

Annual Message to the Congress on the State of the Union.
January 7, 1960

Mr. President, Mr. Speaker, Members of the 86th Congress:

Seven years ago I entered my present office with one long-held resolve overriding all others. I was then, and remain now, determined that the United States shall become an ever more potent resource for the cause of peace—realizing that peace cannot be for ourselves alone, but for peoples everywhere. This determination is shared by the entire Congress—indeed, by all Americans.

My purpose today is to discuss some features of America's position, both at home and in her relations to others.

First, I point out that for us, annual self-examination is made a definite necessity by the fact that we now live in a divided world of uneasy equilibrium, with our side committed to its own protection and against aggression by the other.

With both sides of this divided world in possession of unbelievably destructive weapons, mankind approaches a state where mutual annihilation becomes a possibility. No other fact of today's world equals this in importance—it colors everything we say, plan, and do.

There is demanded of us, vigilance, determination, and the dedication of whatever portion of our resources that will provide adequate security, especially a real deterrent to aggression. These things we are doing.

All these facts emphasize the importance of striving incessantly for a just peace.

Only through the strengthening of the spiritual, intellectual, economic and defensive resources of the Free World can we, in confidence, make progress toward this goal.

Second, we note that recent Soviet deportment and pronouncements suggest the possible opening of a somewhat less strained period in the relationships between the Soviet Union and the Free World. If these Pronouncements be genuine, there is brighter hope of diminishing the intensity of past rivalry and eventually of substituting persuasion for coercion. Whether this is to become an era of lasting promise remains to be tested by actions.

Third, we now stand in the vestibule of a vast new technological age—one that, despite its capacity for human destruction, has an equal capacity to make poverty and human misery obsolete. If our efforts are wisely directed—and if our unremitting efforts for dependable peace begin to attain some success—we can surely become participants in creating an age characterized by justice and rising levels of human well-being.

Over the past year the Soviet Union has expressed an interest in measures to reduce the common peril of war.

While neither we nor any other Free World nation can permit ourselves to be misled by pleasant promises until they are tested by performance, yet we approach this apparently new opportunity with the utmost seriousness. We must strive to break the calamitous cycle of frustrations and crises which, if unchecked, could spiral into nuclear disaster; the ultimate insanity.

Though the need for dependable agreements to assure against resort to force in settling disputes is apparent to both sides yet as in other issues dividing men and nations, we cannot expect sudden and revolutionary results. But we must find some place to begin.

One obvious road on which to make a useful start is in the widening of communication between our two peoples. In this field there are, both sides willing,

countless opportunities—most of them well known to us all—for developing mutual understanding, the true foundation of peace.

Another avenue may be through the reopening, on January twelfth, of negotiations looking to a controlled ban on the testing of nuclear weapons. Unfortunately, the closing statement from the Soviet scientists who met with our scientists at Geneva in an unsuccessful effort to develop an agreed basis for a test ban, gives the clear impression that their conclusions have been politically guided. Those of the British and American scientific representatives are their own freely-formed, individual and collective opinion. I am hopeful that as new negotiations begin, truth—not political opportunism—will be the guiding light of the deliberations.

Still another avenue may be found in the field of disarmament, in which the Soviets have professed a readiness to negotiate seriously. They have not, however, made clear the plans they may have, if any, for mutual inspection and verification—the essential condition for any extensive measure of disarmament.

There is one instance where our initiative for peace has recently been successful. A multi-lateral treaty signed last month provides for the exclusively peaceful use of Antarctica, assured by a system of inspection. It provides for free and cooperative scientific research in that continent, and prohibits nuclear explosions there pending general international agreement on the subject. The Treaty is a significant contribution toward peace, international cooperation, and the advancement of science. I shall transmit its text to the Senate for consideration and approval in the near future.

The United States is always ready to participate with the Soviet Union in serious discussion of these or any other subjects that may lead to peace with justice.

Certainly it is not necessary to repeat that the United States has no intention of interfering in the internal affairs of any nation; likewise we reject any attempt to impose its system on us or on other peoples by force or subversion.

This concern for the freedom of other peoples is the intellectual and spiritual cement which has allied us with more than forty other nations in a common defense effort. Not for a moment do we forget that our own fate is firmly fastened to that of these countries; we will not act in any way which would jeopardize our solemn commitments to them.

