

REMARKS

VICE PRESIDENT HUBERT HUMPHREY  
NATIONAL ASSOCIATION OF INSURANCE AGENTS

NEW YORK CITY

SEPTEMBER 21, 1966

*N. Carolina*

*70th*

*Msgr Burns*

*Mr Blum*

*Billy Webb  
President*

I am with you today in three capacities: As an

official of your government; as one of your customers; and  
as a fellow small-businessman.

As a government official, I should like to commend  
you for the stress you put upon civic activity in your home  
communities.

Local government that is alert, effective, and  
constantly on its toes -- and people who keep it that way --  
are essential to our national strength and vitality.

As you know, President Johnson is committed to the  
principle and practice of creative federalism -- a working  
partnership between all levels of government, as well as  
the private sector.

*So much of American  
insurance business is played off  
London - Lets find way to keep  
those Dollars here.*

The federal government, under the President's concept, does not move in and shoulder aside local governments. Instead, it offers them stimulation and support -- but looks to them to initiate and carry through the programs needed to meet their own problems.

The ball is in their hands -- and we look to active citizens such as yourselves to help them carry it forward.

↳ Speaking as one of your customers, I commend you for the high professional standards and independent judgment you have brought to helping Americans protect themselves against many of the risks of property loss.

As you know, one important risk to property not now covered by insurance is that of floods. I know that you have taken a keen interest in the recent report of the Department of Housing and Urban Development, which finds that such insurance is feasible and can promote the public interest.

The President has asked that this report be reviewed both by Congress and by interested groups such as yours.

Secretary Weaver has stated that his Department stands ready -- in cooperation with other federal agencies, the states, and private insurance interests -- to develop, over the next few months, proposals for action, including appropriate legislation.

I know that we count on your help and your knowledge and practical experience in preparing these proposals.

I am speaking to you also as one small, independent businessman to others. As you know, I was a pharmacist before I strayed into education and politics. And I still retain an interest in the Humphrey family drugstore in South Dakota.

In this world of corporate giants, it is good that small business continues to flourish -- and, as a Senator and Vice President, I have done my best to keep it flourishing.

Small business contributes an essential and irreplaceable element of personal commitment and individual initiative to our economy.

And what is big business, in many cases, but small business which has grown and succeeded?

As fellow-businessmen, I think we would agree that business is good.

Since early 1961 -- the low point of the fourth recession since the war, the third in eight years -- our economy has been on the way up. As I speak to you today, it is in its 67th month of continuous expansion.

For the past two and a half years our annual growth rate has been 5.6 per cent.

And our prosperity has been widely shared -- by small business as well as large and by the worker, the farmer, and the professional man.

Meanwhile, the deficit in our national budget, which reached a historic peak of over 12 billion dollars in 1959, has actually been cut to a little over 2 billion dollars.

During all this unparalleled economic expansion --



and I want to stress this point -- our record of price stability has been unmatched by any other industrial country in the free world.

All of us, as Americans, can take justified pride in these accomplishments.

Sound and well-timed government economic policy, developed in close partnership with the Congress, have made a major contribution.

But we should recognize that the important contribution has been made by the creative energies of the private sector.

I believe there is growing public confidence in the capacity and willingness of the government to take the actions needed to help keep the economy strong and stable. As a result, most of us no longer regard recurring booms and busts as inevitable, as many of us once did.

As confidence has grown, so has private responsibility and restraint.

In a free enterprise economy such as ours, these attitudes of economy maturity are powerful forces for economic health.

Early this year, it became clear that the demands of the Vietnam war, added to our past economic expansion, required some restraining action.

To slam on the brakes would have been simple -- but it might very well have put us through the windshield.

And we have proceeded accordingly.

At the beginning of this year, the President and the Congress took action to reduce inflationary pressure by taking something like 10 billion dollars in purchasing power out of the economy. This was done through restored excise taxes, graduated withholding of individual taxes, and a variety of other measures.

In addition, the President clamped severe restraints on all federal expenditures except those of the highest priority,

and postponed capital outlays wherever possible.

Now the time has come to deal directly with one of the major factors pushing up prices — the surge in business spending for plant and equipment.

We fully realize the importance of maintaining such investment at a level high enough to assure steadily rising production and job opportunities in the years ahead. But, in present circumstances, the current and prospective level of business investment is simply too high.

*Interest rates* ↗ Moreover, the increasing volume of spending for business investment has been a main cause of mounting interest rates. It has also diverted financial resources from other important areas of economic activity -- particularly state and local governments, potential home-owners, and small business.

To meet these problems, the President has proposed prudent and precautionary measures against inflation additional

to those taken some months ago:

- Strong measures to reduce by an estimated 3 billion dollars that portion of federal expenditures under direct Presidential control.

- A temporary suspension, until January 1, 1968, of the 7 per cent tax credit on investment in plant and equipment and of the accelerated depreciation provisions for commercial and industrial construction.

- A rigid curtailment of federal agency borrowing for the remainder of this year.

Other programs already under way to ease the plight of groups hit hard by the credit shortages include:

- Legislation just signed by the President to permit an additional 4.7 billion dollars in Federal National Mortgage Association ("Fannie May") funds for home mortgages.

-- Legislation moving through the Congress which will give federal agencies authority to keep the interest rates paid by financial institutions at reasonable levels.

The measures proposed by the President will benefit all Americans -- but most directly those who have been elbowed aside in the scramble for credit, because of shortages of funds and rising interest rates.

Small business, home buyers, states and municipalities, college students, and consumers generally will have greater access to credit.

I have heard complaints in some quarters that the President's program is "anti-business." This is simply not true.

No one is proposing any additional burden on business investment. All that is being asked is that business temporarily forego certain special tax benefits -- benefits, I might add, which have been in effect only since 1962.

What we are asking -- and asking only for the limited period of 16 months -- is that investment be slowed to help meet the threat of inflation.

Finally, let me emphasize how important it is, during this period of economic strain, for all sectors of the economy to act responsibly, with the public interest constantly in mind.

The President has asked banks to handle loans equitably and without excessive profits.

He has asked business to restrain its use of credit, to keep inventories at reasonable levels, to postpone investments where possible, to set prices on the basis of real costs, and to limit profits to those appropriate in an expanding economy.

And he has asked labor to avoid wage demands that would raise the average level of costs and prices, to permit the necessary number of new entrants into its trades, and to cooperate with business in raising productivity.

If some of us act on the principle: "Each for himself and the devil take the hindmost," all of us in the end would suffer -- either through a runaway inflation or a disastrous depression.

