



FOR RELEASE
MONDAY PM's

OFFICE OF THE VICE PRESIDENT

REMARKS

VICE PRESIDENT HUBERT HUMPHREY
AMERICAN MANAGEMENT ASSOCIATION
NEW YORK, NEW YORK
June 3, 1968

The "urgent call" on the cover of your Conference program is "for the immediate mobilization of management in the attack on urban despair and decay."

I join that call. Management -- getting it done -- is the inescapable, unavoidable, all-important next step in America's response to our urban crisis.

The evolution of that response has brought us a long way in the last five years.

We have, first of all, pretty well made up our minds that urban despair and decay are intolerable -- politically, economically and morally. It says a lot that a time when we are concerned about budget-paring, the Senate last week passed the largest housing bill in our history -- one which will move us out of the experimental stage and into mass production in the field of publicly financed housing.

And we have decided -- in the authentic American tradition -- to tackle our urban challenge on the basis of a joint commitment by both our public and private institutions.

That joint commitment is written in the Model Cities legislation...rent supplement legislation...our job training programs...and most of the other new social programs you have just heard discussed. Nothing could symbolize it better than your conference.

Whether our new common enterprise will work is still uncertain. One social critic has warned that "when business methods are sincerely and honestly applied to urban problems, with every good intention, they still inevitably lead to anti-

social results" -- and there are many who today hold that view.

I disagree. Everything I know about American free enterprise in the 1960's tells me that the public interest has reached the top of the list of what is good for business.

In any case I am convinced that successful joint action by government at all levels...business...labor...and non-profit organizations is our last best chance to prove the viability of American democratic federalism as an instrument for dealing with both the ills and the opportunities of the world's most powerful nation.

The real issue before us today is not whether we choose to offer full and equal opportunity to every American. That promise has been made.

The real issue before us today is not whether we must remake America's communities into decent, safe places to live. The thrust of history will let us do no less.

The issue is not whether to do it now or put it off. Too many Americans are rightly refusing now to wait.

The issue before us today is whether or not we can put our promises into practice. And a great deal more rides on a successful answer than many of us have been aware.

It comes right down to management -- the business of putting our wealth, our talent, our promises into a package which will produce results -- solid, visible and soon.

If what we had to build were just a matter of cement and steel, success would be certain.

A nation capable of producing short-order skyscrapers is surely capable of housing itself, cleaning up its smokestacks and regulating traffic flow.

But the equations all become more complicated when you factor in people.

Will our managerial competence and systems technology work when it comes to rescuing and rebuilding individuals...when local politics and personal preferences have to be taken into account?...when the end product must be something as complex as human betterment?

We know we can put a man on the moon, but do we know how to put a man on his own two feet here on earth?

Government, as well as business, must meet the managerial challenge.

But American industry will face the most immediate test -- when all the pledges to hire and train the hard-core unemployed turn into real people at the personnel desk.

American business has had plenty of experience training well-motivated, reasonably well-educated, responsible workers. Now we are talking about people who don't meet all of those criteria. They are men and women who have been repeatedly screened out -- out of school ... out of jobs ... out of American society.

We are talking about people who not only cannot pass the test in your personnel office, but don't even come in to try because bitter experience tells them that rejection and failure are the only possible results.

Your management task in showing these people the way from poverty to productivity is threefold: Find them. Train them. And -- very important -- keep them on the job.

You can get a lot of help with the finding from ministers, teachers, and community action workers. But you will also have to send your own recruiters out to knock on doors.

Rather than waiting for high-school graduates to come to you, you will have to get to those who might not graduate before they drop out, with summer jobs and counselling.

Your employment ads will have to say something more than "help wanted" -- something like "help offered."

As for the training and keeping, let me only say this: Your training system has to teach more than minimum competence in a limited task. It has to put your new employee on the first rung of the employment ladder with enough skill and enough self-confidence so that he can hope to move up.

For he is a person whose total environment has given him a sixth sense for spotting deadends. And he has had enough of them.

Finally, let's not forget that successful systems for training and employing the hard-core unemployed will have to take account

of human attitudes in your own organizations. Your system won't work unless you get the word down to every echelon in your business that you mean business -- unless every department head and every foreman, and every personnel officer knows his own career prospects depend partly on his success in training and adjusting and promoting these new workers.

