects for direct rental to poor families--projects that in many cases soon were plagued by vandalism--has been replaced with the rent supplement program. By relying on the private sector for the construction, financing and maintenance of housing for lower income families, these families are given more freedom of choice in seeking a place to live.

Moderate income families have seen an increase in the maximum Federal Mortgage Insurance they can get toward the purchase of a new home.

The President has sought to pursue economic policies, including tight control of unnecessary Federal spending, to hold down inflation, reduce interest rates, cut taxes, increase purchasing power and thus, make available more funds for home mortgages.

President Ford's home purchase policy has sought to make available to homeowners the mortgage credit they need at reasonable interest rates, and to moderate extreme swings in mortgage credit availability.

The President recently announced an accelerated homeownership program that would:

- reduce down payments on FHA loans for lower and middle price houses by up to 50%.
- accelerate implementation of a new Federal Guaranty Program to lower monthly payments in the early years of homeownership and gradually increase them as family income increases.

URBAN COMMUNITY DEVELOPMENT

President Ford is committed to returning more power to State and local authorities to deal with their local problems, free from unnecessary Federal red tape.

In one of his early actions as President, signifying major progress toward this goal, President Ford signed the Housing and Community Development Act of 1974.

This Act, along with the General Revenue Sharing Program, forms the cornerstone of the President's urban policy and marks a complete and welcome reversal in the way the Federal government tries to help urban communities solve their problems. Local officials are provided the resources to deal with the particular need of their communities as they think best instead of being told from Washington exactly what they must do.

Under the new approach:

- \* A single block grant for community development replaces seven rigid categorical grant programs such as model cities and urban renewal.
- \* The President's budget provides \$3.25 billion for block grants in 1977, about \$450 million more than in 1976 and nearly a billion dollars more than the \$2.47 billion provided for the old categorical programs in 1972.

President Ford demonstrated his concern with the growing problems facing many older cities when he established, on June 30, 1976, a Commission on Urban Development and Neighborhood Revitalization to recommend to him, by October 1, ways to revitalize urban areas and neighborhoods. HUD Secretary Carla Hills is chairman of the Commission.





INTELLIGENCE

--Overview--

Information acquired by intelligence gathering sources is a fundamental component in the formulation of the foreign policy of the United States. A major objective of that policy is to provide for national security, which in the 70's requires preparation against economic reprisal and international terrorism as well as the threat of military action. Achieving this objective requires effective and responsible, covert intelligence operations to secure the necessary information.

The disclosure of past abuses in intelligence gathering activities carried on by previous administrations and the recent unauthorized disclosures of sensitive intelligence information have led to calls for changes in the operation of foreign intelligence gathering agencies. President Ford has taken unprecedented affirmative action in response to this need to strengthen--as well as to limit--agency activity. In February 1976, the President issued an Executive Order which detailed a comprehensive plan:

- \* Specifying the responsibilities, and
- \* Defining the scope of activity of the various members of the intelligence gathering community.

Implementation of the provisions of the Order will:

- \* Minimize inefficiency and repetition of agency effort, and
- \* Maximize accountability for supervision of agency activity and prevention of abuse of power.

The President has stated that his plan has two basic objectives:

"First to ensure that we have the best possible information on which to base our policies toward other nations;--And second, to ensure that our foreign intelligence agencies do not infringe on the rights of American citizens."

President Ford strongly believes that while controls may be necessary to prevent abuse, an effective program for intelligence gathering is vital to the national interest. In his State of Union message the President said:



"The crippling of our foreign intelligence services increases the danger of American involvement in direct armed conflict. Our adversaries are encouraged to attempt new adventures while our own ability to monitor events and to influence events short of military action is undermined."