But if we act as responsible citizens of this complex and interdependent economy, we can keep it functioning to the great and growing benefit of all of us -- including your clients and yourselves.

I have enough confidence in the common sense and maturity of Americans to believe that they will exercise restraint and act in the common interest, so that America will continue to grow and prosper without repeating the economic mistakes of the past.

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SPEAKERS IN ORDER OF APPEARANCE

1. Benediction by: Monsignor Burns
2. Billy Webb - Moderator  
President of National Association of Insurance Agents
3. The Hon. Hubert H. Humphreys - Vice President of the United States

*September 21, 1966*



(Tape interrupting) -- that will enable them to participate in the life and economy of their towns and cities and of this great nation. Give them the ingenuity and energy to fashion a prosperous future for themselves, their families, their nation, and for all men.

As their business is of its nature social and brotherly, distributing the risks to life, health, and property over the full span of a man's working years, and over the whole community exposed to risk, so let them have the insight and wisdom to develop ever more perfect social goals.

May the men and women of this industry creatively provide the opportunities to become independent business men for all segments of our population. May they create the techniques of providing coverage so difficult to secure on buildings in slum areas which is so essential to their renovation, repair, and economic life.

And grant us all the maturity that is capable of receiving the light you give and of assuming the responsibility you entrust.

And finally, oh Lord, at the end of this day, when all the energies of science, and business, and population converge in the New York streets and subways at 5:00 o'clock, give us a sense of humor and a touch of Thy infinite patience. Amen.

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Ladies and gentlemen: This 70th Annual Convention of this Great Association of ours is highly honored this morning. We are delighted to have our speaker with us to take time from his busy schedule to be with us. I am proud to call him a friend. But I'm even prouder of the fact that he is a friend of all men who love liberty; of all men who love justice; and, of all men who desire peace with honor. With a heart full of pleasure and pride, I present to you the Vice President of the United States.

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(Applause.)

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Thank you, thank you.

Thank you very much, Billy Webb; your distinguished President of this Great Organization and Mr. Bloom, the President Elect; Monsignor Burns, thank you for asking for good humor at 5:00. I wish that you'd included in that little prayer alertness at 9:15 or 9:20 --

(Laughter.)

-- I love to make speeches, but I must be very candid with you. There is an hour for everything --

(Laughter.)

-- and -- possibly this morning you'll be spared some of the longevity of speeches that occasionally becomes my privilege and habit and I'll get you onto your program.

I've been looking over this fascinating program for your 70th Meeting, and I've noted, my dear friends, that following the address of the Vice President you will have a panel -- that's where you dissect the Vice President, I am sure --

(Laughter.)

-- perform a little economic and political surgery upon the carcass, and then you have a distinguished correspondent, and one of America's truly -- truly, one of America's outstanding journalists, Meriman Smith, who is the Dean of the White House Correspondents, that's going to be here to talk to you on the title "Backstairs at the White House". Well, now, I didn't think we'd have anybody expose us that soon in the public way --

(Laughter.)

-- but I've -- I think maybe I ought to give you a little talk about

what goes on 'upstairs at the White House'.

(Laughter.)

Or maybe I could give you a little insight of what goes on across the street from the White House where I have my office.

But Mariman is over there almost more than I am and he has a little different point of observation than I do and possibly his remarks might be slightly more objective than mine, however, I do hope to remain in New York long enough to engage in rebuttal in case that he says anything here that I think we ought to defend ourself against.

I'm happy to be with you, and I see a little note here on the podium, says -- Vice President Humphrey, from the South Dakota Delegates; I thought for a moment it might have been a campaign contribution --

(Laughter.)

-- but it just is a very nice morning greeting that says hello to the Vice President, Hubert Humphrey, and a listing of all of the delegates to your conference and convention here from South Dakota. I think I should explain to some of you why this means so much to me. I was born in South Dakota and my father, mother were in business in South Dakota, in fact, the Humphrey Drug Store is still operating in South Dakota -- which reminds me, if you ever go through Huron, South Dakota, stop in; we can use the business and --

(Laughter.)

-- it's in good shape and my brother is there in full charge, modern establishment, and I appreciate the fact that my South Dakota friends have remembered me and given me this, well, this opportunity to get in my commercial, and I hope this is no conflict of interest, --

(Laughter.)

-- because the Humphrey Drug Store does no business with the Federal



Government, except pay taxes.

(Laughter.)

Well, it's nice to be given this privilege of talking to you by a distinguished gentleman and a good friend, a tarheel from down North Carolina way. I know that you've enjoyed his Presidency as I've enjoyed his friendship, and I only hope that this morning that you won't be unhappy that he invited me to visit with you, because I want to talk quite candidly with you about our Country. I want to talk to you about our economy, and I want to talk to you a little bit about our role in this world.

I come to you as a man in public life, but I also come to you as one who -- as I've indicated -- is from a family that has long been engaged in business enterprises, a small business, over 60 years; and we're proud of it, too. Very, very proud. As my Daddy used to say, we had a sign out along the highways, we even beat Burma Shave to those signs that they have on the highways; and service since 1903. That was our drug store. Well, this is 1966; that's 63 years of being in business, and I hope my friends from South Dakota won't take offense if I tell you that in order to be in business and be solvent all of the 63 years that you're in South Dakota, you have to have a little business sense; because it was pretty rough out there during some of those days. But that experience in the business world did give me an appreciation of some of the problems that confront the independent, private enterprise of our Country. And I am devoted to it; devoted to the whole dynamics of our free enterprise economic system. And I worry lest things develop within the economy or within government that would in any way stifle this sense of incentive, this motivation which comes through one's own private enterprise, through his own business

establishment -- whether it be an insurance office or whether it be a drug store or whether it be the local department store, or whatever else or whatever particular business institution it might be.

But I have never been one that believes that there is a necessary antagonism between government and business. You can have it. You can even develop it. You can think your way to it, or the government itself can, in a sense, organize itself to be an antagonist. But, it is not an inevitability. To the contrary, in this Country it appears to me that the purpose of government should be and is not to supplant the private enterprise system, but rather to supplement it, to aid it and to assist it and to encourage it through its official policies, its fiscal policies -- if possible, through its monetary policies -- through good times and through bad.

I was born above a drug store, raised inside of one, and I can tell this audience that I started working in that store when I was 12 years of age. I started my first inventory at age 12 and I still have an abiding interest, and it is the Humphrey Drug Store, Incorporated; and I happen to be the President of it and I watch the books more carefully than you watch yours, and I'll tell you one other thing -- Our little business has suffered both profit and loss and I thought maybe this was the right time to tell you on which side I stand. I'm for profit.

