

From the offices of:

Senator Joseph S. Clark (D., Pa.)

Senator Hugh Scott, (R., Pa.)

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"REPORT TO THE PEOPLE OF PENNSYLVANIA"

Television and Radio Program Jointly By:

Senator Joseph S. Clark (D., Pa.)

Senator Hugh Scott (R. Pa.)

Guest: Senator Hubert H. Humphrey (D.Minn.)

ANNOUNCER: Your Senators' Report. From the Nation's Capitol we present another report to the people of Pennsylvania. This unique series of programs, done in the public service is brought to you by Senator Joseph S. Clark, Democrat, and Senator Hugh Scott, Republican. To open today's program here is Senator Clark.

CLARK: Our guest on this program is the senior Senator from Minnesota, Hubert H. Humphrey. I'm sure he needs no introduction to our audience and actually he has been on this program before. I thought it was important to have Senator Humphrey here today because he is the Majority Whip of the Senate. That is, in effect, the Assistant Majority Leader.

Hubert, I would like to ask you this question: There has been some criticism in the press and elsewhere about the slow rate of progress which people say the Congress in general, and the Senate in particular, has been making since the first of the year. I think lots of people don't understand the procedural difficulties under which we operate. I wonder if you would tell our audience just what the leadership's plans are for expediting legislation to carry out the program of the President.

HUMPREY: Well, Senator Clark, I have a feeling that all too often these news stories would have people believe that the new Administration has been in power since November 9, the day after the election. Of course, that's not the case. Actually the change of Administration took place on January 20. From the period of time that Congress was in session, I think starting around the 6th of January or the 4th we had a sort of holding action period until the new Administration came in. There wasn't much to do, except to hold Caucuses and Committee meetings. The President has been laying down his program, of late, in a series of messages and statements, and bills have been introduced committees have been established, special subcommittees have been organized, and hearings are underway.

You ought to know, you are holding hearings day after day and you'll be holding them day after day. We are now prepared to move rather rapidly. There will be action upon the unemployment compensation and on the distressed areas bill. There will be action on farm programs, legislation relating to our feed grain. There will be all kinds of programs, and the same pundits that commented on how Congress was slow getting started will be complaining a little bit later, "Why doesn't Congress go home and quit all this work that they're doing down here?" It's a natural thing, I don't get too excited about it.

SCOTT: I haven't had much to say about Congress being slow to get started, because I know when the time comes, and it will come very soon, we will be extremely busy. I think we could explain to our audience that at the moment the Senate has only passed a couple bills. But that is, to be perfectly candid, because the committees are in preparation and are planning to get the major items of the Kennedy program out. And some of those we will support on my side and some we will amend, and some, I suppose, we may have to oppose. But I'd like to call your attention to one of the first programs up. And that is the temporary unemployment compensation, and the extension of Federal benefit payments. I recognize that as an emergency, and the leaders

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of my party have already announced that they will support it, and I will support it.

Senator Prouty of Vermont introduced a bill to which I have become a co-sponsor, which we think is an improvement of the Administration program. Basically your program would provide for 13 weeks extension or 50% of the amount provided by State. If the State has 20 weeks, you'd provide for 10. If it has 30 weeks, there would be 15 weeks involved, but you would allow only 13. Because you say, "50% or 13 weeks which ever is the less", in this case.

Now our amendment would provide for $\frac{1}{2}$ of what a State is already paying out or 13 weeks whichever is the larger. And in a State like Pennsylvania, which has a 30 week program, the Prouty-Scott bill would give 15 weeks extension instead of 13. Moreover it would make the program permanent, because as Senator Clark and I were discussing before we came on the program, we have not only a short-range problem, but we have a long-range problem, because we have a recession about every four or five years. Now, what would you think about our amendment?

