

1969

President Richard M. Nixon: Vice-President and Mrs. Agnew, Governor Ellington, Governor Love, all of the distinguished Governors and their Ladies who are here, and all the distinguished members of this audience:

I first want to express my appreciation to Governor Ellington for his eloquent introduction and very generous introduction, and I hope that in my remarks tonight I can respond in the same spirit. I also want to express my appreciation to the Governors of the fifty States for their service to the Nation, whether they be Republicans or Democrats, and for inviting me to address them on this occasion.

I speak somewhat with humility whenever I address a group of Governors. If you will permit a personal reference at the outset, as many of you are aware, I have run for many offices in my political career. Twenty-three years ago I ran for the House and four years later for the Senate, and then for Vice President and then for President, and then for Governor and then for President. The only office that I have sought and never won is that of Governor; so therefore, I respect the Governors who are here tonight.

To show that respect, as a demonstration of it, we have in this Administration not only the Vice President, who served as the Governor of Maryland, but three other former Governors as Members of the Cabinet, who hold their respective posts with great distinction.

I suppose that one of the reasons this Administration feels so strongly about the relationships between the federal government and the various States—the necessity to have a new relationship to which I will refer tonight—is that we have that strong representation, the strong voice of those who have served as Governors and who, therefore, know what the problems are.

We are meeting here tonight at a time of great and fundamental change in America—of changes more far-reaching than have ever been seen in the span of a single lifetime. These changes summon all of us—the federal government, the States, the counties, cities and towns, each person everywhere—to a high adventure in human advancement.

We stand on the threshold of a time when the impossible becomes possible—a time when we can choose goals that, just a generation ago, would have seemed as unreachable as the moon seemed to be unreachable then. We can reach those goals.

The Spirit of Apollo gave us a brief, glittering glimpse of how far we can stretch. Thousands of minds, thousands of hands, all were marshaled in selfless dedication in achieving a great human dream—and the dream can be true.

Today, we in America can afford to dream, but we have to put dreams behind those dreams. This requires that we turn—now—to a new strategy.

the seventies, one that enables us to command our own future by commanding the forces of change.

Only seven years from now, in 1976, America will celebrate its 200th birthday as a Nation. So let us look ahead to that great anniversary in the Spirit of Apollo, and discover in ourselves a new Spirit of '76.

Let us resolve that what we can do, we will do.

When a great Nation confronts its shortcomings, not angrily, but analytically; when it commits its resources, not wantonly, but wisely; when it calms its hatreds, masters its fears, and draws together in a spirit of common endeavor, then the forces of progress are on the march.

The central race in the world today is neither an arms race nor a space race. It is the race between man and change. The central question is whether we are to be the master of events, or the pawn of events. If we are to win this race, our first need is to make government governable.

When the new Administration took office last January, we confronted a set of hard and unpleasant facts. I cite these facts not in a partisan way; they are not the fault of any one Administration or of any one party. Rather, they are part of our common experience as a people, the result of an accumulating failure of government over the years to come to grips with a future that soon overtook it.

We confronted a legacy of federal deficits that has added \$58 billion to the burden of public debt in the past ten years.

We confronted the fact that state and local governments were being crushed in a fiscal vise, squeezed by rising costs, rising demands for services, exhaustion of revenue sources.

We confronted the fact that in the past five years the federal government alone has spent more than a quarter of a trillion dollars on social programs—over \$250 billion. Yet far from solving our problems, these expenditures had reaped a harvest of dissatisfaction, frustration, and bitter division.

Never in human history has so much been spent by so many for such a negative result. The cost of the lesson has been high, but we have learned that it is not only what we spend that matters; but how we spend it.

Listen to Professor Peter Drucker analyze the problem of government today: "There is mounting evidence that Government is big rather than strong; that it is fat and flabby rather than powerful; that it costs a great deal but does not achieve very much. Indeed, Government is sick—and just at the time we need a strong, healthy, and vigorous Government."

The problem has not been a lack of good intentions, and not merely a lack of money. Methods inherited from the thirties proved to be out of date in the sixties. Structures put together in the thirties broke down under the load of the sixties.

Over-centralized, over-bureaucratized, the federal government became unresponsive as well as inefficient.

In their struggle to keep up, States and localities found the going increasingly difficult. In the space of only ten years, state and local expenditures rose by two and a half times—from \$44 billion in 1958 to \$110 billion in 1968. States alone have had to seek more than 200 tax increases in the past eight years.

You know—you as Governors—and I know, that simply piling tax on tax is not the long-range solution to the problems we face together. We have to devise a new way to make our revenue system meet the needs of the seventies. We have to put the money where the problems are, and we have to get a dollar's worth of return for a dollar spent.