We and our friends are, of course, concerned with self-defense. Growing out of this concern is the realization that all people of the Free World have a great stake in the progress, in freedom, of the uncommitted and newly emerging nations. These peoples, desperately hoping to lift themselves to decent levels of living must not, by our neglect, be forced to seek help from, and finally become virtual satellites of, those who proclaim their hostility to freedom.

Their natural desire for a better life must not be frustrated by withholding from them necessary technical and investment assistance. This is a problem to be solved not by America alone, but also by every nation cherishing the same ideals and in position to provide help.

In recent years America's partners and friends in Western Europe and Japan have made great economic progress. Their newly found economic strength is eloquent testimony to the striking success of the policies of economic cooperation which we and they have pursued.

The international economy of 1960 is markedly different from that of the early postwar years. No longer is the United States the only major industrial country capable of providing substantial amounts of the resources so urgently needed in the newly-developing countries.

To remain secure and prosperous themselves, wealthy nations must extend the kind of cooperation to the less fortunate members that will inspire hope, confidence and progress. A rich nation can for a time, without noticeable damage to itself, pursue a course of self-indulgence, making its single goal the material ease and comfort of its own citizens—thus repudiating its own spiritual and material stake in a peaceful and prosperous society of nations. But the enmities it will incur, the isolation into which it will descend, and the internal moral and physical softness that will be engendered, will, in the long term, bring it to disaster.

America did not become great through softness and self-indulgence. Her miraculous progress and achievements flow from other qualities far more worthy and substantial—

- adherence to principles and methods consonant with our religious philosophy
- a satisfaction in hard work
- the readiness to sacrifice for worthwhile causes
- the courage to meet every challenge to her progress
- the intellectual honesty and capacity to recognize the true path of her own best interests.

To us and to every nation of the Free World, rich or poor, these qualities are necessary today as never before if we are to march together to greater security, prosperity and peace.

I believe the industrial countries are ready to participate actively in supplementing the efforts of the developing countries to achieve progress.

The immediate need for this kind of cooperation is underscored by the strain in our international balance of payments. Our surplus from foreign business transactions has in recent years fallen substantially short of the expenditures we make abroad to maintain our military establishments overseas, to finance private investment, and to provide assistance to the less developed nations. In 1959 our deficit in balance of payments approached \$4 billion.

Continuing deficits of anything like this magnitude would, over time, impair our own economic growth and check the forward progress of the Free World.

We must meet this situation by promoting a rising volume of exports and world trade. Further, we must induce all industrialized nations of the Free World to work together in a new cooperative endeavor to help lift the scourge of poverty from less fortunate nations. This will provide for better sharing of this burden and for still further profitable trade.

New nations, and others struggling with the problems of development, will progress only if they demonstrate faith in their own destiny and possess the will and use their own resources to fulfill it. Moreover, progress in a national transformation can be only gradually earned; there is no easy and quick way to follow from the oxcart to the jet plane. But, just as we drew on Europe for assistance in our earlier years, so now do those new and emerging nations that have this faith and determination deserve help.

Over the last fifteen years, twenty nations have gained political independence. Others are doing so each year. Most of them are woefully lacking in technical capacity and in investment capital; without Free World support in these matters they cannot effectively progress in freedom.

Respecting their need, one of the major focal points of our concern is the South Asian region. Here, in two nations alone, are almost five hundred million people, all working, and working hard, to raise their standards, and in doing so, to make of themselves a strong bulwark against the spread of an ideology that would destroy liberty.

I cannot express to you the depth of my conviction that, in our own and Free World interests, we must cooperate with others to help these people achieve their legitimate ambitions, as expressed in their different multi-year plans. Through the World Bank and other instrumentalities, as well as through individual action by every nation in position to help, we must squarely face this titanic challenge.

All of us must realize, of course, that development in freedom by the newly emerging nations, is no mere matter of obtaining outside financial assistance. An indispensable element in this process is a strong and continuing determination on the part of these nations to exercise the national discipline necessary for any sustained development period. These qualities of determination are particularly essential because of the fact that the process of improvement will necessarily be gradual and laborious rather than revolutionary. Moreover, everyone should be aware that the development process is no short term phenomenon. Many years are required for even the most favorably situated countries.