HUMPHREY: Before I get to your amendment, Senator Scott, may I have our audience know that part of the work of the Senate, and it has been considerable work, has been in the area of nominations and confirmations. I have been in the session day after day in the Senate Foreign Relations Committee, hearing the testimony of witnesses as we have taken information and digested it and then finally came to a vote of confirmation in the Committee and then to the Senate. I think we ought to understand that putting a government together under any new Administration is a sizable task.

Now, in reference to your proposal. It is a constructive proposal. The Administration proposal was designed as a stop-gap emergency legislation. I have sat in on the conferences where we've discussed the unemployment compensation program. It needs to be revised. It is really out of date. The total unemployment compensation program in my mind, needs Federal standards. It needs a longer period of duration for benefits, and I am of the opinion that the benefits themselves need to be increased in light of the increased cost of living in the metropolitan areas in particular. So what we are planning to do, Senators, as you know, is to approach this problem first on a stop-gap emergency basis and then, very quickly, to introduce or to have legislation processed that will revise the entire structure of unemployment compensation. As I recall, Senator Clark, you are one that has advocated this and the President, when he was a Senator, was the chief spokesman for it. My colleague, Senator McCarthy and myself joined in on that effort. I want to say that I think your proposal has merit.

CLARK: I am happy to hear you say that, Hubert, and I hope the leadership will be persuaded to take it, because it does seem to me a little unfair when a State like Pennsylvania goes out to have longer compensation payments than other states, that when the Federal government comes in to help we should be penalized because we've led the pack. I think with a 30-week compensation limit we ought to get half of that, the way every other state gets half of theirs, and I do hope that the Majority leadership will look with favor on Senator Scott's bill which I heartily endorsed.

With respect to permanent standards of unemployment compensation, you are quite right in saying that the President has supported that when he was the Senator from Massachusetts. I support it too. The problem, at the moment as you know, is that when we don't have national standards it is a terrific inducement to industry to go down

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to some of the Southern states where the standards are lower and their costs are lower. This is not fair to the states which are doing their best to take care of their unemployed. I wonder, Hugh, if you don't stand for national standards also?

SCOTT: Well, if we can agree on the phraseology, if the terminology involved doesn't get us into brand new fields and is restricted to this, I rather think I would be able to go along with it.

HUMPHREY: Well, I want to say that I witnessed in my own state of Minnesota where we have a fairly good unemployment compensation program, that we would be penalized by a program such as some of the Southern states have, or other areas of the country where they have shorter duration of their benefits, lower benefits. Now I think therefore that your program that you're mentioning here, of trying to have the 13 weeks as the minimum of extended benefits and if Pennsylvania, for example, has 30 weeks duration of benefits and the new program of emergency program is one half, then you'd be entitled to 15. I would support that. I would hope that you could bring that message to the attention of the President. I think he should be, and would be sympathetic to it.

SCOTT: Well Senator Humphrey, ladies and gentlemen, is the Majority Whip of the Senate and he's made a very good suggestion because if you can work out an acceptance of our amendment, I think you will pick up a certain number of Republican Senators from the Northeastern states particularly. Some of these votes are going to be pretty close -- this one won'ton some of them we are going to give you a bad time.

HUMPHREY: I would hope that, at least in the early stages, that the sense of compassion and feeling of fellowship would overcome any of these urges of bad time and we would be able to pull together on these things.

SCOTT: We are trying to be constructive and we want to open up that way.

HUMPHREY: Well, I know you feel that way.

CLARK: Hubert, I would like to turn your attention to another aspect of the unemployment problem in which I know Hugh is also interested. And that is the fact that we have presently 5½ billion, almost, unemployed, totally unemployed in the country, another 1,700,000 who are working part time. Of that number over one half million are in Pennsylvania. As the Chairman of the Subcommittee on Employment and Manpower, of the Labor and Public Welfare Committee, I have been holding hearings. I had one in Pittsburgh the other day, another in Chester, Pennsylvania, a third in Newark, N. J. and a fourth in Providence, R. I., intending to determine whether there is sentiment in support of the three bills which I have introduced which I think will be of some help in dealing with the permanent measures of unemployment which confront us.