(Applause.)

You know, in politics, we sometimes have the experience of both victory and defeat, and I've had a little bit of both, and I recall one time when I had a rather agonizing defeat, somebody came to me and said, "Well, be of good cheer, Mr. Humphrey. You put up a good fight." The wounds still hurt, the bruised muscles were still pained but I was told again "You put up a good fight", and not only that, out of defeat you

can build great character. Well, that was somewhat consoling. My mother would have enjoyed hearing that I could build great character out of defeat, and then I had victory. And I'm going to let you in on a secret. There isn't any more character that you can build out of defeat that you can't build out of victory --

(Laughter.)

-- and it's easier, and it's better; and I can say to you there is no better way for a person to learn how to operate a business than to make a profit because it has a tendency to encourage even a little more profit making.

So I come to you this morning, speaking to you just very informally with no great document in hand to bewitch you or to lay down a State Paper, but to come to you to talk to you about this Country of ours and all of the forces that make it up -- forces of business, of labor, of agriculture, of people in the professions, in government, and what this Country is all about and what we're trying to do within the government of this Country.

I've been in public life now since 19 hundred and -- the late summer of 1945. I started my public career as the Mayor of the City of Minneapolis, serving there for two terms. The most enjoyable political experience of my life because it brought us very close to the people. Mrs. Humphrey and I lived with our people, worked with our people in that city and saw that city prosper and grow, and may I say that the joy of public service is clear and brighter when you are close to the scene of battle than any other time. When you're in Washington and far removed from the day-to-day events that take place in every community, sometimes you wonder if anything that you do will be helpful. Sometimes you wonder no matter how much effort you put into it, does it have any impact? Because



the effort that you make there is extended so far into the community that it's like an electrical impulse, it seems to lose its power as it speeds out over the lines and seems to occasionally be drained off by some poor transmission or poor conductor.

So I've had the experience, may I say, of both local and national government. Now, you're local leaders, every one of you here. There isn't a person here that doesn't belong to a civic association, or a P-T-A, or a club, or some active -- or an active participant in your church, or your fraternity or sorority order. And upon you is imposed more responsibility than upon most citizens in your community. You are leaders -- civic leaders. Leaders in your industry, but above all, leaders in your community.

Now leadership is a wonderful title, and many people like to pick up the paper -- I know I do -- and read about national leaders. You know, you read that, and I'm sure that when you're home you like to pick up your local paper if something takes place in the city, and it says Mrs. So and So, leader of this; or Mr. So and So, civic leader or outstanding civic official, etcetera. But with those titles comes a terrible responsibility.

Leadership imposes responsibility and offers very few luxuries. Leadership is not a privilege; it becomes a duty. And what is true of an individual in a community is true of our nation in the world. If there's going to be better community where you live, it's because you're going to help make it that way. If there's going to be a better world, it's because we're going to help make it that way.

Or to put it in another dimension, Washington, D. C. is not going to be able to remake your town. If it could, it shouldn't, because that's far too much power and far too much authority from one central

point. If they're going to be better schools in your community, you will have to help. If there's going to be better schools in America, you start in your community. If there's going to be better housing in America, then let the better housing be where you live. If they're going to be more modern cities in America to take care of this burgeoning population, then it will have to be where you live.

I say this because today everybody would sort of like -- not everybody, but too many people -- would like to sort of leave these responsibilities to someone else.

I have had the privilege of working with the mayors of our major cities. The President assigned me early as a former municipal official, as a former officer of some of our great municipal organizations; he said, "Mr. Vice President, I want you to be the liason officer between the Federal Government and the Local Governments." And I've been fulfilling that responsibility now for two years or more, and I have met with most of the mayors of all the cities of the United States of 30,000 population and over. We've had 16 major meetings the last year, not just little get-togethers for an hour, but two-day seminars, where we have begun to start to work together, where the local officials are learning what is in the Federal Government and what is available there for them in terms of programs. And where we're learning first-hand what their problems are. I don't care how brilliant you may be, unless you have lived in the area where the difficulty is to be found, you can never really describe it, you can never really make it seem to be what it is to the Washington people.

What I guess what I'm saying is, you have to experience the pain and the suffering, or you have to experience the exhilaration and the joy that



comes from having worked at the problem or being close to it.

Now, I've enjoyed this opportunity of working with our local government officials; but I've had to tell them time after time that a government of the people, by the people, and for the people does not mean just Washington, D.C. It doesn't mean just the White House and the Congress. It means effective, efficient, modernized local government as well. And it means effective, efficient, modernized state government as well. And I've had to point out to them that Federal partnership with local government doesn't mean just bigger Federal grants and aids poured into an inefficient obsolete local government. It means adequate Federal assistance, yes, for local governments; but made available to an operating, effective local government apparatus.

There's another way of putting it. There is no use of putting high octane gasoline in a lawn mower. It isn't necessary. It's costly. You don't put jet fuel in a lawn mower. You put jet fuel in jets, a highly efficient mechanism. And you don't take billions of dollars of Federal money that's gathered from the taxpayers and expect it to do the job, to generate the power, to generate the good that should come from it, by putting it down through an apparatus of government that may -- maybe, I just say maybe incapable of digesting it, of absorbing it and putting it to work for the public good.

So, I talk to you about that which I think I know a little bit about -- government. And it's your task and your privilege in your community to ask your people there -- and many of you may be officials -- to face up to the responsibilities of making local government and state government responsive to human need -- responsive, if you please, to the development of your community and of your state. If there will be better schools in America, they'll have to be in your town, I repeat. If there's

to be better education in America, it will be because you've been able to do it in your city. If there's to be better homes in America, it'll be because you've seen to it that they're better where you live. If there's to be peace and tranquility in America, it's because you'll be able to afford protection under the law, as well as justice within the law. And it can't come from on top. Those on top, those at the Federal establishment, can give you standards, can give you aid, can give you assistance, but they cannot -- nor should they -- operate and run it and make it easy for someone else.

I mention all of this to you because, as I said a moment ago, the census projections indicate that by the year 1980, over 85 percent of the total population of this nation will live in cities -- 15 percent in rural America. And when I say rural America, I mean in the towns, in the villages, in the farms; towns of 5,000 and under, and the villages and the farms.

I'm not particularly happy about that projection. I'm not at all sure that that's good for America -- in fact, I think we ought to have a determined policy to change and reverse that pattern. I come from the Midwest, I like it. I don't like these traffic congestions. I don't even like it with prayer.