The federal government is ready to help by paying all the extra costs of training the hard-core unemployed. The National Alliance of Businessmen is ready to help with hard, practical advice on how to find, hire and train them.

But we are counting on you to do what you do best -- the managing.

The management challenge in our cities goes far beyond employment.

There are millions of American families paying enough rent for slum tenements today to cover the mortgage costs on a decent home. There is federal money available to help provide low and middle-income housing.

Where is the construction and financing package which will give those families the pride and security of ownership?

The development of local entrepreneurship would clearly contribute to the stability and economic development of inner-city neighborhoods across the country. There are loans, guarantees and technical assistance available through the Small Business Administration, the Office of Economic Opportunity, and the Department of Commerce for this purpose.

Can we turn to you for the package of financing and technical support which will allow that untapped entrepreneurial talent to flourish?

Finally, just how far will modern management techniques take us toward the solution of the physical and human problems of our cities in their totality?

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Democracy, federalism, a vital free enterprise system have together made America strong.

They have made America rich.

Now let them make America truly free.

* * *

Now let me hear from you.

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~~Chairman~~ Christian Hunter Jr.
~~and good friend~~ - Lawrence Appleby
Sec Howard Samuels
Sect Reed Wood
REMARKS Sect Stanley Ruttinberg

VICE PRESIDENT HUBERT HUMPHREY

AMERICAN MANAGEMENT ASSOCIATION

NEW YORK, NEW YORK

JUNE 3, 1968

NOT IN RELEASE

Mr. Chairman ... my good friend and colleague, President
Trowbridge (sounds nice, doesn't it?) ... supporters of the Johnson-
Humphrey Administration ... critics of the Johnson-Humphrey
Administration ... Members of the Johnson-Humphrey Administration
... fellow Vice Presidents pro tempore ... fellow Presidents (I am
President you know ... of the Humphrey Drug Company, in Huron,
South Dakota ...):

BEGIN RELEASE

↳ The "urgent call" on the cover of your Conference program is "for the immediate mobilization of management in the attack on urban despair and decay."

↳ I join that call. Management -- getting it done -- is the inescapable, unavoidable, all-important next step in America's response to our urban crisis.

↳ The evolution of that response has brought us a long way in the last five years.

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And we have decided -- in the authentic American tradition -- to tackle our urban challenge on the basis of a joint commitment by both our public and private institutions.

↳ That joint commitment is written into the Model Cities legislation ... rent supplement legislation ... our job training programs ... and most of the other new social programs you have just heard discussed. (Nothing could symbolize it better than your conference.)

~~But~~ Whether our new common enterprise will work is still uncertain.

↳ One social critic has warned that "when business methods are sincerely and honestly applied to urban problems, with every good intention, they still inevitably lead to anti-social results" -- and there are many who today hold that view.

~~But~~ I disagree. Everything I know about American free enterprise in the 1960's tells me that the public interest has reached the top of the list of what is good for business. !

(The great new domination of our democracy)

↳ In any case I am convinced that successful joint action by government at all levels ... business ... labor ... and non-profit organizations is our ["]last best chance["] to prove the viability of American democratic federalism as an instrument for dealing with both the ills and the opportunities of the world's most powerful nation.

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and ↳ The issue is not whether to do it now or put it off. Too many Americans are rightly refusing now to wait.

↳ The issue ~~before us today~~ is whether or not we can put our promises into practice. And a great deal more rides on a successful answer than many of us have been aware.

↳ It comes right down to management -- the business of putting our wealth, our talent, our promises into a package which will produce results -- solid, visible and soon.

↳ If what we had to build were just a matter of cement and steel, success would be certain.

↳ A nation capable of producing short-order skyscrapers is surely capable of housing itself, cleaning up its smokestacks and regulating traffic flows.

*Healthy environment in
space capsule -*

But the equations all become more complicated when you factor in people. !

↳ Will our managerial competence and systems technology work when it comes to rescuing and rebuilding individuals ... when local politics and personal preferences have to be taken into account? ... when aesthetics and humanity join efficiency as performance standards? ... when the end product must be something as complex as human betterment? — *That's the big challenge.*

↳ We know we can put a man on the moon, but do we know how to put a man on his own two feet here on earth?