The first is a bill to retrain workers who have lost their jobs as the result of either automation or the fact that there just aren't any orders to give them another skill.

The second would provide an interim community facilities bill to put people back to work on projects of construction, the building of roads, highways, public buildings which have a utility and can be put under contract very promptly.

And the third is your own Youth Conservation Corps bill which we passed through the Senate last year. I don't want to put you on

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the spot, and I know you're too smart to get on the spot, but I do hope you will give favorable consideration to getting leadership support for each of these three measures, which I think will have a measurable effect in decreasing unemployment.

HUMPHREY: Well let me say to you, Senator Clark, that I've never believed that all wisdom was lodged in the Executive branch and the officers of the Executive branch. I think that we in the Legislative branch are very close to the people, very close to the problems of the people and that we can come up with some mighty good constructive ideas and the President and his Cabinet officers will, I am confident, welcome these ideas.

Let's take number one. Retraining of workers is really needed. It is even needed in industries that are affected by adverse foreign trade.

SCOTT: My own bill includes provisions for retraining.

CLARK: That's just the depressed areas, ours is across the board.

HUMPHREY: But this ought to be brought in for full-scale hearings and I'm delighted that you're doing it. Then the second one on Community facilities. I am of the opinion, gentlemen, that this recession is a little deeper than some of us are willing to acknowledge publicly. And there is no better way of getting people back to work and doing something that is tangible and constructive than a community facilities program. We need these community facilities of streets, storm sewers, roads and highways and so on.

CLARK: Actually, Hubert, this is the PWA program up-dated and I thought it was good in the thirties and I don't know whether Hugh would agree or not, but there are all sorts of stuff that could be put under contract which would add to the wealth of this country quite measurably.

HUMPHREY: And employ one of the most important segments of our unemployed population, namely the skilled and the semi-skilled workers. Because they're basically good workers.

SCOTT: On that one, I do distinctly want to reserve the point because it may well be that I may not approve of all that you have in mind. I have a common constant problem of local and state responsibility and I would want to know here the extent to which the states and the local communities can take care of these facilities themselves, because as we take over one more function and then another function from the local government and from the state...and we had our Governor down this week with state problems and everybody has his Governor down here. Many of them do require federal help. But there is a tendency of the Governors to pass the problems on to us. There is a tendency of the Mayors to do the same thing. Therefore I would for the moment reserve that point and move on to another.

HUMPHREY: Well, could I made one comment on this Senator? I feel that we are not as yet prepared to say what the final answer is to this type of community facilities program. I do personally look upon a program of grants, number one, and of loans.

CLARK: Matching grants.

HUMPHREY: Absolutely, matching grants. I have often felt that we could use the REA principle of long term loans at very low rates of interest as a type of assistance from the Federal government and yet not a direct handout. I think this could be helpful, particularly for communities that have bonded debt limitation, where you can't go out and issue more bonds, but at the same time, the capital producing potentiality is in the community if you can get it to work.

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SCOTT: What I'm fearful of is that Pennsylvania taxpayers might end up building very handsome asphalt side streets down in Mississippi or helping the utilities out in Arkansas or in Minnesota to be very candid about it.

HUMPHREY: I would be very appreciative.

SCOTT: I'm sure you would but the Federal government has got to stop somewhere even in view of the fact that its Senators from Minnesota are alert and on the job.

What I wanted to turn to was this subject of the recent directive or decision of the Secretary of Agriculture, Governor Freeman from your state in which he has fixed, beginning in August, a subsidy to foreign users of American cotton. He has increased that subsidy from 6¢ to 8½¢ and the support price from 70% to 82%. Now I don't know whether this was done to get Congressman Cooley, Chairman of the House Agriculture Committee back in the good graces or to get the President in good graces of Congressman Cooley, or what the purpose was of it.