(Laughter.)

And I don't even like it with a sense of humor; and I don't think it's really necessary. I think we've left the forces of the economy do things that we ought not to let them do to our people. There's a great deal of room in North Carolina, isn't there, Billy? And there's lots of room in Minnesota, and there's room all over America for the good life, but somehow or other, we're going to have to do things to public policy and private enterprise, to reverse this flow of people that moves con-

stantly to the large urban centers. You are now in an urban center, a metropolitan center; but it's only a small fragment of what is really happening on the Eastern Seaboard.

By the year 1957, that's nine years from today, there will be over one hundred million people in one constant city from Boston, Massachusetts to Norfolk, Virginia. One solid mass of metropolitan area.

What happened to the green grass? What happened to the playgrounds? The living space? What happens to the air? The water? Well, you figure it out. I think you know. And Government today is wrestling with problems of air pollution, water pollution; things that you never dreamed of twenty years ago. But, instead of getting better, it will get worse, unless we start now to come quickly to grips with it.

So, the Government of the United States; as you may have heard President Johnson recently in a speech, I believe at Denver, Colorado, indicate that we would like somehow, someday, to encourage by better living in our smaller communities, a flow of people to those areas. And this is where you come in, at your state level, encouraging industrial development; at your municipal level, encouraging cultural and educational development, encouraging your own state universities and your private universities, building up the standards where we live rather than letting the rich get richer, the big get bigger, and the powerful become more powerful. Set into motion if it's humanly possible some sense of equity, some semblance of balance, to give this United States of America of ours a general pattern of growth all the way across its land, is to our interests.

Now, what's been happening to our economy? No one should no more about this economy than insurance agents. You talk to the people that make it go and you are the people that have a great deal to say about how it goes. Well, I hope you'll permit me a bit of justifiable pride



on the part of an Administration.

In 1960 this nation had about  $7\frac{1}{2}$  percent of unemployment of its total work force. In 1960 we were then in the third recession of a better than the last ten years; and recessions are expensive, very expensive. They're particularly expensive to those who are the victims of recession. It's just exactly like if your insurance company has a flurry of car accidents, it's expensive to the policyholder, to the company, and to the car owner. Recessions that effect a business and put it out of business are not only expensive, they're disastrous. Recessions that take a worker's job and leave him unemployed, for all practical purposes has wounded and maimed that man.

We have not had a recession since 1961, and I don't think this is an accident. We have not had it because we've learned a little bit more about our economic system and we put to work some of the tools that modern science and technology has developed, as well as modern thinking. We call it "The New Economics". Now, that frightens some people when you say "The New Economics". I don't know why it should. Everybody wants a new television. Everybody wants a new car. Most business men want new fixtures. We've been remodeling our drug store just like mother used to buy new hats, and you go to any private merchandising establishment, they're constantly changing the display, and the National Cash Register Company is coming in, selling you new cash registers, and you've got new bookkeeping systems. Everything is new - new - new - new - new - new - new in business. But the minute you try it in government, somebody says, wait a minute now, George Washington didn't do it like that, or Grover Cleveland. Well, I admire both, but they're dead; and they lived great lives for America, great patriots in their time and left some eternal prudes with us, but "The New Economics" relates to what this

country needs, and what is it all about. "The New Economics" simply said that you should use the fiscal policy of a government and the monetary policy of a government to accentuate or accelerate an economy, and then, if it gets over-accelerated, to put on the brakes, and put them on slowly, or effectively. That's what it meant.

Your Government reduced at the time of unemployment, reduced taxes; large reductions of personal taxes, personal income taxes, corporate taxes, and excise taxes. And we released into the private economy, like you would release an injection of fuel into an engine, we released money for personal choice and personal investment, for personal consumption. What was the effect? It gave this economy a surge, a thrust that sent it forward, and I repeat, that no comparable period in human history has ever known a sustained period of growth such as we've had the last five years. Never before in all of recorded history has any nation had 68 months of sustained economic growth without a recession. No one's ever had it. No country. America has never known it. The fact is, it was pretty much just about like it used to be before we had vaccines for smallpox. You just got it. Some lived and some died, and we used to have recessions; sometimes you got it and if you did you always got it, and sometimes you lived and sometimes you died; but we found a vaccine and that vaccine was the adroit and timely and constructive use of fiscal and monetary policy within the Federal Government.

To do what? To encourage business to invest. Why the word "invest"? Because investment means jobs. There are no jobs without investment. You can go around, talk about jobs; you can talk about the liberals, you can talk about the conservatives, you can argue with the Republicans, you can argue with the Democrats -- but, unless there is investment, there are no jobs. And this Government determined in the 1960's, and

one of the men who was the architect of this kind of thinking came from my home state, Walter Heller; Chairman of the Counsel of Economic Advisers, determined that what we should do was to release the dynamism of the free enterprise system by increasing the opportunity for investment, and increasing the amount of investment capital available to our business enterprise system. So we passed tax laws that lowered the corporate tax. I was one of the early advocates; in fact, I advocated it the year before it went into effect. And I'm happy to say that I did so.

We also passed tax laws to reduce individual income tax. We repealed excise taxes, which are the most unfair of all taxes; and then we passed what we call the Investment Tax Credit. Now, interestingly enough, that kind of economic thinking didn't come from so-called conservatives, if we have to have labels. It came from so-called liberals, not all, because there's never a unity, a uniformity of thought in any group. But some of us believed that private enterprise knew better how to handle its money than the government did. So, we said, let the private enterprise system go to work. We put our faith in it and a new Administration came in and we put our trust in the business people, we worked with them. I've met a -- if I've met once a hundred times with the leaders of business and labor and agriculture in Washington with President Johnson. Sitting in the White House in unpublicized meetings, discussing, seeking advice and counsel, and what has been the effect -- an average growth rate in the American economy of over 5 percent a year, double that of any other industrial country in a comparable period of time.

The total increase in personal income in the last five years has been greater than the total gross national product of Great Britain and



Germany. It's just like adding that much to our own country. The total increase in personal income in the last five years was far greater, may I say, than the total gross national product of this Country, the total gross national product of this Country, in 1948. And it's on that bigger base that we've been able to have a lower tax rate and produce more government revenues.

Last year we didn't increase our taxes for the fiscal year 1966. And yet your Federal Government collected last year nine and one-quarter billion dollars more in revenue from the economy on a lower tax rate than it collected the year before. And why? Because there was dynamism, there was development, there was activity, there was expansion, and the unemployment rate is below 4 percent. Now people have asked me, what about this economy? Is it in good shape or is it in bad shape? Well, let me give you just one little example. I make a look at my note here.