### Major Reforms

To implement an effective intelligence program which respects individual rights, President Ford's Executive Order:

- \* Defines the scope of authority and the duties of the senior officials of the intelligence community, the CIA, the Secretary of State, the Secretary of the Treasury, the Secretary of Defense and the FBI.
- \* Establishes strict guidelines on collection of intelligence by foreign intelligence agencies to prevent abuses through the use of electronic surveillance, unconsented physical searches, illegal invasion of the mail, and the unauthorized examination of Federal tax returns.
- \* Restricts the use of drugs for experimentation on human subjects by foreign intelligence agencies.
- \* Curtails CIA activity in private business or academic institutions without the prior knowledge of senior officials of those bodies.
- \* Emphasizes the need for prompt declassification of classified material where possible.
- \* Confines the FBI to use of electronic surveillance authorized by the President and specifically approved by the Attorney General.
- \* Prohibits U.S. Government employees from engaging in or conspiring to engage in political assassination.
- \* Establishes the Intelligence Oversight Board, a body of private citizens appointed by the President to review activities of questionable legality and to review guidelines to prevent abuse.



- \* Provides for disciplinary and/or legal action to be taken against those who disclose or threaten to disclose classified intelligence information.

### Oversight

Prevention of abuse demands that independent oversight be an integral part of a national intelligence scheme. The President established the Intelligence Oversight Board and enlarged the Foreign Intelligence Advisory Board to meet the needs of effective oversight. The President has charged the Oversight Board:

"...to act as an independent auditor on what takes place within the intelligence community. You are not to be influenced by the White House on the one hand, and you are not to be influenced by the intelligence community on the other, and your responsibility is an independent area of responsibility."

The Foreign Intelligence Advisory Board, established by President Eisenhower and recently enlarged by President Ford, functions as a non-partisan body to advise the President on the effectiveness of foreign intelligence efforts.

One of the most important features of these oversight bodies is that they are composed of private citizens from outside the Government. Such public participation broadens the perspective needed for responsible intelligence gathering.

President Ford recognizes the need for Congressional support to implement certain procedures for intelligence gathering. He has proposed legislation to define the circumstances under which the use of electronic surveillance to obtain foreign intelligence information will be appropriate.

The President also respects the appropriateness of Congressional oversight. He has stated:

"It is clearly the business of the Congress to organize itself to deal with these matters... I believe good Congressional oversight is essential so that the Congress and the American people whom you represent can be assured that the foreign intelligence agencies are adhering to the law in all of their activities."

The problem of leaks of sensitive intelligence information from Congressional sources to the public has threatened the cooperation established between the Executive and the Congress to operate an effective intelligence program. The President has made two recommendations to Congress to restore confidence and mutual trust between these two branches of the government:

- \* Congress should "establish a Joint Foreign Intelligence Oversight Committee...(to) facilitate the efforts of the Administration to keep the Congress fully informed of foreign intelligence activities."
- \* The House and the Senate need to "...establish firm rules to ensure that foreign intelligence secrets will not be improperly disclosed" and to establish "...effective measures to deal with unauthorized disclosure."

No other administration in recent times has responsibly acknowledged the shortcomings of intelligence operations and has equally as responsibly met the challenge to set specific guidelines to restore public confidence in this much-needed activity. The program outlined by President Ford is an historic and purposeful effort to make the government and its vital intelligence activities responsible to the needs of the American people.





OLDER AMERICANS

## --Overview--

In a recent special message to Congress, President Ford reaffirmed his commitment to meeting the needs of older Americans, and to draw on their strengths in resolving the problems of America. He asked Congress to:

"...help our nation demonstrate by its deeds a deep concern for the dignity and worth of our older persons. By doing so, our nation will continue to benefit from the contributions that older persons can make to the strengthening of their nation."

President Ford noted that the single greatest threat to the quality of life of older Americans is inflation. His first economic priority has been to fight inflation -- and his programs have cut nearly in half the double digit inflation experienced in 1974. But, he said,

"...the retired, living on fixed incomes, have been particularly hard hit, and the progress we have made... has not benefitted them enough."

To meet this problem, the President included in his budget request for fiscal year 1977, a full cost of living increase in Social Security benefits, that will help bolster the purchasing power of 32 million older Americans. Because the President is determined that the Social Security system must remain fiscally sound, he has also requested legislation to increase payroll taxes by three-tenths of one percent for employees and employers so that payments will not exceed revenues.