But here is what it does in Pennsylvania: We are already being flooded with imports from foreign countries who are making shirts and cotton goods, ladies dresses -- sending them over here -- and we can't compete. Now, instead of the manufacturer -- in some place in the Orient, let's say -- being able to use our cotton to make a cotton dress and pay 6¢ a pound less for it, he's going to pay 8½¢ a pound less for it and that's going to drive out of business some of our cotton goods and textile people in various parts of Pennsylvania. I heard from Berwick, Pennsylvania today about that.

We're worried up in the Northeast about that because if shirts go up, say from \$2.95 to \$3.50, if ladies dresses go from \$9.50 to \$10.75, some of our people are going to be out of work as a result of it. And all of our people are going to be paying more. Now, Secretary Freeman said that others -- meaning, I think the Secretary of Commerce Hodges -- very reluctantly agreed with him (on the subsidy). I can understand their reluctance because it's operating against the Administration statements that they're going to try to keep down the cost of living and keep employment up.

HUMPHREY: Well, Senator, you can raise the price of raw cotton considerably and it won't affect the price of a shirt a penny insofar as raw cotton is concerned. Now let's not fool ourselves about that. You can increase the price level of raw cotton -- that is the fibre that comes out of the field -- as much as 25% and it won't add 5¢ to a shirt, that is the cotton price itself. You can argue the merits or demerits about whether or not there ought to be an increase in the cotton price support program. And that is really what has happened. I mean the Administration is recommending a reasonably good increase -- about 82% of parity, if I'm not mistaken, on certain types of cotton -- long staple cotton that has a good market both at home and abroad. Actually, the cotton industry has been suffering -- that is, the producer. And very frankly, if you want people to produce cotton, they ought not to produce at a loss. They ought to be able to produce at least at a break-even and I would hope at a profit.

Now this matter of imports is a very serious matter. And may I say this isn't confined to Pennsylvania, gentlemen. We make quite a few textile products in Minnesota. We want to make more. I happen to believe that one of the needs or one of the programs of this Administration should be to work out something, particularly with the Japanese exporters to impose -- I won't say impose -- but to agree on certain quotas and shipments rather than just flooding the American market. I also would suggest that sometimes by the technological improvement of our own mills and our own processes that we will place ourselves in a better competitive position.

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SCOTT: Senator Humphrey, what I can't understand is if cotton has gone up -- and I'm no expert -- but they use as a standard what they call middling one inch, and the price of that cotton has gone up -- I am told -- from 30¢ to 34¢. Now if the price of cotton has gone up, presumably we are subsidizing the foreign producers in order to enable them to continue to compete strenuously against us. I don't go by your theory that cotton is in trouble. If the price has gone up to 34¢ and I don't see why you raise the support from 70% to 82% when cotton is on the rise unless it's to buy the Southern Democrats.

HUMPHREY: No, no.

SCOTT: Joe wants to buy the Southern Democrats, he's always...

HUMPHREY: We don't have to. They are good loyal Democrats.

CLARK: I just want to put in Hubert's mind before he answers you, this thought. You've been on the Agriculture Committee...

SCOTT: He doesn't need any bailing out.

CLARK: No, but tell the people of Pennsylvania this, because my good friend, Senator Scott has been pulling this line on this show ever since back in November...

SCOTT: This is a new subject. I'm tired of our old subjects.

CLARK: He used to tell us back in the campaign that the Kennedy program would increase the cost of food by 25%. Now you know. You just tell our listeners how much of the price of a loaf of bread is in wheat; how much of the price of a shirt is in cotton. Isn't this a vastly exaggerated bill of goods that my friend is trying to sell our listeners?

SCOTT: That was a loaded question. We'll get a loaded answer.

HUMPHREY: I was willing to tolerate that kind of exaggeration as to the increased cost of living by the Kennedy farm program during the campaign, because most Americans are somewhat immune to this sort of talk. But once you're in the process of governing a country, I think you ought to be a little more responsible. And when you are running a government as is now the case, why we'd just as well face up to what the facts are. You could have increased the price of wheat to a dollar a bushel and you wouldn't increase the price of Grapenuts as much as a penny a box. You could have doubled the price of oats and it wouldn't have made any difference in the price of oatmeal at all. In fact the label on the oatmeal box costs more than the oats in the oatmeal box.