We have a budget deficit in 1959, mind the year now, 1959; no wars, but a budget deficit of 12.2 billions of dollars. We had a budget deficit last year of 2.3 billions of dollars. We cut it 10 billion dollars from that high point, and in the meantime, many other things were done.

What is the condition of your economy? If you could take this economy to a clinic like you take yourself for a physical examination, what would we find? Well, we would find first of all that this economy is going at a pace of about 750 billion dollars a year, and the doctor who examined that economy would say that if it continues at this pace, in the year 1975, you will break through the trillion dollar figure. The trillion dollar figure. And at present tax rates that'll produce another 32 billion dollars of income. Even if we never touched the taxes a'tall that would be available for this economy for purposes of public services, national security, and a host of other things that this nation

needs. I think it's fair to say that profits have been good in American business; in fact, they've been very, very good. I think it's fair to say that dividends in the main have been good, very good. Wages are high, at least reasonably good for any worker. Farm income is up; it'll be up this year almost 2 billion dollars over last year -- long overdue, I might add. I come from a farm area and may I just get my plug in to the city folks?

I've been reading about the farm prices are high and this is the cause of inflation. You have no right to expect sweatshop conditions from anybody. You have no right to expect anybody to work under sweatshop conditions. And when a dairy farmer in New York State or in Wisconsin or Minnesota or North Carolina is getting an average of 50 cents an hour for his labor on his farm, and a rate of 50 cents an hour based upon the amount of invested capital in his enterprise, that isn't right. And if the price of milk goes up, it's a little long overdue, that's all. I think every man is entitled to his hire. I don't think that you can justify low industrial prices by child labor costs. We abolished child labor in this country. We have union labor and we have high-price non-union labor in America, and we do not go around saying, well, if we could just get somebody to work for 60 cents, wouldn't it be good. You wouldn't sell any insurance and the country would be bankrupt, and you'd have more trouble than we have today.

The American farmer for years and years and years was an underpaid, underpaid member of this economy. In the three-legged stool of business, labor, and agriculture -- he had the short leg. He's beginning now to catch up and every day I read in the Metropolitan Press, farm prices are up. Of course, they don't advertise that the price of the paper is up, too; and it did go up -- or the price of the advertising that's on every



sheet went up, too -- just farm prices went up. Well, I speak in New York City, this great rural area, right now, for the farmer, and to tell you that he's deserved it a long time and he was the most patient, self-sacrificing, long-suffering member of this economy. And at long last the poor soul's getting 4 dollars a hundredweight for his milk. That means he's getting 60 cents an hour now.

(Applause.)

Or he's getting a dollar and 42 cents a bushel for his corn. Of course, the price of martinis went up out there 25 cents, which was a 25 percent increase, instead of a 6 percent increase on the corn. I've been through all this. Well, I just want to get my plug in while I was in the major city of the United States, and while I had a chance to talk to you.

But, the economy is essentially strong today. There are some signs that we don't like. It's more or less like going to your doctor and he gives you this checkup as I said and he says, well, you look pretty good. You're strong. Your heart looks good. I checked you, given you x-rays, and you seem to have no particular problem in your digestive tract, your eyes are reasonably good for your age, etcetera, he says you're pretty good but I want to tell you this: be a little careful now. There's a little sign here of a bit of tension, slow down a little. Or he'll say to you, now wait a minute, I notice that you've been having a little digestive trouble, doesn't need to be, there's nothing wrong with you; everything there seems to be all right except you're pushing yourself a little too much. There isn't a man in this room that hasn't heard that, with few exceptions, from his doctor. Now, that didn't mean that you should go over and see the local mortician and make arrangements, and it didn't mean that you came home and told your family, well, we only have

a few months together, mother --

(Laughter.)

-- and it didn't mean that your relatives all wondered all at once how they were going to divide up the world. What it really meant was: look, you're basically healthy, you've got a long life to live if you let yourself. And what it really means is that you ought to live that long life and you ought to enjoy it more fully every day, and that's America today.

750 billion dollar enterprise. Fantastic. I want to say right now that if we really want to pray in this Country, and we ought to, we ought to pray to the Lord God, Almighty, with eternal thanks for the blessings that belong to this nation. There's nothing like it. And anytime you think it isn't, travel someplace else.

(Applause.)

We've done quite well as a people and as a system -- governmental and economic. But, and I say but there are some signs that disturb us. First of all, this heavy-burdened body of our economy today has serious international problems. Secondly, the rate of private investment per capital expenditure is at an unprecedented high. Thirdly, the consumer purchasing power, the amount of money available to the consumer, is at an unprecedented high. And it just seems like every time that the economy gets a little tight, or the money is a little tight, and where the interest rates are going up, and everybody wants to build. As one old friend of mine said, he said, you know every time it looks like there's going to be a war, I have a neighbor that decides that's the time he's got to build a barn. And add on just a little bit more to the economy, to the economic pressure in the economy. There are some worry signs and those worry signs are known in one word -- inflation.

Now, I don't need to tell insurance people that inflation can destroy the value of the dollar. I don't need to tell you that inflation uncontrolled can be disastrous to a high velocity economy as ours. This economy is like a supersonic transport, my dear friends; traveling, traveling at supersonic speeds, and when it travels at those speeds, any little dislocation in the economy can throw it into a tailspin, can put it literally down and put it out of existence. You know, many of you traveled on the old C-47, the DC-3, that's a safe, old airplane. You really have to be mixed up to make that one get out of kilter. Almost anybody can fly it.

The DC-3 travels at the rate of about a hundred, hundred and fifty knots, hundred and fifty, forty, fifty miles an hour. And it's up there and its wings are flapping around, it sort of is like a nice old fashioned sea gull up there, pretty good. You can -- I've flown a DC-3, not supposed to, but I have. And you can take ahold of the controls and you can turn it here and turn it there and pull back and put the nose up, put the nose down; nothing's really going to happen. But don't every try it, my dear friend, in an F-4, in a phantom jet. A phantom jet is a much better plane. It costs about a hundred times more, but it travels at eight, sixteen, to seventeen hundred miles an hour, and when that pilot is in that plane, he has mechanisms and controls that are very delicate; and if that pilot makes a sudden twist one way or another with that airplane, you've got trouble. And that's why we have to spend so much time training our pilots and that's why we have to develop all of these automatic or automated control systems, because we've learned that the human being at times is too unreliable to really govern and guide this instrument; so we use machines, and we use what we call control mechanisms.