To be sure - ↳ Government, as well as business, must meet the managerial challenge.

↳ But American industry will face the most immediate test -- when all the pledges to hire and train the hard-core unemployed turn into real people at the personnel desk.

↳ American business has had plenty of experience training well-motivated, reasonably well-educated, responsible workers.

↳ Now we are talking about people who don't meet all of those criteria. They are men and women who have been repeatedly screened out -- out of school ... out of jobs ... out of American society.

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Your management task in showing these people the way from poverty to productivity is threefold: Find them. Train them. And -- very important -- keep them on the job. !

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But we are counting on you to do what you do best -- the managing.

{ During the past 30 years Govt and Industry
and Labor have developed an elaborate system
of Social Security - ^{that same team must}
now develop a system of Social Opportunity.

The management challenge in our cities goes far beyond
employment.

There are millions of American families paying enough rent
for slum tenements today to cover the mortgage costs on a decent
home. { There is federal money available to help provide low and
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Can we turn to you for the package of financing and technical support which will allow that untapped entrepreneurial talent to flourish?

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They have made America rich.

Now let them make America truly free.

* * *

Now let me hear from you.

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THE HONORABLE HUBERT H. HUMPHREY
Vice President of the United States

Before the

AMERICAN MANAGEMENT ASSOCIATION

Imperial Ballroom
Hotel Americana
New York, New York

June 3, 1968
5:30 p.m.

BAR ASSOCIATION REPORTING SERVICE
WILLIAM NEWROCK, CSR

36 WEST 44TH STREET

NEW YORK 36, N. Y.

MURRAY HILL 7-0385

(There was a standing ovation as the Vice President of the United States entered the Ballroom.)

(The Vice President was introduced by Alexander B. Trowbridge, President of American Management Association.

MR. TROWBRIDGE: Ladies and gentlemen, it clearly is not necessary for me to spend a long amount of time or words in the introduction of our next speaker.

I once listened to a five or ten minute very laudatory introduction of our speaker and he came on and said, "You know, flattery is very nice as long as you don't inhale it."

(Laughter)

MR. TROWBRIDGE: I would, indeed, be remiss, however, if I didn't at least say that in working with a man, it is always a great honor to get to know him, to learn his beliefs, to understand the conviction which he carries for our country.

He is one of the great and strong advocates of private enterprise.

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If you ever heard Hubert Humphrey talk about running a small drug store, one knows that this is a man of real private enterprise, a man who, when you work with him, just makes you feel better when he walks into the room, because he makes people give their best; indeed, well described, I think, as a happy warrior, a wonderful man and a great friend of many of us here in this room.

Ladies and gentlemen, it is my great honor and privilege to introduce the Vice President of the United States.

(Applause)

VICE PRESIDENT HUMPHREY: Mr. Chairman and my good friend and colleague, President Trowbridge -- that sounds sort of nice, doesn't it, when you say President Trowbridge.

(Laughter)

VICE PRESIDENT HUMPHREY: For most of my life lately, I have been going around addressing people as Mr. President.

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Supporters of the Johnson-Humphrey Administration and critics of the Johnson-Humphrey

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Administration and members of the Johnson-Humphrey Administration, fellow vice presidents and fellow presidents, since I have been already introduced by Sandy as the president of the Humphrey Drug Store of Huron, South Dakota -- by the way, if you are out that way, stop in. I like to get in the commercials early.

I see that you have had a very busy day and I just asked my friend, Secretary Ruttenberg, when he arrived, and he said just very shortly before I came in. We both have been trying to weather the weather out of Washington.

Ordinarily, our flight time is rather reasonable. Today we spent a good deal of time viewing the great metropolis of New York from the air, trying to find a place to land.

I am very grateful for these long extended runways. We had a little problem getting out of our Nation's capitol. A little confusion there is somewhat natural but to have it up here, I thought it was really getting too much.

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I am going to get right down to business

because the hour is late and we want to get at the questions and answer section of this program and I am looking forward to it.

I have read your program, I have studied the listing of your panels, the topics under discussion.

The urgent call on the cover of your conference program is for the immediate mobilization of management in the attack on urban despair and decay.

Now, that title or that statement within itself indicates the dimension of the problem and indicates that one does not need to spend too much time describing it. But I join in that call today.