I shall continue to urge the American people, in the interests of their own security, prosperity and peace, to make sure that their own part of this great project be amply and cheerfully supported. Free World decisions in this matter may spell the difference between world disaster and world progress in freedom.

Other countries, some of which I visited last month, have similar needs.

A common meeting ground is desirable for those nations which are prepared to assist in the development effort. During the past year I have discussed this matter with the leaders of several Western Nations.

Because of its wealth of experience, the Organization for European Economic Cooperation could help with initial studies. The goal is to enlist all available economic resources in the industrialized Free World-especially private investment capital. But I repeat that this help, no matter how great, can be lastingly effective only if it is used as a supplement to the strength of spirit and will of the people of the newly-developing nations.

By extending this help we hope to make possible the enthusiastic enrollment of these nations under freedom's banner. No more startling contrast to a system of sullen satellites could be imagined.

If we grasp this opportunity to build an age of productive partnership between the less fortunate nations and those that have already achieved a high state of economic advancement, we will make brighter the outlook for a world order based upon security, freedom and peace. Otherwise, the outlook could be dark indeed. We face what may be a turning point in history, and we must act decisively.

As a nation we can successfully pursue these objectives only from a position of broadly based strength.

No matter how earnest is our quest for guaranteed peace, we must maintain a high degree of military effectiveness at the same time we are engaged in negotiating the issue of arms reduction. Until tangible and mutually enforceable arms reduction measures are worked out, we will not weaken the means of defending our institutions.

America possesses an enormous defense power. It is my studied conviction that no nation will ever risk general war against us unless we should be so foolish as to neglect the defense forces we now so powerfully support. It is world-wide knowledge that any nation which might be tempted today to attack the United States, even though our country might sustain great losses, would itself promptly suffer a terrible destruction. But I once again assure all peoples and all nations that the United States, except in defense, will never turn loose this destructive power.

During the past year, our long-range striking power, unmatched today in manned bombers, has taken on new strength as the Atlas intercontinental ballistic missile has entered the operational inventory. In fourteen recent test launchings, at ranges of over 5,000 miles, Atlas has been striking on an average within two miles of the target. This is less than the length of a jet runway—well within the circle of total destruction. Such performance is a great tribute to American scientists and engineers, who in the past five years have had to telescope time and technology to develop these long-range ballistic missiles, where America had none before.

This year, moreover, growing numbers of nuclear-powered submarines will enter our active forces, some to be armed with Polaris missiles. These remarkable ships and weapons, ranging the oceans, will be capable of accurate fire on targets virtually anywhere on earth. Impossible to destroy by surprise attack, they will become one of our most effective sentinels for peace.

To meet situations of less than general nuclear war, we continue to maintain our carrier forces, our many service units abroad, our always ready Army strategic forces and Marine Corps divisions, and the civilian components. The continuing modernization of these forces is a costly but necessary process, and is scheduled to go forward at a rate which will steadily add to our strength.

The deployment of a portion of these forces beyond our shores, on land and sea, is persuasive demonstration of our determination to stand shoulder-to-shoulder with our allies for collective security. Moreover, I have directed that steps be taken to program our military assistance to these allies on a longer range basis. This is necessary for a sounder collective defense system.

Next I refer to our effort in space exploration, which is often mistakenly supposed to be an integral part of defense research and development.

First, America has made great contributions in the past two years to the world's fund of knowledge of astrophysics and space science. These discoveries are of present interest chiefly to the scientific community; but they are important foundation-stones for more extensive exploration of outer space for the ultimate benefit of all mankind.

Second, our military missile program, going forward so successfully, does not suffer from our present lack of very large rocket engines, which are so necessary in distant space exploration. I am assured by experts that the thrust of our present missiles is fully adequate for defense requirements.

Third, the United States is pressing forward in the development of large rocket engines to place much heavier vehicles into space for exploration purposes.

Fourth, in the meantime, it is necessary to remember that we have only begun to probe the environment immediately surrounding the earth. Using launch systems presently available, we are developing satellites to scout the world's weather; satellite relay stations to facilitate and extend communications over the globe; for navigation aids to give accurate bearings to ships and aircraft; and for perfecting instruments to collect and transmit the data we seek. This is the area holding the most promise for early and useful applications of space technology.