SCOTT: Your argument, basically, is that if you increase the cost of the basic food product, it doesn't increase the cost to the consumer.

HUMPHREY: I didn't say that.

SCOTT: I heard it that way.

HUMPHREY: We know that that's the case in perishable commodities. But Senator Scott I have never believed that it was the duty of Pennsylvania manufacturers to subsidize consumers in Minnesota, nor have I believed that it was the duty of Wisconsin farmers to subsidize New Jersey manufacturers. What I'm trying to say is that farmers are entitled to a fair deal and so are manufacturers. Now, I'm not unimpressed at all. I am impressed by the seriousness of foreign competition in some of these markets of ours, particularly textile markets. And may I add that some of this competition is from American firms who have seen fit to move their capital and their plant overseas

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and to manufacture with cheaper labor overseas, goods to ship back into the United States. I think this picture needs a much broader look than merely saying, "Let's keep cotton producers down; let's keep farmers down and let's hope and pray that some of our textile manufacturers can survive at home here." Let's take a look at the total picture and I think that's what Governor Freeman, Secretary of Agriculture is trying to do.

SCOTT: Senator Humphrey, Senator Clark has been trying to make the point that if the increase in wheat or in oats doesn't increase the cost to the consumer are you prepared to say that one year from now, under this Administration, the cost of the loaf of bread will not go up a cent; the cost of a quart of milk will not go up a cent? Do you anticipate it will go down in view of these expected high parity programs? Do you think that my shirt -- and it's a good American shirt by the way -- ...

HUMPHREY: Mine too -- made in Minnesota.

SCOTT: ...and your shirt and the ladies' dresses are going to be less next year? I'm telling you now, ladies and gentlemen, your shirts and your dresses are going to cost more. The order has already been put in and after August, you can expect about next spring a rise in the cost of your clothes. Now these gentlemen will disagree with me and they will come back here next spring and we'll do it again.

HUMPHREY: Now Senator, I know that you want to make this program informative and not merely rhetorical and if that is the case, let's face it. There are possibilities that there will be increased costs. And if there are increased costs, it may be due to a hundred and one factors. Maybe the taxes are going up in Pennsylvania, I don't know.

SCOTT: Oh yes, with a Democratic Governor, they're going up in Pennsylvania.

HUMPHREY: Maybe they're going up in Minnesota. I know they are. May I say that we can compensate for that in Minnesota with a Republican Governor. He's doing a fine job.

SCOTT: He's only had a month...

HUMPHREY: ...leaving no one in second position. He's right out in front.

SCOTT: He hasn't increased taxes though.

HUMPHREY: Oh yes. He's doing well. He's going to. But again, let's try to be informative here. The fact is that you can have a hundred and one items that enter into the cost of production of a particular finished item and no one can say that these finished items may not go up. All that Senator Humphrey is saying is that I don't believe that it is the duty or the responsibility of Pennsylvania coal miners to subsidize Minnesota coal consumers. I don't believe that it is the duty of Minnesota farmers to subsidize Pennsylvania manufacturers or consumers. I am for all of it. And I think the job is to try to bring some equity -- some reasonable degree of equity. Now one thing that we'll be able to do that may reduce the cost a little bit, Senator, is to get the cost of financing down which has been the biggest racket of recent years. We'll get the cost of interest payments down on homes, on automobiles and on the public debt. That will be a whole lot more significant in savings, may I say, than trying to keep the cost of wheat down another 2¢ a bushel because the cost of interest... The fellow that invented that interest really got a hold of something, I want to tell you that.

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SCOTT: Yes, he was quite a man and he worked very well under Democratic Administrations too. That's when he knew his greatest prosperity too, that old man. Can we get over into foreign affairs?