Management, which is just another word for saying getting it done, is the inescapable, unavoidable, all-important next step in America's response to what we call our urban crisis.

Now, everybody in this great assemblage today knows that we have the resources, we have the scientific and technological know-how. We have the wherewithal to do what needs to be done.

The great question facing a great people

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and a great nation is how do we mobilize those resources and bring them to bear upon the central problems of our time?

This is a problem of management.

The evolution of that response, the response to our urban crisis, has brought us a long way in the last five years.

We, first of all, have pretty much made up our minds that urban despair and decay are intolerable. They are intolerable politically, economically and morally.

And it says a lot that at a time when we are concerned about budget paring, and we are indeed -- the Senate of the United States last week passed the largest housing bill in our history, one which will move us out of the stage of experimentation, hopefully into mass production, a housing bill long needed, to many minds the result of a great deal of study and input, not only from government but from the private sectors -- and we have decided in the authentic American tradition to tackle our urban challenge on the basis of a joint commitment by both

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our public and private institutions.

Let me digress for a moment to say that I know of no single problem today facing this nation that can be properly managed or properly solved by any one of the institutions of our country.

Government alone cannot solve the problems of urban decay and despair, of transportation, of air pollution, of water pollution, of employment.

I know of no single problem in this society as we have it presently constituted that we can solve by any one institution alone.

But pooling the resources, organizing the resources, public and private, there is not any problem that cannot be challenged, met and ultimately solved.

Now, that joint commitment of both public and private institutions is written into a host of legislative enactments and this within itself is new.

In other years we generally passed legislation relating to cities and people on the basis of government doing it and generally trying to do it by itself.

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But not now. We have learned much both in the private and public areas.

The joint commitment is written into the model cities legislation, which I am sure Secretary Wood has discussed with you or will in some detail, in rent supplement legislation, which is, indeed, a joint enterprise between government and private industry.

Our job training programs under the national lines of businessmen, and most of the other new social programs you have heard discussed require the combined efforts, the joint commitment of both public and private resources.

And nothing could symbolize anything I have said any better than this conference.

Only a couple of months ago a similar conference was held in Washington of the United States Chamber of Commerce.

What an interesting comparison between that conference and the ones of, let's say, ten or fifteen years ago.

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Ten years ago the topics were generally

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the concern of the government intrusion into the private sector.

This time, the central theme was, how do we join together the public and the private resources of this country to fulfill a common destiny, to overcome common problems?

There was none of the animosity, none of the position of a protagonist or an antagonist, but rather how would we find the way and the means to overcome national problems with national resources.

Now, whether our common enterprise, this new common enterprise, will work or not is still uncertain.

We are going to have to try it.

One social critic has warned, and I think you read this, that when business methods are sincerely and honestly applied to urban problems, with every good intention, they still inevitably lead to anti-social results.

This has been said and said again and printed, and there are all too many today who hold to that view, but I do not nor have I for a long, long

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time. I thoroughly disagree.

Everything that I know about the American enterprise system in the 1960's in particular, tells me that the public interest has reached the top of the list of what is good for business.

No longer do we have leaders of our nation saying that what is good for business is business or what is good for America is business.

What we now say is that what is good for business is America and how we make this a better country and how we make it a more livable and a more equitable place for living.

In any case, I am convinced that the successful joint action by government at all levels, business, labor and the so-called nonprofit organizations, is our best chance to prove the viability of American democratic federalism as an instrument for meeting with both the ills and the opportunities of the world's most powerful nation.

I mentioned the phrase "democratic federalism". Let me explain for a moment.

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By that I mean the partnership in which

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T each preserves its identity of what we call public affairs, federal, state and local government, and private affairs, which exists in our private economy, without either one losing their identity.

They join in a partnership, a limited type of partnership, in which they accept limited responsibilities for a common purpose.

The real issue before us today is not whether we choose to offer full and equal opportunity to every American. The fact is that promises have been made a thousand times, publicly and privately.

The real issue today is not whether we must remake America's communities into decent, safe places to live. I think that the thrust of history will let us do no less.

The issue is not whether we do it now or put it off. Too many Americans are rightfully refusing now to wait. They think they have waited long enough.