In a major new program to alleviate the burden of catastrophic illness, President Ford has proposed:

- \* Extending Medicare benefits by providing coverage for unlimited days of hospital and skilled nursing facility care for beneficiaries, and
- \* Limiting the out-of-pocket expenses of beneficiaries for covered services, to \$500 per year for hospital and skilled nursing services, and \$250 per year for physical and other non-institutional medical services.

Millions of older persons, he said, live in fear of being stricken by an illness that will call for expensive hospital and medical care over a long period of time.

"Most often they do not have the resources to pay the bills... We have been talking about this problem for many years. We have it within our power to act now so that today's older persons will not be forced to live under this kind of a shadow."

These actions are only the most recent of many taken by the Ford Administration to help older Americans. Over the last year and a half -- from the first days of his Administration, President Ford:

- \* Signed a \$22.8 billion anti-recession tax-cut bill that included payment of \$50 each to some 34 million individuals receiving Social Security, Railroad Retirement, and Supplemental Security Income benefits -- many older persons were also benefited by extension of unemployment compensation benefits, tax rebates, and 1975 tax reductions. Families caring for elderly persons were benefitted by a liberalization of the tax deduction rules.
- \* Signed into law the Employee Retirement Income Security Act, providing new protections and guarantees to 35 million persons covered by private employee benefit plans, including provision for greater equity in tax treatment of private retirement savings, and insuring that participants do not lose benefits because of restrictive eligibility provisions or because the plan did not accumulate sufficient funds to meet its obligations.
- \* Signed the Housing and Community Development Act of 1974, which, among other things, provides for subsidized housing for low-income renters and authorizes direct, low-interest loans for housing for the elderly.

\* Signed into law Title XX of the Social Security Act which provides 2.5 billion dollars to the states for social services.

Under Title XX older persons will receive increased services, planned and implemented by state and local governments -- needs and services determined not in Washington but at the local level, with the participation of the older Americans who will receive the services. And lastly, under President Ford's new Title XX proposal, states would no longer be required to give the federal government money in order to obtain federal monies in return.

President Ford has supported the concept of the Older Americans Act since its inception in 1965. This past November the President strengthened the Act when he signed into law amendments creating new services and goals. Under President Ford's Administration -- \$272 million -- almost seven times the amount available three years earlier-- went to this program. Through the Administration on Aging, created by this Act, a national network on aging composed of state, area and nutrition agencies has been established. As an example of what the Act does, nutrition agencies serve older persons over 300,000 hot meals a day, five days a week at 5,000 locations. This network helps older people to:

- \* Know what resources are available
- \* Secure services enabling them to live in their own homes.
- \* Meet their needs for transportation
- \* Provide for the weatherization of their homes.
- \* Obtain legal services
- \* Continue to be involved by serving in full-time, part-time and volunteer positions serving the community.
- \* Cope with housing problems
- \* Have a meaningful voice in setting priorities for meeting their needs at the local level.



And, in developing health care for elderly Americans, the President has directed his Administration to develop programs that will lead to better use of present and potential resources for delivery of services to the elderly with the goal of improving health and quality of life. Actions in this area include:

- \* Research at the National Institute on Aging into the physical effects of aging and into the effects of the physical and social environment on the aging process.
- \* Collection of information on nursing homes nationally to recommend sound policies to improve and raise quality of long-term care for the elderly.
- \* Development of a national rating system for nursing homes receiving Medicaid and Medicare funds.

President Ford's commitment both to resolving the problems of older Americans -- and in using their talents -- is great. A statement from his February 9, 1976 message to Congress reflects his beliefs:

"Today's older persons have made invaluable contributions to the strengthening of our nation. They have provided the nation with a vision and strength that has resulted in unprecedented advancements in all of the areas of our life. Our national moral strength is due in no small part to the significance of their contributions."