ranscript of President's Address on State

Following 🕆 a transcript of President Nixon's add ess on the State of the Union to a joint session of Congress yesterday, as recorded by The New York

Mr. Speaker, Mr. President, my colleagues in the Congress, our distinguished guests, my fellow Americans:

Twenty-five years ago I sat here as a freshman Congressman along with Speaker Albert and listened for the first time to the President address the State of the Union.

I shall never forget that moment. The Senate, the diplomatic corps, the Supreme Court, the Cabinet entered the clamber and then the President of the I mited States.

As all of you are aware, I had some differences with President Truman. He had some with me.

But I remember that on that day, the day he addressed that joint session of the newly elected Republican 80th Conresident of all the people, calling upon the Congress to put aside partisan considerations in the national interest.

The Greek-Turkish aid program, the Marshall Plan, the great foreign policy

initiatives which have been responsible for avoiding a world war for over 25 years were approved by the 80th Congress by a bipartisan majority of which I was proud to be a part. Nineteen seventy-two is now before

ws. It holds precious time in which to accomplish good for the nation. We must not waste it.

I know the political pressures in this session of the Congress will be great. There are more candidates for the Presidency in this chamber today than there probably have been at any one time in the whole history of the republic.

And there is an honest difference of opinion, not only between the parties, but within each party, on some foreign policy issues and on some domestic policy issues.

However, there are great national problems that are so vital that they transcend partisanship. And so let us have our debates, let us have our honest differences but let us join in keeping the national interest first.

Proposals Being Limited

Let us join in making sure that legislation the nation needs does not become hostage to the political interests of any party or any person.

There is ample precedent in this election year for me to present you with a huge list of new proposals, knowing full well that there wouldn't be any possibility of your passing them if you worked night and day

night and day.

I shall not do that. I presented to the leaders of the Congress today a message of 15,000 words discussing in some detail where the nation stands and setting forth specific legislative items on which

I have asked the Congress to act.

Much of this is legislation which I proposed in 1969 and 1970 and also in the first session of this 92d Congress, and on which I feel it is essential that

urgent priorities for the nation, which should and must be the subject of bi-

partisan action by this Congress in the interests of the country in 1972.

When I took the oath of office on the steps of this building just three years ago today, the nation was ending one of the most tortured decades in its his-

tory.

action be completed this year. I am not presenting proposals which have attractive labels but no hope of passage. I am presenting only vital programs which are within the capacity of this Congress to enact, within the capacity of the budget to finance, and which I believe should be above partisanship — programs which deal with program are programs.

The 1960's were a time of great progress in many areas. But as we all know, they were also times of great agony—the agonies of war, of inflation, of rapidly rising crime, of deteriorating cities, of hopes raised and disappointed and of anger and frustration that led finally to violence and to the worst civil disorder in a century.

'Significant' Gains Made

I recall these troubles not to point any fingers of blame. The nation was so torn in those final years of the '60's that many in both parties questioned whether America could be governed at

all.

The nation has made significant progress in these first years of the '70's.

Our cities are no longer engulfed by civil disorders.

Our colleges and universities have again become places of learning instead

of battle grounds.

A beginning has been made on pre-

serving and protecting our environment.

The rate of increase in crime has been slowed and here in the District of Columbia, the one city where the Federal Government has direct jurisdiction, serious crime in 1971 was actually reduced by 13 per cent from the year before.

Most important, because of the beginnings that have been made, we can say today that this year 1972 can be the year in which America may make the greatest progress in 25 years toward achieving our goal of being at peace with all the nations of the world.

As our involvement in the war in Vietnam comes to an end, we must now

go on to build a generation of peace.

To achieve that goal, we must first face realistically the need to maintain our defense.

In the past three years, we have reduced the burden of arms. For the first time in 20 years, spending on defense has been brought below spending on human resources.

Progress With Soviet

As we look to the future, we find encouraging progress in our negotiations with the Soviet Union on limitation of strategic arms. And looking further into the future, we hope there can eventually be agreement on the mutual reduction of arms. But until there is such a mutual agreement, we must maintain the strength necessary to deter war.

And that is why—because of rising

And that is why—because of rising research-and-development costs, because of increases in military and civilian pay, because of the need to proceed with new weapons systems—my budget for the coming fiscal year will provide for an increase in defense spending.

Strong military defenses are not the

enemy of peace. They are the guardians of peace. And there could be no more misguided set of proirities than one which would tempt others by weakening America, and thereby endanger the peace of the world.

In our foreign policy we have entered a new era. The world has changed greatly in the 11 years since President John Kennedy said, in his inaugural address, "We shall pay any price, bear any burden, meet any hardship, support any friend, oppose any foe, to assure the survival and the success of liberty."