E The issue, and this is the issue, is whether or not we can put our promises into practice; can we put our plans from the drawing board into

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reality; can we mobilize the resources of this nation to accomplish what we say we ought to accomplish.

There is general agreement in this country that we need safe streets, that we need law enforcement, that we cannot condone violence.

There is general agreement in America that we cannot, in this land of affluence, have a minority that are cut out, so to speak, from the opportunities of the American system.

What we have not agreed upon now is how do we remedy these inequities. How do we proceed to the issue, to solving the issue.

So, the issue is, as I say, of putting promises into practice and a great deal more rides on a successful answer than many of us have been aware.

It comes right down to management and that is what you represent.

The resources, I repeat, are here; the wealth is here; the scientific know-how is here; the experimentation is here.

The business of putting our wealth, our talent and promises into a package which will produce

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T results, solid, visible and soon, that is our task.

If what we had to build were just a matter of cement and steel, I think success would be certain.

A nation capable of producing short order skyscrapers, and you do it here in New York regularly, is surely capable of housing itself, cleaning up its smokestacks and regulating traffic flows.

I am Chairman of the Space Council of your government. We spend a great deal of money making a space capsule a wholesome environment. We can put men in outer space in a space capsule in a totally synthetic, artificial invironment and see to it that the air that they breathe is clean air, that the water they consume is clean water, that they live a healthy and wholesome life, if you put them far enough out in space in a space capsule.

If you can do that in a space capsule through modern American science and technology and management techniques, I ask the question, why is it you can't do it right here on earth, right in the
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surroundings that you know much better than outer space.

We know we can do it. We have done it. We have created literally artificial worlds, which is what a satellite is. That is what a space capsule is. It is another environment, a small little world in which there is human life, in which there is human activity, and we make that environment safe, healthy, wholesome, spectacular and yet, we stand here immobilized, so to speak, almost terrified by the dimensions of a problem on earth where we have all of the resources at our fingertip, where there is no uncertainty as to whether or not you are in synchronous orbit but you are here with your feet on the ground.

(Continued on next page.)

LITTLE FALLS
ERASABLE
COTTON CONTENT

VICE PRESIDENT HUMPHREY (Continued):

But, you see, the equations all become more complicated when you factor in people. That is where the trouble starts.

Now, will our managerial competence and systems technology work when it comes to recruiting and rebuilding individuals; when local politics and personal preferences have to be taken into account, and you do have to take those things into account; when esthetics and humanity join efficiencies as performance standards; when the end product must be something as complex as human betterment -- that is the nature of the management challenge that we face.

If it was just bricks and stones, mortar and steel, there is no doubt but what you could handle it in a hurry, but when you put into that that unpredictable element known as the human being and start to rebuilt that personality, that life, as well as the environment in which that personality and that life existed, then you venture out into the great unknown, space becomes like your front door.

The mysteries of space fade into

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T insignificance compared to the mysteries of the human being.

As St. Augustine once said, the most wonderful thing of all is man himself and the most complex, the most intricate, the most unpredictable, and when you put that factor into this equation that we are talking about, of the urban crisis and the urban despair, and seek not only to rebuilt cities, but how to rehabilitate life itself, you take on quite a job.

We know now that we can put a man on the moon and we shall do it very shortly, but do we know how to put a man on his two feet on this earth?

That is the most important question. And, by the way, we ought to be able to do both and to do it with the standard of excellence and literally perfection, and to be sure government as well as business must meet the managerial challenge, and the problem of management of a big government today is a tremendous one and one that requires much better, much better performance than we have had thus far.

E I noted the other day where the President is assigning or asking a group of top people

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in our country to study the office of the Presidency, the whole executive office. The Hoover Commission did this some years past. It is time for another modernization effort to make that office not just the person, not just the one, the President, but the office of the Presidency with all of its far-flung activities, to make that office more responsive to the demands and the impulses, the sensations, the motivations of this society -- how to make it a more effective office.

But let me bring you down to a problem that is on our doorstep now.

American industry will face the most immediate test when all the pledges to hire and train the hard core unemployed turn into real people at the personnel desk.

Some of you heard me at the Westinghouse Conference some years -- a couple of years back, speak of what I called the curse of slumism.