Fifth, we have just completed a year's experience with our new space law. I believe it deficient in certain particulars and suggested improvements will be submitted shortly.

The accomplishment of the many tasks I have alluded to requires the continuous strengthening of the spiritual, intellectual, and economic sinews of American life. The steady purpose of our society is to assure justice, before God, for every individual. We

must be ever alert that freedom does not wither through the careless amassing of restrictive controls or the lack of courage to deal boldly with the giant issues of the day.

A year ago, when I met with you, the nation was emerging from an economic downturn, even though the signs of resurgent prosperity were not then sufficiently convincing to the doubtful. Today our surging strength is apparent to everyone. 1960 promises to be the most prosperous year in our history.

Yet we continue to be afflicted by nagging disorders.

Among current problems that require solution are:

- the need to protect the public interest in situations of prolonged labor-management stalemate;
- the persistent refusal to come to grips with a critical problem in one sector of American agriculture;
- the continuing threat of inflation, together with the persisting tendency toward fiscal irresponsibility;
- in certain instances the denial to some of our citizens of equal protection of the law.

Every American was disturbed by the prolonged dispute in the steel industry and the protracted delay in reaching a settlement.

We are all relieved that a settlement has at last been achieved in that industry. Percentagewise, by this settlement the increase to the steel companies in employment costs is lower than in any prior wage settlement since World War II. It is also gratifying to note that despite the increase in wages and benefits several of the major steel producers have announced that there will be no increase in steel prices at this time. The national interest demands that in the period of industrial peace which has been assured by the new contract both management and labor make every possible effort to increase efficiency and productivity in the manufacture of steel so that price increases can be avoided.

One of the lessons of this story is that the potential danger to the entire Nation of longer and greater strikes must be met. To insure against such possibilities we must of course depend primarily upon the good commonsense of the responsible individuals. It is my intention to encourage regular discussions between management and labor outside the bargaining table, to consider the interest of the public as well as their mutual interest in the maintenance of industrial peace, price stability and economic growth.

To me, it seems almost absurd for the United States to recognize the need, and so earnestly to seek, for cooperation among the nations unless we can achieve voluntary, dependable, abiding cooperation among the important segments of our own free society.

Failure to face up to basic issues in areas other than those of labor-management can cause serious strains on the firm freedom supports of our society.

I refer to agriculture as one of these areas.

Our basic farm laws were written 27 years ago, in an emergency effort to redress hardship caused by a world-wide depression. They were continued—and their economic distortions intensified—during World War II in order to provide incentives for production of food needed to sustain a war-torn free world.

Today our farm problem is totally different. It is that of effectively adjusting to the changes caused by a scientific revolution. When the original farm laws were written, an hour's farm labor produced only one fourth as much wheat as at present. Farm legislation is woefully out-of-date, ineffective, and expensive.

For years we have gone on with an outmoded system which not only has failed to protect farm income, but also has produced soaring, threatening surpluses. Our farms have been left producing for war while America has long been at peace.

Once again I urge Congress to enact legislation that will gear production more closely to markets, make costly surpluses more manageable, provide greater freedom in farm operations, and steadily achieve increased net farm incomes.

Another issue that we must meet squarely is that of living within our means. This requires restraint in expenditure, constant reassessment of priorities, and the maintenance of stable prices.

We must prevent inflation. Here is an opponent of so many guises that it is sometimes difficult to recognize. But our clear need is to stop continuous and general price rises—a need that all of us can see and feel.

To prevent steadily rising costs and prices calls for stern self-discipline by every citizen. No person, city, state, or organized group can afford to evade the obligation to resist inflation, for every American pays its crippling tax.

Inflation's ravages do not end at the water's edge. Increases in prices of the goods we sell abroad threaten to drive us out of markets that once were securely ours. Whether domestic prices, so high as to be noncompetitive, result from demands for too-high profit margins or from increased labor costs that outrun growth in productivity, the final result is seriously damaging to the nation.

We must fight inflation as we would a fire that imperils our home. Only by so doing can we prevent it from destroying our salaries, savings, pensions and insurance, and from gnawing away the very roots of a free, healthy economy and the nation's security.