Our policy has been carefully and deliberately adjusted to meet the new realities of the new world we live in. We make today only those commitments we are able and prepared to meet.

Our commitment to freedom remains strong and unshakable. But others must bear their share of the burden of de-fending freedom around the world.

And so this, then, is our policy:

¶We will maintain a nuclear deterrent adequate to meet any threat to the security of the United States or of our allies

qwe will help other nations develop the capability of defending themselves. qwe will faithfully honor all of our

Twe will faithfully honor all of our treaty commitments.

Twe will act to defend our interests whenever and wherever they are threatened any place in the world.

The will have our interests or our treaty commitments are not involved our role will ha limited.

will be limited.

¶We will not intervene militarily.

¶But we will use our influence to prevent war.

If war comes we will use our influence to stop it.

¶And once it is over we will do our

share in heping to bind up the wounds of those who have participated in it.

China and Soviet Visits

As you know, I will soon be visiting the Peoples Republic of China and the

the Peoples Republic of China and the Soviet Union.

I go there with no illusions. We have great differences with both powers. We shall continue to have great differences. But peace depends on the ability of great powers to live together on the same planet despite their differences.

We would not be true to our obligation to generations yet unborn if we failed to seize this moment to do everything in our power to insure that we

thing in our power to insure that we will be able to talk about those differences rather than to fight about them in the future. And as we look back over this century, let us in the highest spirit of bipartisanship recognize that we can be proud of our nation's record in foreign affairs. America has given more generously of itself toward maintaining freedom, preserving peace, alleviating human suffering around the globe than any nation has ever done in the history of man.

We have fought four wars in this century but our power has never been used to break the peace, only to keep it; never been used to destroy freedom, only to defend it.

We now have within our reach the goal of insuring that the next generation can be the first generation in this century to be spared the scourges of war.

Turning to our problems at home, we are making progress toward our goal of a new prosperity without war. Industrial production, consumer spending, retail sales, personal income—all have been rising. Total employment, real income are the highest in history.

New home-building starts this past

New home-building starts this past year reached the highest level ever. Business and consumer confidence have both been rising. Interest rates are down. The rate of inflation is down. We can look with confidence to 1972 as the year when the back of inflation will be broken.

Now this is a good record, but it is not good enough. Not when we still have an unemployment rate of 6 per cent. It's not enough to point out that this was the rate of the early peacetime years of the sixties or that if the more than two million men released from the armed forces and defense-related industries were still in their wartime jobs then unemployment would be far lower.

Full Employment Sought

Our goal in this country is full employment in peacetime. We intend to meet that goal and we can.

meet that goal and we can.

The Congress has helped to meet that goal by passing our job-creating tax program last month.

The historic monetary agreements—
agreements that we have reached with
the major European nations, Canada
and Japan—will help meet it by providing new markets for American products,
new jobs for American workers.

Our budget will help meet it by being

Our budget will help meet it by being expansionary without being inflationary, a job-producing budget that will help take up the gap as the economy expands to full employment.

Our program to raise farm income will help meet it by helping to revitalize rural America, by giving up to America's farmers their fair share of America's increasing productivity.

And we also will help meet our goal of full employment in peacetime with a set of major initiatives to stimulate more imaginative use of America's great capacity for technological advance and direct it toward improving the quality of life for every American.

In reaching the moon we demonstrated what miracles American technology is capable of achieving. And now the time has come to move more deliberately toward making full use of that technology here on earth, of harnessing the wonders of science to the service of men.

I shall soon send to the Congress a special message proposing a new program of Federal partnership in technological research and development with Federal incentives to increase private research, federally supported research and projects designed to improve our everyday lives in ways that will range from improving mass transit to developing new systems of emergency health care that could save thousands of lives annually.

Historically, our superior technology and high productivity have made it possible for American workers to be the highest paid in the world, by far, and yet for our goods still to compete in world markets.

Facing New Competition

Now we face a new situation. As other nations move rapidly forward in technology, the answer to the new competition is not to build a wall around America but rather to remain competitive by improving our own technology still further and by increasing productivity in American industry.

Our new monetary and trade agreements will make it possible for American goods to compete thoroughly in the world's markets but they still must compete. The new technology program will put to use the skills of many highly trained Americans, skills that might

trained Americans, skills that might otherwise be wasted.

It will also meet the growing technological challenge from abroad and it.

will thus help to create new industries as well as creating more jobs for America's workers in producing for the world's markets.

This second session of the 92d Congress already has before it more than 90 major Administration proposals which still await action.

I have discussed these in the extensive written message that I have presented to the Congress today.