Most people when you speak of slums speak of broken down buildings. The question is, do the people break down before the buildings or the buildings

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T break down before the people? The chicken or the egg -- which came first, the physical slum or the human depravity, the human despair, the human mystery.

We haven't found yet the answer to that, and easy answers come not from wise men but from fools, and the worst thing a man who seeks high office or occupies high office can do is to pretend that there are instant solutions to these difficult and long-term problems.

There are no miracle medicine men today, my friends. We are going to have to take on these problems the way we have every other one, through the pragmatic experiment of trial and error, or recognizing that there is no dogma or doctrine that fits the contemporary needs of our people, or the future needs of a growing and changing nation.

What we have to have is that resiliency and that flexibility, that adjustability and that sensitivity that makes it possible for us in a relatively free economy to bring to bear both the managerial and the financial and material resources that are required.

E I think we can do it.

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Somebody asked me the other day, what makes you think we can do it.

I said, well, I think we can. If a nation can span the continent with steel rails in its more primitive days, a nation that could put together this great Federal Union and make it a more important Union, a nation that can withstand the trials of Civil War, a nation that can industrialize as rapidly as we have, a nation that can span this continent with a network of roads, a nation that can build fabulous universities so that 57 per cent of the American families now have a member of their family in these universities, a nation that has given the greatest system of public education the world has ever known -- I think that nation knows how to build a city that is livable and I think that nation also has the talent that can help people help themselves and make the phrase "human dignity" a meaningful phrase that bears with it the emblem of self-respect. This is my belief.

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I can't document it with every detail. I can only point to the history of this country and say that we have always been capable of writing the unwritable

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and of doing what needs to be done, of doing the impossible, and what we are being asked to do right now many people have called impossible. Many people have said the poor have always been with us, they always will, and we say that we can wage a successful war on poverty.

There has never been a great city in the history of mankind that wasn't cursed with slums, and yet we say that we can rid our cities of slums, and I think we can, and the reason I say I think we can is because we have built so much in such a short period of time and done it so well, that it stands out as one of the miracles of all of civilization, and this kind of people tapping deep into the lifeline of this country, this kind of people, I think, can produce the talent, the know-how, the skill, the resources, to do what needs to be done.

Now, American business has a job ahead of it. It has plenty of experience in training well motivated, reasonably well educated, responsible workers. That is what you have been dealing with thus far.

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Now we are talking about people who don't meet all of those criteria. There are men and women who have been repeatedly screened out, out of school, out of jobs, and for all purposes, out of American society. We are being asked to bring in the left-outs. We are being asked to help put life and spirit back into the walking dead.

What greater challenge could there be than to save a life. There are many ways that men and women die. Sometimes they die on the field of battle, sometimes from sickness, sometimes from accident. The cruelest form of death, however, is despair, hate, anger, bitterness, frustration, which is like a cancer that consumes not only your body but consumes your spirit and ultimately destroys your very soul.

This is what we are being asked to combat. This is what American business today is being asked to do, and I think it is about time for some of us in public office to raise our voices in acclaim of American enterprise, an enterprise system that understands that profit is to be found in people and the better life of people, not just let the buyer beware,

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not just in the concept of all that the market can take, but this economic system of ours has been humanized beyond any other that the world has ever known. It has done more for more people than any other system has been able to do. It is an open system, an open society, a competitive system that calls upon the best, and within recent years this same enterprise system has taken on the qualities of social betterment and social reform as no other economy in the world has ever undertaken.

I have said to audiences of business leaders, whether they know it or not, they are the social progress and the radicals of the twentieth century. They don't like to hear it, because they would like to put that label on some politicians. Politicians are basically timid, generally behind the public, seldom in front, and those of us who have gotten out in front a little bit have scars to remember it by.

(Continued on the following page)

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VICE PRESIDENT HUMPHREY: (Continued)

But thank goodness that we have an economy here that has infused within it or has brought within it a sense of humanity, a sense of morality, a sense of the understanding that the best kind of economics is the best kind of life for more and more of our people.

This is why the great private philanthropies of America are looked upon with such respect. No other nation in the world has the voluntary system that we have: voluntary system in charity, education and health, and a hundred and one different social and human activities.

So you see, we are doing something here in this conference that is maybe more than your program tells you.

You are combatting slummism of people and things. You are trying to save a life as well as a nation.