Ladies and gentlemen: You're living in a jet-age economy, not a



DC-3 age economy. You're living in the age of the supersonic transport economy, not the old-fashioned four-engine prop plane. Therefore, everything, -- and the supersonic is a marvelous instrument, it'll get you there fast, it'll give you safe transport, it'll do the job that it is designed to do, it is what we call the "apex" of aviation engineering, the climatic achievement -- but it also is a dangerous vehicle if it's in the hands of someone that doesn't know how to operate it, or if somebody comes along and says, well I remember when I was flying the old bi-plane and we could land on cornfields and pastures and if we could do it in my day and age you ought to be able to do it now. What would you think about a pilot like that? You'd hope to get off the plane in a hurry.

Well, that's where we are with our economy. We have a high-speed, high-velocity, highly-g geared economy; therefore, whatever we do with it as we go through these patterns of storms, or potential storms, whatever we do must be done carefully. We have a radar, to to speak, on our economy today; the Counsel of Economic Advisers, the American Business Community with all of its statistical projections. All of those projections are fed into what we call our control systems, and we say that if it continues this way we're going to run smack-bang into an economic thunderstorm of high intensity and the chances are that we may get hurt; so we vector around it just as you do in that plane that you came up here on. And a good pilot is watching that radar, and he doesn't try to prove that he's brave by going through thunderstorms; if he possibly can, he avoids them. And if he knows, for example, that the plane hasn't been functioning well, he delays the takeoff. He'd like to be there, he'd prefer to have a nice takeoff and no crash landings. This is what's been going on in your economy today.

The President, the Counsel of Economic Advisers, the top business leaders say, look, if we continue pell mall down the road the way we're going, uncontrolled, running into these storms, we're going to have trouble. And what kind of trouble? Inflation trouble. What's that mean? Prices and wages going sky-high. And so the captain of the ship, and his crew, and that captain -- which in this instance means the President of the United States; his crew, the Federal Reserve, the Congress, the business community, and others -- are saying, let's see here. There's a few things we ought to do. We ought to avert this storm. We ought to slow down. We're going through a storm. Put the flaps down a little bit, and that's what we've been doing.

Last year we did some things. For example, we restored some excise taxes. We increased some social security taxes. We stepped up the pace of withholding, which withdrew from this high-velocity economy about 10 billion dollars. Withdrew it. That was to slow down the inflationary pressures. To quit putting gasoline on the flames of inflation. And recently the President has recommended the suspension of the Investment Tax Credit. He withheld that recommendation for months but many a business man said, if you're going to control the unprecedented rate of investment capital going into capital expansion, which is pushing up prices and wages, using up money, tightening the credit, increasing the interest rates. Mr. President, if you're going to do something about those conditions, you're going to have to take timely measures.

Now, we didn't increase taxes yet, and I hope we won't have to. We have no plan to do so, so that I may give you the thinking of the Administration. But we did temporarily suspend a tax benefit known as the 7½ percent Investment Tax Credit. We have slowed down the accelerated depreciation schedule. Why? So as not to have an incentive for people

to borrow more and more and more, and raise interest rates more and more and more, to tighten up the money more and more and more, and to push this Country right through into the stratosphere.

Now, is this interference with business? What is the duty of Government? Thomas Jefferson once said that the only legitimate of government is the happiness and the welfare of the people. And Thomas Jefferson was a pretty good student of government. The Government of the United States has a prime obligation to take a good hard look at what seems to be best after consultation with all segments of the economy, what seems to be best for the whole nation.

Inflation is like high blood pressure; and if you let it go and do not tend to it, you'll have a stroke. And inflation in this economy could be disastrous. So, your Government is going to cut Federal expenditures. I want to make that quite clear. That's where we start.

(Applause.)

Every single department of your Government has been ordered by the President of the United States to prune out low priority items. A lot of people aren't going to like that, and I'll guarantee you that we'll get letters from everybody because everybody thinks their project is a high priority item. What do you mean? The bridge in my state isn't the important one? What do you mean? The Laboratory down here for agricultural experimentation isn't more important than that project that they have up in Pennsylvania? says a Congressman. I served in Congress 16 years and I'm going to let you in on a secret.

There were no more important projects in the world than what happened in Minnesota. Everything else was substandard as far as I was concerned. That was my job. I was United States Senator from Minnesota; and the President of the United States will have to face the angry words of a



hundred Senators and 435 Members of the House of Representatives. And Republicans and Democrats alike -- I'm going to let you in on a secret, my dear friends. When you cut out a project for anybody, they can give you 25 speeches a month on economy and government, but that doesn't mean something they're interested in. Not one bit. And I don't blame them -- I don't blame them, I'm not being super-critical; because the project that they're interested in is the one that the Chamber of Commerce back home has said, get it, and if you're any kind of a Congressman, show us what you can do. Then the Chamber of Commerce passes a resolution demanding economy in government, but not the one that cuts out our post office, not the one that takes care of our flood control project, not the one that prevents us getting our airport. Stop that airport out there in Idaho, but don't touch it out in Minnesota. I've been through it. One of the advantages of being in government.

You know, I used to teach Government. I was a professor, graduated down -- my graduate degree at the Louisiana State University, went to the University of Minnesota, taught in both places. Out in McAllister College in St. Paul. I've had thousands of young men and women as students in American Government and I feel I owe every one of them a refund.

(Laughter.)

I really do.

(Applause.)

Because I just taught what the book said. Then I got to Washington. First I became Mayor. Then I found out what we really have to do in government. And some of the decisions that you make in government are very difficult ones.

So, to summarize it quickly now, what we're trying to do in this

economy today is to put on just enough brake power to slow this high-velocity, this supersonic transport called the American Economy to safe speeds through turbulent skies. That's what we're trying to do. And I know that everybody is a better driver in the back seat than the man in the front seat, and that's to be expected.

This is a great nation of drivers. We have two drivers in every car. And the only problem is sometimes they don't agree on how they ought to run the vehicle and that's the reason for the high rate of accidents.