They include among others our programs to improve life for the aging, to combat crime and durg abuse, to improve health services, to insure that no one will be denied needed health care because of inability to pay, to protect workers' pensions rights, to promote equal opportunity for members of minorities and others who have been left behind, to expand consumer protection, to improve the environment, to revitalize rural America, to help the cities, to launch new initiatives in education, to improve transportation and to put an end to costly labor tie-ups in transportation.

The West Coast dock strike is a case in point. This nation cannot and will not tolerate that kind of irresponsible labor tie-up in the future.

The messages also include basic reforms which are essential if our structure of government is to be adequate in the decades ahead.

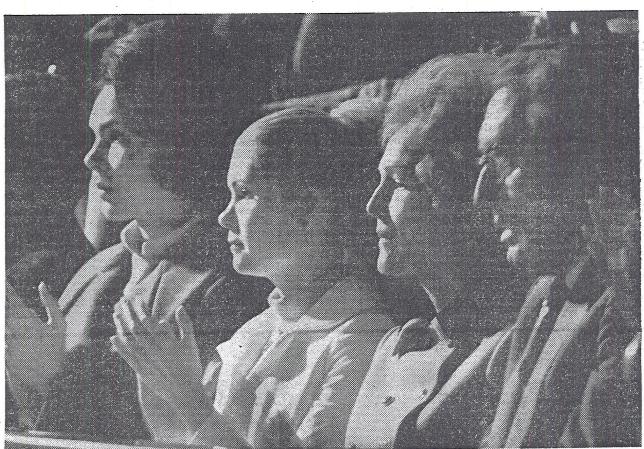
They include reform of our wasteful and outmoded welfare system, substitution of a new system that provides work requirements and work incentives for those who can help themselves, income support for those who cannot help themselves and fairness to the working poor.

Revenue-Sharing Plan

They include a \$17-billion program of Federal revenue sharing with the states and localities as an investment in their renewal and an investment also of faith in the American people.

They also include a sweeping reorganization of the executive branch of the Federal Government so that it will be more efficient, more responsive and able to meet the challenges of the decades ahead.

One year ago standing in this place, I laid before the opening session of this Congress six great goals.



The New York Times/Don Hogan Charles

CLOSE ATTENTION: The President's daughters, Mrs. David Eisenhower, left, and Mrs. Edward F. Cox, with Mrs. Nixon and Henry A. Kissinger, national security assistant to President Nixon, listening to him at the Capitol.

One of these was welfare reform. That proposal has been before the Congress now for nearly 21/2 years.

My proposals on revenue sharing, government reorganization, health care and the environment have now been before the Congress for nearly a year. Many of the other major proposals that I have referred to have been here that

long or longer.

Now 1971, we can say, was a year of consideration of these measures. Now let us join in making 1972 a year of action on them, action by the Congress for the nation and for the people of America.

Now in addition, there is one pressing need which I have not previously cov-ered but which must be placed on the national agenda.

We long have looked in this nation to the local property tax as the main source of financing for public primary and secondary education.

As a result, soaring school costs, soaring property tax rates now threaten both our communities and our schools. They threaten communities because property taxes—which more than doubled in the years from 1960 to 1970—have become one of the most oppressive and discriminatory of all taxes, hitting most cruelly at the elderly and the retired; and they threaten schools, as hard-pressed voters understandably reject new bond issues at the polls.

The problem has been given even greater urgency by four recent court decisions, which have held that the conventional method of financing schools through local property taxes is discriminately and property taxes is discriminately. inatory and unconstitutional.

Nearly two years ago, I named a special Presidential commission to study the problems of school finance, and I also directed the Federal departments to look into the same problems. We are developing comprehensive proposals to meet these problems.

This issue involves two complex and

interrelated sets of problems: support of the schools, and the basic relationships of Federal, state and local governments in any tax reforms.

Reviewing All Tax Aspects

Under the leadership of the Secretary of the Treasury, we are carefully reviewing all of the tax aspects; and I have this week enlisted the Advisory Committee on Intergovernmental Relations in addressing the intergovernmen-

tal relations aspects.

I have asked this bipartisan commission to review our proposal for Federal action to cope with the gathering crisis of school finance and property taxes.

Later in the year, when both com-missions have completed their studies, I shall make my final recommendations for relieving the burden of property taxes and providing both fair and ade-quate financing for our children's education.

These recommendations will be revolutionary, but all these recommenda-tions, however, will be rooted in one fundamental principle with which there can be no compromise: local school boards must have control over local

As we look ahead over the coming decades, vast new growth and change are not only certainties, they will be the dominant reality of this world and particularly of our life in America.