And as I have said many times, the fact that most of our people are well off makes the predicament of the few that are not well off all the

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more intolerable.

This is the only nation on the face of the earth in which the poor are a minority. And the minority is not black. It is the poor, white and black.

And there are more poor whites than blacks, and there are more poor rural whites than there are white and black urban poor.

But it is still a minority, and thank God it is a shrinking minority, and let the business community know that you have maybe done more to take people out of the prison of poverty than Government ever dreamed possible.

I come to you today because we need you. I am in Government. I know the limitations of Government. I've wrassled with those limitations for twenty years.

I know that Government can do little or nothing unless there is a willingness on the part of those whom the Government supposedly represents to do the job themselves.

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Government can be an expediter. It

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can be even a pioneer. It can afford at times to take chances, but Government alone in this kind of a system that is ours, at best can only be a junior partner.

I want to talk to the senior partners and I think I am talking to people that represent the best in this whole social economic structure called America.

So I say to you, we are talking about people who not only cannot pass the test in your personnel office, but do not even come in to try to pass that test because bitter experience tells them that rejection and failure are the only possible results.

Your management task in showing these people the way from poverty to productivity is three-fold:

Find them, train them, and above all, keep them on the job.

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I wish I had the time today to tell you how difficult that task is, but all the greater the victory when you win it.

All the greater the victory. You can get a good deal of help when it comes to finding the hard core unemployed, from ministers and teachers and community action workers, and you will also have to send your own recruiters out to knock on some doors, but I'll tip you off -- seldom does a college graduate fill the job of finding these people who hide out.

The poor hide the poor. Most of them are afraid of the very system of which they have been the victims, and you have to go out with new recruiting methods to find them.

Sometimes it takes a long time, and many people grow discouraged.

Rather than waiting for high school graduates to come to you, you will have to get to those who might not graduate before they drop out.

This is why I've been asking American business to provide summer jobs and counseling, to save our young people from dropping out of school, making education relevant to their needs; keeping them in school.

As for the training and the keeping,

let me only say this:

Your training system has to teach more than minimum competence in a limited task. It is not good enough to train them just to use a wrench on a body bolt of a chassis.

It has to put your new employee on the first rung of the employment ladder with enough skill and enough self-confidence and self-respect so that he can hope to move up.

For he is a person whose total environment has given him the sixth sense for spotting dead ends, and he has had enough of them.

Finally, let's not forget that successful systems for training and employing the hard core unemployed which will have to take account of human attitudes in your own organizations.

Your system won't work unless you get the word down to every echelon in your business that you mean business, Mr. President, and Mr. Vice President, unless every department head and every foreman and every personnel officer knows that his own career depends partly on his success and training and

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adjusting and promoting these new workers.

To put it bluntly, personnel officers ought to be dismissed, surely denied the chance for advancement, unless they can fulfill this new dimension of American enterprise -- how we give new life to our fellow citizens, how we find them, how we train them and how we keep them.

It isn't good enough for the President of the United States or the president of a corporation to say to his people, say to those that are employed, I want you to do a better job.

You have got to follow it through. You have to presume that everybody is going to ignore the command.

You have to presume that they will forget it next Wednesday, and you have to remind them on Tuesday that if they forget it on Wednesday, they will be looking for a job.

Gee, that does things. You'd be surprised what an incentive that is.

(Applause.)

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VICE PRESIDENT HUMPHREY: Now, the

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Federal Government is ready to help and it can only help by paying the extra costs of training the hard core unemployed.

The national lines of businessmen under Mr. Ford and Mr. Austin with Mr. Leo Beebe as the driving force is ready to help with the hard practical advice in how to find, hire and train the hard core unemployed, but we are counting on you to do what you do the best -- the managing.

Now, during the past thirty years, Government and industry and labor have developed an elaborate system of social security, born out of the depression, born out of our experiences with the depression.

That same team must now develop a system of social opportunity, born out of the feeling of frustration and hopelessness on the part of some of our fellow Americans.

Social security is an accomplished fact. No one is going to destroy that.

Social opportunity is yet a challenge.
Who is going to provide that?

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To put it another way, we have not designed for ourselves a welfare state, nor should we. Not in our system.