One major method by which the Federal government can counter inflation and rising prices is to insure that its expenditures are below its revenues. The debt with which we are now confronted is about 290 billion dollars. With interest charges alone now costing taxpayers about 9 1/2 billions, it is clear that this debt growth must stop. You will be glad to know that despite the unsettling influences of the recent steel strike, we estimate that our accounts will show, on June 30, this year, a favorable balance of approximately \$200 million.

I shall present to the Congress for 1961 a balanced budget. In the area of defense, expenditures continue at the record peace-time levels of the last several years. With a single exception, expenditures in every major category of Health, Education and Welfare will be equal or greater than last year. In Space expenditures the amounts are practically doubled. But the over-all guiding goal of this budget is national need—not response to specific group, local or political insistence.

Expenditure increases, other than those I have indicated, are largely accounted for by the increased cost of legislation previously enacted.

At this point the President interpolated the two paragraphs shown in brackets:

[I repeat, this budget will be a balanced one. Expenditures will be 79 billion 8 hundred million. The amount of income over outgo, described in the budget as a Surplus, to be applied against our national debt, is 4 billion 2 hundred million. Personally, I do not feel that any amount can be properly called a "Surplus" as long as the nation is in debt. I prefer to think of such an item as "reduction on our children's inherited mortgage." Once we have established such payments as normal practice, we can profitably make improvements in our tax structure and thereby truly reduce the heavy burdens of taxation.]

[In any event, this one reduction will save taxpayers, each year, approximately 2 hundred million dollars in interest costs.]

This budget will help ease pressures in our credit and capital markets. It will enhance the confidence of people all over the world in the strength of our economy and our currency and in our individual and collective ability to be fiscally responsible.

In the management of the huge public debt the Treasury is unfortunately not free of artificial barriers. Its ability to deal with the difficult problems in this field has been weakened greatly by the unwillingness of the Congress to remove archaic restrictions. The need for a freer hand in debt management is even more urgent today because the costs of the undesirable financing practices which the Treasury has been forced into are mounting. Removal of this roadblock has high priority in my legislative recommendations.

Still another issue relates to civil rights.

In all our hopes and plans for a better world we all recognize that provincial and racial prejudices must be combatted. In the long perspective of history, the right to vote has been one of the strongest pillars of a free society. Our first duty is to protect this right against all encroachment. In spite of constitutional guarantees, and notwithstanding much progress of recent years, bias still deprives some persons in this country of equal protection of the laws.

Early in your last session I recommended legislation which would help eliminate several practices discriminating against the basic rights of Americans. The Civil Rights Commission has developed additional constructive recommendations. I hope that these will be among the matters to be seriously considered in the current session. I trust that Congress will thus signal to the world that our Government is striving for equality under law for all our people.

Each year and in many ways our nation continues to undergo profound change and growth.

In the past 18 months we have hailed the entry of two more States of the Union—Alaska and Hawaii. We salute these two western stars proudly.

Our vigorous expansion, which we all welcome as a sign of health and vitality, is many-sided. We are, for example, witnessing explosive growth in metropolitan areas.

By 1975 the metropolitan areas of the United States will occupy twice the territory they do today. The roster of urban problems with which they must cope is staggering. They involve water supply, cleaning the air, adjusting local tax systems, providing for essential educational, cultural, and social services, and destroying those conditions which breed delinquency and crime.

In meeting these, we must, if we value our historic freedoms, keep within the traditional framework of our Federal system with powers divided between the national and state governments. The uniqueness of this system may confound the casual observer, but it has worked effectively for nearly 200 years.

I do not doubt that our urban and other perplexing problems can be solved in the traditional American method. In doing so we must realize that nothing is really solved and ruinous tendencies are set in motion by yielding to the deceptive bait of the "easy" Federal tax dollar.

Our educational system provides a ready example. All recognize the vital necessity of having modern school plants, well-qualified and adequately compensated teachers, and of using the best possible teaching techniques and curricula.

We cannot be complacent about educating our youth.

But the route to better trained minds is not through the swift administration of a Federal hypodermic or sustained financial transfusion. The educational process,

essentially a local and personal responsibility, cannot be made to leap ahead by crash, centralized governmental action.

The Administration has proposed a carefully reasoned program for helping eliminate current deficiencies. It is designed to stimulate classroom construction, not by substitution of Federal dollars for state and local funds, but by incentives to extend and encourage state and local efforts. This approach rejects the notion of Federal domination or control. It is workable, and should appeal to every American interested in advancement of our educational system in the traditional American way. I urge the Congress to take action upon it.