Surveying the certainty of rapid change, we can be like a fallen rider caught in the stirrups or we can sit high in the saddle, the masters of change, directing it on a course we choose.

The secret of mastering change in today's world is to reach back to old and proven principles and to adapt them with imagination and intelligence to the new realities of a new age, and that's what we have done in the proposals that I've laid before the Congress.

They are rooted in basic principles that are as enduring as human nature, as robust as the American experience.

And they are responsive to new conditions. Thus, they represent a spirit of change that is truly renewal.

As we look back at those old principles we find them as timely as they are timeless.

We believe in independence and self reliance and the creative value of the competitive spirit.

We believe in full and equal opportunity for all Americans and in the protection of individual rights and liber-

We believe in the family as the key stone of the community and the community as the keystone of the nation.

We believe in compassion for those

in need. We believe in a system of law, justice and order as the basis of a genuinely free society.

We believe that a person should get what he works for and that those who can should work for what they get.
We believe in the capacity of people

to make their own decisions in their own lives in their own communities and we believe in their right to make those decisions.

In applying these principles we have done so with the full understanding that what we seek in the '70's, what our quest is, is not merely for more but for better—for a better quality of life for all Americans for all Americans.

Thus, for example, we are giving a new measure of attention to cleaning up our air and water, making our surroundings more attractive.

More Support for Arts

We're providing broader support for the arts, helping to stimulate a deeperappreciation of what they can contribute the nation's activities and to our individual lives.

But nothing really matters more to the quality of our lives than the way we treat one another—than our capac-

we treat one another—than our capacity to live respectfully together as a unified society with a full generous regard for the rights of others and also for the feelings of others.

As we recover from the turmoil and violence of recent years, as we learn once again to speak with one another instead of shouting at one another, we are regaining that capacity.

As is customary here on this occasion,

As is customary here on this occasion, I've been talking about programs. Programs are important. But even more important than programs is what we are as a nation, what we mean as a nation to ourselves and to the world.

In New York Harbor stands one of the most famous statues in the world the Statue of Liberty, the gift in 1886 of the people of France to the people of the United States.

This statue is more than a landmark; it is a symbol—a symbol of what America has meant to the world.

It reminds us that what America has meant is not its wealth and not its

power but its spirit and purpose—a land that enshrines liberty and opportunity and that has held out a hand of welcome to millions in search of a better and fuller and, above all, a freer life.

Hope for the World

The world's hopes poured into America along with its people and those hopes, those dreams that have been brought here from every corner of the world, have become a part of the hope that we now hold out to the world.

Four years from now, America will celebrate the 200th anniversary of its founding as a pation

founding as a nation.

And there are those who say that the old spirit of '76 is dead, that we no longer have the strength of character, the idealism, the faith in our founding purposes, that that spirit represents.

Those who say this do not know America.

We have been undergoing self doubts, self criticism. But these are only the other side of our growing sensitivity to

plenty of our impatience with the slowness with which age-old ills are being overcome.

If we were indifferent to the shortcomings of our society or complacent about our institutions or blind to the lingering inequifies then we would have lingering inequities, then we would have

lost our way.

But the fact that we have those concerns is evidence that our ideals, deep down, are still strong. Indeed, they remind us that what is really best about America is its compassion. They remind us that in the final analysis America is great. Not because it is strong, not because it is rich, but because this is a good country. good country.

Let us reject the narrow visions of those who would tell us that we are evil?" because we are not yet perfect; that we are corrupt because we are not yet pure; that all the sweat and toil and sacrifice that have gone into the building of America were for naught because the

building is not yet done.

Let us see that the path we are traveling is wide, with room in it for all of us and that its direction is toward a better nation in a more peaceful world.

And never has it mattered more than

we go forward together.

Leaders Facing Pressure

Look at this chamber.

The leadership of America is here to-day. The Supreme Court, the Cabinet, the Senate, the House of Representa-tives. Together we hold the future of the nation and the conscience of the nation in our hands.

Because this year is an election year it will be a time of great pressure. If we yield to that pressure and fail to deal seriously with the historic challenges that we face, we will have failed the trust of millions of Americans and shaken the confidence they have a right to place in us, in their Government.

Never has a Congress had a greater opportunity to leave a legacy of a pro-found and constructive reform for the nation than this Congress. If we succeed in these tasks, there will be credit enough for all, not only for doing what is right but doing it in the right wayby rising above partisan interest to serve the national interest.

And if we fail, more than any one of us, America will be the loser.

And that is why my call upon the Congress today is for a high statesmanship so that in the years to come Americans will look back and say because it withstood the intense pressures of a political year and achieved such great good for the American people and for the future of this nation, this was truly a great Congress.