CLARK: I was going to ask Hubert a question on foreign affairs. Hubert, you've been awfully active in connection with the Peace Corps and you've also been the chairman of the Subcommittee on Disarmament of the Foreign Relations Committee. I wonder if you could tell us your own views -- they're somewhat different subjects, but are we going to get anywhere with the Peace Corps? And what are your thoughts on disarmament? Maybe you can't do both in the time that remains.

HUMPHREY: We can say on the first that we're not only going to get somewhere but by the time that this telecast gets to your people, the President's program of the Peace Corps will be in operation -- at least a pilot project. We're under way. I've been in consultation with the President, with his officers and with Mr. Shriver who is going to head up this Peace Corps operation. We'll introduce legislation to broaden its base to give it a more permanent structure. We already have the authority in Mutual Security for a modest program and a Peace Corps will merely mean emphasizing the technical programs, educational and health programs on the part of America.

SCOTT: Well, a quick question on that. What protection can we have against this Peace Corps being used to promote draft dodging? That's our biggest concern.

HUMPHREY: There's going to be no exemption of military service in the Peace Corps.

SCOTT: But if you're away, you're doing both. If you're in the Peace Corps, you don't go in the army.

HUMPHREY: That's right.

SCOTT: And that sounds attractive to some people.

HUMPHREY: May I say that the major war that's being fought right now, Senator, is being fought not with bullets, but with ideas and with some of the great services of education, health and agriculture and what have you. If we can send enough of these soldiers of peace abroad to teach people how to read and write, to teach them some of the modern techniques of production and consumption and public health and education, we may not have to have so many people drafted. I think the most ridiculous thing that's happened in this country is to presume that you can serve your country, particularly in the kind of situation which we are in now, only when you have the uniform on your back. I want to say that Doctor Dooley -- bless his memory -- did more to serve America as a doctor over in Laos, than many a person that has had a uniform on. Now I'm not underestimating the other. I wouldn't want the Peace Corps to be used as a draft dodger business as they call it. But that's a poor way to talk about the Peace Corps. The Peace Corps is designed to save lives, designed to save democracy, designed to combat poverty, combat illiteracy and hunger. It's designed to put Communism on the run.

SCOTT: It has high motivation. I understand that. But the man who carries the rifle is likely to say, "Look at that other guy. He got out of carrying a rifle by carrying a book. Why don't they let me put my rifle down and carry a book?" On that basis, there ought to be absolute fairness.

HUMPHREY: There will be.

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SCOTT: ...to make sure that people don't avoid military service because they've got an idea to shoot at some foreigner. And that's what concerns me.

HUMPHREY: Well, don't worry about that, Senator. It will be taken care of. And may I say it might be a little easier to carry a rifle in Frankfort, Germany, than it is to carry a syringe of penicillin out in the jungles of the Congo. And I don't know who'd be in the most trouble. As a matter of fact, if I had the choice right now, I think a nice stint in Germany would look a little better than down in the Congo.

SCOTT: I was a headline that said "Kennedy Administration Adopts Eisenhower Space Budget." That rather indicates that we were right on the missile program since you're going to use our budget for missiles. Am I correct on that?

HUMPHREY: No. I wouldn't say that. I would only say that the Eisenhower Administration left us with such a budget turmoil and confusion, and with such a budget deficit that we're having a difficult time finding the money to launch any additional efforts. We'll have to review this whole thing in the months ahead.

SCOTT: On the basis of that eminently well-phrased alibi, I want to say that we do appreciate... You are literate; you are well-informed and you hold a powerful position and we honor and respect you Senator Humphrey. We are very happy to have you on this program.

HUMPHREY: Thank you.

ANNOUNCER: You have been listening to Your Senators Report from Washington, D.C., a report to the people of Pennsylvania, brought to you in the public service by Senator Joseph S. Clark, Democrat and Senator Hugh Scott, Republican.



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