There is one other subject concerning which I renew a recommendation I made in my State of the Union Message last January. I then advised the Congress of my purpose to intensify our efforts to replace force with a rule of law among nations. From many discussions abroad, I am convinced that purpose is widely and deeply shared by other peoples and nations of the world.

In the same Message I stated that our efforts would include a reexamination of our own relation to the International Court of Justice. The Court was established by the United Nations to decide international legal disputes between nations. In 1946 we accepted the Court's jurisdiction, but subject to a reservation of the right to determine unilaterally whether a matter lies essentially within domestic jurisdiction. There is pending before the Senate, a Resolution which would repeal our present self-judging reservation. I support that Resolution and urge its prompt passage. If this is done, I intend to urge similar acceptance of the Court's jurisdiction by every member of the United Nations.

Here perhaps it is not amiss for me to say to the Members of the Congress, in this my final year of office, a word about the institutions we respectively represent and the meaning which the relationships between our two branches has for the days ahead.

I am not unique as a President in having worked with a Congress controlled by the opposition party—except that no other President ever did it for quite so long! Yet in both personal and official relationships we have weathered the storms of the past five years. For this I am grateful.

My deep concern in the next twelve months, before my successor takes office, is with our joint Congressional-Executive duty to our own and to other nations. Acting upon the beliefs I have expressed here today, I shall devote my full energies to the tasks at hand, whether these involve travel for promoting greater world understanding, negotiations to reduce international discord, or constant discussions and communications with the Congress and the American people on issues both domestic and foreign.

In pursuit of these objectives, I look forward to, and shall dedicate myself to, a close and constructive association with the Congress.

Every minute spent in irrelevant interbranch wrangling is precious time taken from the intelligent initiation and adoption of coherent policies for our national survival and progress.

We seek a common goal—brighter opportunity for our own citizens and a world peace with justice for all.

Before us and our friends is the challenge of an ideology which, for more than four decades, has trumpeted abroad its purpose of gaining ultimate victory over all forms of government at variance with its own.

We realize that however much we repudiate the tenets of imperialistic Communism, it represents a gigantic enterprise grimly pursued by leaders who compel its

subjects to subordinate their freedom of action and spirit and personal desires for some hoped-for advantage in the future.

The Communists can present an array of material accomplishments over the past fifteen years that lends a false persuasiveness to many of their glittering promises to the uncommitted peoples.

The competition they provide is formidable.

But in our scale of values we place freedom first—our whole national existence and development have been geared to that basic concept and are responsible for the position of free world leadership to which we have succeeded. It is the highest prize that any nation can possess; it is one that Communism can never offer. And America's record of material accomplishment in freedom is written not only in the unparalleled prosperity of our own nation, but in the many billions we have devoted to the reconstruction of Free World economics wrecked by World War II and in the effective help of many more billions we have given in saving the independence of many others threatened by outside domination. Assuredly we have the capacity for handling the problems in the new era of the world's history we are now entering.

But we must use that capacity intelligently and tirelessly, regardless of personal sacrifice.

The fissure that divides our political planet is deep and wide.

We live, moreover, in a sea of semantic disorder in which old labels no longer faithfully describe.

Police states are called "people's democracies."

Armed conquest of free people is called "liberation."

Such slippery slogans make more difficult the problem of communicating true faith, facts and beliefs.

We must make clear our peaceful intentions, our aspirations for a better world. So doing, we must use language to enlighten the mind, not as the instrument of the studied innuendo and distorter of truth.

And we must live by what we say.

On my recent visit to distant lands I found one statesman after another eager to tell me of the elements of their government that had been borrowed from our American Constitution, and from the indestructible ideals set forth in our Declaration of Independence.

As a nation we take pride that our own constitutional system, and the ideals which sustain it, have been long viewed as a fountainhead of freedom.

By our every action we must strive to make ourselves worthy of this trust, ever mindful that an accumulation of seemingly minor encroachments upon freedom gradually could break down the entire fabric of a free society.

So persuaded, we shall get on with the task before us.

So dedicated, and with faith in the Almighty, humanity shall one day achieve the unity in freedom to which all men have aspired from the dawn of time.

DWIGHT D. EISENHOWER