Our new strategy for the seventies begins with the reform of the federal government:

- Overhauling its structure

- Pruning out those programs that have failed, or that have outlived their usefulness

- Ensuring that its delivery systems actually deliver the intended services to the intended beneficiaries

- Gearing its programs to the concept of social investment

- Focusing its activities not only on tomorrow, but on the day after tomorrow.

This must be a cooperative venture among governments at all levels because it centers on what I have called the "New Federalism"—in which power, funds and authority are channeled increasingly to those governments that are closest to the people.

The essence of the New Federalism is to help regain control of our national destiny by returning a greater share of control to state and local governments and to the people. This in turn requires constant attention to raising the quality of government at all levels.

The new strategy for the seventies also requires a strategy for peace and I pledge to you tonight that we will have an effective strategy for peace.

Let me tell you what that strategy means and what it does not mean. It means maintaining defense forces strong enough to keep the peace, but not allowing wasteful expenditures to drain away expenditures we need for progress.

It means limiting our commitments abroad to those we can prudently and realistically keep. It means helping other free Nations maintain their own security, but not rushing in to do for them what they can and should do for themselves.

It does not mean laying down our leadership. It does not mean abandoning our allies. It does mean forging a new structure of world stability.

in which the burdens as well as the benefits are fairly shared—a structure that does not rely on the strength of one Nation, but that draws strength from all Nations.

An effective strategy for peace abroad makes possible an effective strategy for meeting our domestic problems at home. To place this new domestic strategy in concrete terms, I would like to cite a few examples of changes we in the new Administration have made or proposed since taking office.

We have proposed, as all of you know, because you have discussed it in this Conference, the first major reform of welfare in the history of welfare.

This would abolish the discredited Aid to Families With Dependent Children program, and launch in its place a new system that for the first time would ensure a minimum income for every family with dependent children, and at the same time provide a coordinated structure of work requirements, work incentives and training designed to move people off the welfare rolls and onto payrolls.

Now I realize that some object to some of these proposals—understandably—as seeming to favor one region over another, or because they give the rich States more or less than they give to poorer States. I considered these arguments, and rejected them, because as Buford Ellington indicated in his introduction, we are one country. We must think in terms of the people and their needs—whatever they are. We must meet our problems where the problems are. Because unless we act to meet the problems of human need in the places where they exist, the problems and troubles of rural America today will be the problems of urban America tomorrow.

Consider for a moment the name of this Nation: the United States of America. We establish minimum national standards because we are united; we encourage local supplements because we are a federation of States; and we care for the unfortunate because this is America.

We have proposed the first major restructuring of food programs for the needy in the history of food programs.

Let's face it. For years food programs were designed as much to get rid of surplus commodities as to feed hungry people, and now, for the first time, we propose that every American family shall have the resources, in food stamps, commodities and other assistance, to obtain a minimum nutritious diet, with free food stamps for those with very low incomes.

We have declared the first five years of a child's life to be a period of special and specific federal concern.

New knowledge recently acquired has shown that these earliest, formative years are crucial to a child's later development. Yet with only random exceptions, no provision has previously been made to ensure the welfare of children during these years. With an eye to the next generation, we have made it our business to fill this void.

We have proposed the first major reform of the income tax system in nearly twenty years, to remove millions of the poor from the tax rolls entirely, to close loopholes that have allowed many of the rich to escape any taxation at all, and to make the entire structure more balanced and more equitable.

We have proposed the most fundamental reform of the unemployment insurance system in the history of unemployment insurance.

We have proposed the first reform in the fiscal structure of federalism since the 1930s.

In proposing to begin the sharing of federal tax revenues with the States—to be spent as the States see fit—we are putting our money where our principles are. The power to tax is the power to destroy; but the sharing of tax revenues provides the power to build.

We have proposed, for the first time in history, a comprehensive and effective delegation of federal programs to state and local management.

The Comprehensive Manpower Act would turn over to state and local direction a major federal program which clearly has to be nationwide in scope, and federally funded, but which can most effectively be managed at the state and local level.

We have begun the first overall reform of the organization of the federal government since the Hoover Commission.

By establishing common headquarters and common regional boundaries for the various federal agencies, we have made decentralized administration possible—and made it possible for Governors and Mayors to do their business with those agencies at one time and in one place.

In speaking to one of the Governors tonight, Governor Rhodes of Ohio, he mentioned the fact that in his State, for the welfare programs, approximately 40 percent of the payroll was for the purpose of filling out the federally required forms.

Let me say that we would welcome from the Governors your suggestions as to how we can reduce that kind of a load that has been imposed upon you by the federal government.