But, in this instance, somebody has to really drive. Somebody has to be in charge, and that person or that institution, in this instance happens to be the government -- after it has consulted with the business counsel, with the small business man, with the farm groups, with the labor groups. And I want to tell you, my dear friends, our lives are spent up 90 percent of the time in consultation. Consultation; that's what we call politics today. Just visiting and talking with people and picking their brains, getting their ideas. So we have an anti-inflation program which does not merely include restraints upon business and asking labor to withhold on some of their contracts, but it also includes, if you please, prudent government policies. Now, I must remind you of one thing, out of this total Federal budget of a 112 billions of dollars, there is only 24 billion of the whole 112 that can be touched anyway, unless you want to stop defending your country, and I think you ought to know that neither the President nor the Vice President intends to reduce the amount of commitment in our defense budget to this Country's security. We watch it very carefully. We have to pay interest on Government bonds. You own those bonds. The companies that you work with, many of them own those bonds. Those bonds have to be good. There is only 24 billion dollars that is available out of the entire Federal budget that is not



committed by law that is irrevocable. So, when I hear people say; well, you ought to cut that budget. And I got a letter from a fellow one time that said cut it 50 billion, and he told me what his record was. And he was a service man, and he was a veteran, and he was this and that and I said, well, if you're, that's the case, I think you ought to know that we have firm commitments on Veterans Compensation. Can't touch them until you change the law of Congress and you'd have to talk to the Congressman about that.

The President just recently vetoed an insurance policy program for the Federal employees, as you know.

We have certain amount of interest that we have to pay on the public debt, and I'm sure you wouldn't want the Government of the United States to be the first to default on its interest payments.

We have a certain amount of money that we simply have to put into National Security, and we leave for the entire civilian aspects of the government, including our space program and our civilian atomic energy program and every department of government -- 24 billion dollars. Now, if we can cut out of that 24 billion 5 to 6, which we hope we can, that's a mighty big cut. Maybe we can't make it because the Congress of the United States is the people's voice, and right this past three months your President has been pleading with the Congress to stay within the budget guidelines, and if possible, to cut under those guidelines. And the President will withhold spending, but he also asks the private economy to do the same thing, and to do it sensitively; not like a blunderbuss, not like a bull in a china shop, but to watch it carefully. In other words, we need to have an early warning system in our economy that tells us when we sense trouble coming, and be able to reverse our field quickly so that we keep this economy moving forward.

Now, finally, I want to say this: Everything that we want to do depends on the health of this economy. You can have all the good intentions in the world and you can be filled up with compassion and love of your fellow man, or you can have good old fashioned American patriotism and wave the Flag, but it'll do no good, none whatsoever, unless this economy of ours is strong enough to sustain the burdens of this Great Society.

Now, we didn't ask to take on responsibility in this world, but we have it. And I think plain talk is needed with good citizens. There will never be and there never has been a power vacuum in the world. And my fellow Americans, if you are not willing to pay the price for American leadership in a troubled world, the Communist leaders are willing to pay it. There's a security gap in this world that we've had to fill. First it was in Europe and it still is somewhat, but much less so; and at the end of World War II we had to fill that security gap with our money, our men, our power. And we developed strong alliances, we promulgated the Truman Doctrine to the aid of Greece and Turkey and stopped the Communists from taking over Greece and Turkey.

We developed the alliance called Cento in the Middle East, for security in the Middle East, and the Communists have not taken over the Middle East.

We developed the Alliance for Progress and the Rio Treaty for Latin American, and we have commitments there, too; and they've tried to penetrate that area through Cuba, unsuccessfully; only in Cuba. Castro today is an isolated, forlorn, neurotic.

There's a security gap in the world and one of them today is in Asia where better than three-fifths of all of mankind live. Three-fifths of all God's children live in Asia. And the greatest danger to your family

security today and your life and this free enterprise system and this democracy is in Asia.

And we're filling that security gap. Now if you don't want to do that. If any of you should be of that mind. I can assure you that Communist China will be happy to do it, their way; or the Soviet Union. But in Asia, primarily Communist China. There is no combination of non-Communists-free nations today in Asia standing alone that is strong enough to hold back the unbelievable tide of humanity and power that can come out of Communist China.

So, we have stepped in to fill what President Marcos of the Phillippines rightly called the other day the security gap. Until these free countries, these non-Communist countries, can get some stability, some growth, and some economic progress; and can build up their own forces to protect their own security.

And, ladies and gentlemen, it costs money. It costs a lot of money to take on the role of world leader. We are the world leader; and we can't ever ignore it. Abraham Lincoln once said "We'll eat of their meanly lose or nobly save the last best hope on earth", and I've traveled around this world a great deal -- I've been into Asia three times since last December -- and the people there look to the United States. They don't look to us for wealth. As a matter of fact we're giving far less today of our gross national product in foreign aid than we have in the last 20 years. We give such a small percentage of it, it's relatively insignificant.

What they look to us for is hope and protection; and that's what the American position in the world means today. And I repeat what I've said to you before: That there has never been a power vacuum in the world and there never will be. If we're unwilling to fulfill our responsibilities and our opportunity of world leadership, rest assured that in vast areas



of the world there are other forces willing to do it.

Imagine what would happen in Latin America today if the American Armed Forces and American economic aid was not on the job? You think Castro's a problem? You'd have it in country after country.

Imagine what would have happened in Europe had we not had been at Berlin three times? Where do you think Russia's Armies would be today had we not have said, you shall not pass.

Imagine what would have happened in 1947 in Greece when the Communists controlled two-thirds of Greece, and indeed, two-thirds of the City of Athens in their so-called war of National Liberation. That was the early Viet Nam. They had a change of government 11 times in 18 months. So if you think there's stability -- instability in Viet Nam, let your memories go back just a little bit.

Your Government came to the help of the Greeks. We sent thousands of troops. We sent billions of dollars. And Harry Truman said that the Soviet Union shall not be permitted, and the forces of Communism shall not be permitted, to advance into the Mediterranean and to take over country by country, piece by piece. Because he knew what I know and what you really know; that aggression unchecked is aggression unleashed. And he took the stand. Everyone of these could have meant a world war. Every decision. We met the Russians in Berlin on three times when they tested our nerve and each time we had to stand firm. In 1961, lest you've forgotten, John Kennedy called up the Reserves of this Country. I was in the Senate on one afternoon when we voted an additional six billion dollars in one afternoon because of the threat to Berlin for defense, because our defenses had not been tended to there, quite frankly, for a period of time.

And we sent another 250 thousand men to Europe. Any one of those



decisions could have been war. And the only reason there wasn't a war is because we stood firm; at least that's one of the reasons, I should say, there wasn't a war.

Castro's Cuba: He took over that country without much resistance on our part. He said it was just for the people. And then after he got control he said, I'm a Communist. And he's talked about the export of his revolution. And we've had to spend billions because of that.

And in 1962, in that fall, this nation had to face the Soviet Union with the possibility of nuclear war. I was in the White House, my friends, with President Kennedy, I know. Mrs. Humphrey recalls when I received a call, and asked to come back to Washington. And I was one of the Senate leaders, and called in for counsel.