For the first time, machinery has been created to raise the problems of the cities and and the problems of the environment to the level of formal, interdepartmental, Cabinet-level concern, with the creation of an Urban Affairs Council and the Council on Environment.

For the first time, machinery has been created within the White House for a coordinated system of forward planning of needs and resources. With establishment of the National Goals Research Staff, we have built into the budgetary and program operations of the national government a systematic assessment of future needs and the resources available for meeting those needs.

Another reform I have asked for, and to which I attach special priority as a matter of the highest principle: reform of the draft.

Until peacetime conditions make a shift to an all-volunteer armed force possible, and while the draft remains necessary, it is imperative that we make it as nearly fair as possible, and that we reduce to a minimum the unnecessary long period of uncertainty that now hangs over the lives of millions of our young people. We shall have some directives that will be issued in the very near future that will accomplish some of those results.

In summary, the twenty-four legislative proposals--the major ones--that I have sent to Congress have also included proposals ranging from an overhaul of foreign aid to the most wide-ranging reform of the postal service in history; from a new program of mass transit aid to new measures for the combating of narcotics, pornography and organized crime.

Taken together, these measures are sweeping in their implications. I admit, too, they are controversial as any new programs are. They also represent fundamental new directions in national policy. But to those who say they are controversial, to those who criticize them for what they are, I make this one suggestion: We have been on a road for a long time that is leading us to disaster, and when you are on the wrong road, the thing to do is get off and get on to a new road and a new progress.

These programs represent a comprehensive, concerted effort to make government work; to make it work fairly; to make it responsive; and to gear it to the early anticipation of emerging needs, rather than belated response to crises that could have been avoided.

I would like for all of us to look at these measures in a larger framework.

Exactly four months from today, we will enter the decade of the seventies. We look ahead toward that 200th anniversary of American independence in 1976; we have a target to shoot for.

What kind of a Nation we will be on that momentous anniversary is ours to determine by what we do or fail to do now. As conditions are changing, so we must change.

The reforms I have proposed in these legislative recommendations are not partisan changes. They are positive changes. They have no special constituency of region or class or interest group. Their constituency is tomorrow.

It already is painfully clear that many hard choices will have to be made. Dreams of unlimited billions of dollars being released once the war in Vietnam ends are just that--dreams. True, there will be additional money, but the claims on it already are enormous. There should be no illusion that what some call the "peace and growth dividend" will automatically solve our national problems, or release us from the need to establish necessary priorities.

There are hard budget and tax decisions ahead. These involve your interests, as Governors; they involve the interests of all of us, as citizens.

In order to find the money for new programs, we are going to have to trim it out of old ones. This is one reason why I regard the reform I have proposed as essential. We can no longer afford the luxury of inefficiency in government. We cannot count on good money to bail us out of bad ideas.

Equally important, continued improvement of governments at the state and local levels is essential to make these new concepts work.

If the delegation of funds and authority to the state and local governments under the Comprehensive Manpower Act is successful, this can then be a model for more delegations in the future. But we can only toss the ball; the States and localities have to catch it and they have to carry it, I am confident that you can.

For a long time, the phrase "States' rights" was often used as an escape from responsibility—as a way of avoiding a problem, rather than of meeting a problem. But that time has passed.

I can assure you of this: We are not simply going to tell you the States have a job to do; we are going to help you find the funds, the resources, to do that job well. We are not simply going to lecture you on what you should do. We are going to examine what we can do together.

One of the key points I want to make tonight is, in a sense, very similar to one I made on my recent visits to our NATO partners and to our friends in Asia. Washington will no longer try to go it alone; Washington will no longer dictate without consulting. A new day has come, in which we recognize that partnership is a two-way street, and if the partnership is to thrive, that street has to be traveled—both ways.

This poses a new challenge to the States—not only to administer programs, but to devise programs; not only to employ resources, but to choose the things for which they should be used. In my talks with many Governors and other state officials, I have found them ready to rise to that challenge. And I have become convinced that States today are ready for a new role.

The New Federalism also recognizes the role of people—of individuals doing, and caring, and sharing. The concept of voluntary action, of community action, of people banding together in a spirit of neighborliness to do those things which they see must be done, is deeply rooted in America's character and tradition. As we have swept power and responsibility to Washington, we have undercut this tradition. Yet when it comes to helping one another, Washington can never bring to the task the heart that neighbors can. Washington can never bring the sensitivity to local conditions, or the new sense of self-importance that a person feels when he finds that some one person cares enough to help him individually.

In encouraging a new birth of voluntary action, I intend to look not only to the federal government, but also to the States, for inspiration and encouragement. Each State has its own pattern of experience, its own examples of how people have successfully helped people. By sharing these examples, they can be multiplied.

As we look toward 1976 and beyond, our range of possible choices is truly breathtaking: how we manage our growing abundance, how we make real our ideals of full opportunity, how we clean up our air and our water, how we balance our systems of transportation, how we expand our systems of education and health care—the list could go on and on indefinitely.

As only one dimension to the new tasks we face, the best estimates are that America's population will increase by 100 million between now and the year 2000—thirty years from now. This means that thirty years from now there will be half again as many people in America as there are today. It means that in this short span of time we have to build fifty cities the size of Philadelphia today.

Or to put it another way, the Committee on Urban Growth Policy has recommended that we should begin planning now for 100 new cities of 100,000 people each, and 10 new cities of 1 million people each—and yet even if we did this it would accommodate only 20 percent of the added population we have to plan for the year 2000.

Yet the other side of this coin of challenge is an enormous opportunity. Growth on such an heroic scale offers an unprecedented opportunity to shape that growth so that our cities and communities enhance man himself.

More than anything else, it is these new tasks of the future—not the distant future, but the immediate future—that give urgency to the need to reform government today. We can command the future only if we can manage the present. The reforms I have proposed are designed to make this possible.

Only if we clean out the unnecessary can we focus on the necessary. Only if we stop fighting the battles of the thirties can we take on the battles of the seventies. These reforms represent a New Federalism; a new humanism; and I suggest also, a new realism.

They are based not on theoretical abstractions, but on the hard experience of the past third of a century. They are addressed to the real problems of real people in a real world—and to the needs of the next third of a century. They represent not an end, but a beginning—the beginning of a new era in which we confound the prophets of doom, and make government an instrument for casting the future in the image of our hopes.

That task requires the best efforts of all of us together. It requires the best thinking of all of us together, as we choose our goals and devise the means of their achievement.

But the future that beckons us also holds greater promise than any man has ever known. These reforms are steps in the direction of that promise—and as we take them, let us do so confident in the strength of America, firm in our faith that we can chart our destiny to the abundant spirit of a great and resourceful people. This spirit has been our strength. Marshaled in a new Spirit of '76, giving force to our purposes and direction to our efforts, it can be our salvation.

And now to those of you who are Governors here present tonight, I would like to add one personal note. Governor Ellington already indicated that we come from different parties, different parts of the country, we represent different religions, different backgrounds. But we are all the same in one respect: We are men, we are women in the great field of politics.

Sometimes as I consider that field of politics and particularly as I talk to the wives of some of those who have chosen the field of politics, I realize how very difficult that particular assignment can seem to be.

I think we have to look at this all in terms of the perspective of the times in which we live. As all of you know, I have had the opportunity of traveling both to Europe and to Asia during the first seven months of my term of office. I visited the leaders in the great countries of both Europe and Asia. I have seen great civilizations and great governments and great peoples.

When I returned to the United States, after meeting with these leaders, one truth always comes back home to me, and it is this: This is the period of time in which, whether peace or freedom survives in the world will depend upon what happens in the United States of America. And it depends not only on what a President will do, but it depends on what we do in all areas, governmental and nongovernmental. It depends not only on what we do on the federal level, but the state and local level as well, because if the United States is going to meet the challenge which is ours, to preserve peace and freedom in the world, to bear our fair share in this period, if we are going to be able to deserve that mantle of leadership which is ours, whether we want it or not, we are going to have to first demonstrate that we can handle our problems at home.

I submit to all of you tonight, no men, no women, could have a more exciting challenge than this. Yes, the task is a great one. It is one that at times may seem frustrating. But I want to say to all of you that as we look toward the challenge of the last third of the century, as we look toward the decade of the seventies, and as we look toward the 200th anniversary of the American Declaration of Independence, 1976, I have great confidence in that future, confidence in it because I know that there are men and women in this country in the field of politics, in the field of government, who are determined to make government work, who are determined that this time in our history we will not fail in the challenge that is ours.

Let me put it in historical perspective. This Nation was founded in 1776; thirteen colonies, 3 million people, very weak militarily, poor economically. The men who founded this Nation said: "We act not just for ourselves, but for the whole human race."

That was a presumptuous thing for them to say then. But some way that Spirit of '76 appealed to all the world.

Today the United States of America, because of its power, because of its wealth, because of what we stand for, does act for the whole human race. And that is the challenge that we face, and that is the challenge that I know we can meet.

I am proud to work with the Governors of the fifty States, Republicans and Democrats alike, to see that America deals effectively with its problems at home, so that we can provide the example of leadership which will enable us to meet the challenges of keeping peace and freedom abroad.

Governor Ellington: Mr. President, we thank you for accepting our invitation. We met with and heard today the elected leadership of county government, city government, state government and the federal government. I think what we have heard has been good. Again, Mr. President, thank you for coming.