And we were within hours of a nuclear war. Not a little old conventional war, but nuclear war; and every one of our missiles was alerted, and our planes were loaded, and they were dispersed throughout the United States, and we had moved our fleet to the Panama Canal, stalling for time; and then we served notice -- Get Out.

And had Nikita Krushchev not have left, I don't know what would have happened to this America, but we were prepared for the holocaust, as best anybody could be with millions of lives at stake.

You think John Kennedy wanted a war? You know better than that. But he knew and you know and I know that if you let the aggressor, or if you let tyrannical powers use the threat of aggression as a political instrument to gain their objectives, there's no place to hide. There's no peace.

So, your America today has to be strong. And you can't be strong with just missiles and planes. I've been out to see the new atomic weapons. I'm Chairman of the Space Counsel, Member of the National

Security Council. I have visited most every base that your Country has. I've talked with our pilots. I've been in Viet Nam. I've been out on their battlefields with them. And I can tell you that America must stay strong; because if it doesn't, there are evil forces at work in this world that will have no respect for your kind words or your kindly admonitions -- they'll move, and they are moving.

So this nation needs to have a strong economy to support its overseas responsibilities. This nation needs to have a strong economy in America to make possible for more and more of our people to participate in this economy. You can't have a strong America overseas with a weak America at home.

You cannot have an America overseas that is fighting the war on poverty, over there -- and not successfully fight it here.

And to those of you having deep religious conviction and spiritual faith, remember what Pope John XXIII said, and I believe every word of these words I'm about to repeat -- "Where there is constant want, there is no peace."

And every statesman in the world, every spiritual leader in the world has said that the greatest threat to world peace today is world poverty.

So we're not just out feeding a lot of Hottentots. What we're doing is hoping and praying that this America of ours can survive as a free nation. We're trying to make it possible for what we have here to endure. And we have learned that we cannot live in isolation; that oceans are no longer barriers, they're bridges. And that these skies are traffic-ways and that the world is smaller every day, and the day of the intercontinental ballistic missile has made us only 15 to 20 minutes away from our furthest enemy. And that the power of destruction is

beyond human comprehension.

So we are working day in and day out, and these are tough decisions. You know, it's so easy to debate and to discuss. But then that hour comes when you're in public life as President when you have to decide, and when you have to make a decision, some people always know better than you know -- and maybe they do, and that's why we need free press, and that's why we need academic freedom, that's why we need to protect the right of dissent, even though it may at times irritate us, it is a precious right, because one is never quite sure that his decisions are right, and they need to be put under the constant scrutiny of public examination.

Well, ladies and gentlemen, I think we've done quite well. There's never been a country as prosperous. There's never been a country that's done so much for the cause of world peace as ours. There's never been an economic system that has extended as many benefits to as many people, and what is best of all is that even in this great period of power and prosperity, we have a conscience. We haven't forgotten, as the Scriptures say, the least of these.

The poor are not to be pitied. The poor are to be helped. And self-help. And this isn't anything to do with emotionalism or sentiment, but the United States of America -- of which you are a proud citizen -- cannot afford to have one-sixth of its people unable to carry their fair share of the load. This is exactly like going into one of these high-cost, high-expensive New York restaurant, six of you, and it's all "Dutch treat" as we say out home. And then one fellow says, I've got a telephone call, and he doesn't come back, and he leaves you that 30 dollar bill. Now, if you want to pay for the other fellow's one-sixth, that's all right, it's not smart business, I don't think you're helping him. I think it's better that everybody be a participant.



So, we're today utilizing and investing our resources in education and training, and we're doing it. And I know you hear about the mistakes. You heard about the mistakes in our foreign policy. You're always hearing about the mistakes in our military policy. Well, isn't it an amazing thing that a Country that's never been able to do -- according to some people -- anything but make mistakes, stands today as the richest and most powerful nation on the face of the earth? Its people have the highest standard of living. Its children have the best system of education. I often wonder how we did it if everything was wrong.

(Applause.)

Well, quite frankly, I think we've done quite well. We've made mistakes but we've learned from trial and error.

So, I leave you now with the hope that you will keep in mind that this nation does have responsibilities that it cannot shirk. We're not warriors. We don't want to be known as the policeman of the world. But we do not want to be known as the nation that was unwilling to accept its responsibilities in a troubled world. Nothing is worse than to have been called to duty and to have failed. Nothing could be worse than to be given a golden opportunity for greatness, and to have wasted that opportunity.

We have that opportunity as a nation and as a people. And we've been called to duty as the last best hope on earth. And when you salute that Flag or when you look at it, and if you feel as I do, and I'm an unabashed patriot. I don't go around -- I don't think you prove yourself to be an intellectual by being able to be cynical. I think you can be intelligent, I think you can be educated, I think you can be filled with the richness of life and still have a tear in your eye when you Pledge the Allegiance to the Flag of the United States.



And when you look at it, just remember this: That it encompasses within it the history of this Republic with all of its pain and sorrow, with all of its achievement and glory; but if you think that Flag means something to you, you ought to be around in other parts of the world when that Flag goes by.

Oh, I know there's a few Communists that spit on it, and I know there are a few agitators that throw rocks through our embassy windows. They are hired to do it. They are trained to do it. And we even have some at home that do it. You don't have to go overseas.

But I am here to testify that after having been in this life -- public life quite a while, that hundreds of millions of people in Asia and Africa and Latin America and Europe, too; when they see the Flag of the United States, they're not thinking about our past glory. They're not even thinking, if you please, about our history. They're thinking about that this is the promise of the future. That this Flag represents their hope. It represents for them what we say for us -- Liberty and justice for all. And be proud Americans and be civic leaders and stand up and don't let the first critic that gets to you dissuade you. Of course we'll err on occasion. Of course we'll make miscalculations on occasion; and of course we ought to be -- we ought to be admonished when we do.

But I remind you that no nation has given so much for so many in the cause of freedom and peace as the United States of America. And we're doing it today in Southeast Asia, and we're doing it daily in other parts of the world. And as long as the people of America have a sense of conscience and commitment to freedom, we'll continue to do it.

The tides of history are not on the side of the Communists. They're not the wave of the future. They're the swamps and the backwater of the

past. The wave of the future is America, and what this Country stands for. Most people want freedom. A Communist has never won an election in our national election. Most nations want to have life, liberty, and the pursuit of happiness. And that's our revolution -- that's not the Marxist revolution. That's our way. And I suggest that we be proud of it and stand up for it.

Thank you very much.

(Applause.)

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