But rather, we should have a state opportunity in which merit is the guiding factor and in which attention to human quality is the constant motivation.

Now, the management challenge in our cities goes far beyond employment. There are millions of American families paying enough rent for slum tenements today to cover the mortgage costs on a decent home.

When I hear what families pay in this city for rent, to live in literally sheds that you wouldn't house pigs in, in some places -- I just left beautiful southeastern Minnesota and I want to take you out there and show you some of the barns where animals are kept, on an ordinary farm, not a rich man's farm, and then take you into the tenement districts of some of our great cities.

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Ladies and gentlemen, we cannot justify this. There is no justification for it.

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It is a bad habit; that is all. And we have assumed because it is a habit, it will always be so.

Well, I quit smoking twelve years ago. You can break a habit. Some of you maybe did so earlier.

America needs to break these bad habits and start to live a new life. Where that new life is required.

There is Federal money available to provide low and middle income housing. Where is the construction and financing package then which will give those families the pride and the security of ownership?

I like to own my own home. I think if private property is good for me, it is good for everybody, and most people go around heralding the wonders of private property and then we develop ways and means to deny people a chance to have it.

The one way to gain law and order in America, above all, is to have people feel they own a piece of it.

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Let a man have nothing to do for his country, said John Stuart Mill, and he will have no love for it.

It is still true.

Cut people out of America; let them feel that there is nothing here for them; let them feel that sense of despair, and they will not love it. They will try to ruin it.

I think the greatest thing we can do for law enforcement in America is to see to it that people feel they have a part of this country and then to provide our law enforcement agencies with the tools and the techniques and the manpower to curb the violence of the few.

We can get this job done.

But law enforcement requires also a sense of social justice and social opportunity and they must come together.

Let a man have nothing to do for his country and he shall have no love for it. Let him have something to do for his country and he will love it.

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Give me a person that will give you a small contribution in politics and I'll have his vote.

I know it. I've learned that a long time ago.

Let him be a part of it, and he will be with you. Keep him out, let him stay out and he will become, if not your enemy, a dissented bystander.

We cannot afford that in this country. We have got too much to do, too many problems, too many challenges, too many people depend on us.

If there is one thing that Americans ought to have as a top priority, that is maximum performance of this economy, maximum participation of the people in this democracy, a vital, vibrant economy, a vital democracy, and when we have it, there is no power on the face of this earth that can stand up against us. None whatsoever.

It is the best foreign policy, my fellow Americans, an effective social policy here at home, domestic and social economic policy.

(Applause.)

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VICE PRESIDENT HUMPHREY: Well, I want to sign off here now.

The development of local entrepreneurs-- that is what I am talking about -- would clearly contribute to the stability of the economic development of intercity neighborhoods across this country.

You know what I found out the other day? That ten years ago in the United States, there was but one Negro automobile dealer in the entire United States, a nation on wheels.

One entrepreneur, that had a franchise, that was black.

Well now, we are changing that, thank goodness. But I happen to believe that if we are going to rebuild our slums, we must rebuild them in part with indigenous labor in the slums.

They must feel that when they see that building go up, they have a part of it, just like the families of medieval Europe, when they built a cathedral, they loved the cathedral, not only their God and the priest, but they loved the cathedral building because their own flesh and blood

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was there, their own handicraft, and these cathedrals have lasted through wars and earthquakes and there they are, testimony to man's greatness, to his creativity, to his artistry, to his skill; to all that is good.

And I do not want to see a program in America where the white man goes in and just builds up once again the slums and says, "Here they are."

I've been in Vietnam. I've watched the American foreign aid put in a bridge and the Vietcong comes and blows it up, and the folks stand around and say, well, there is another American bridge gone.

And I've watched the American aid people come in and give the Vietnamese peasant the material to build their own bridge and teach them a little bit how to build it, and the Vietcong comes and blows it up and they go out and kill the Vietcong, because it was their bridge.

It makes a lot of difference.

Paternalism has no place in modern America. No place at all.

(Applause.)

VICE PRESIDENT HUMPHREY: I like
Humphrey's Drug Store. I feel better. No matter
what the electorate does to me, I can go home if
I have to. I've got a business.

(Applause.)

(Continued on next page)

VICE PRESIDENT HUMPHREY: I feel a little better. I feel a little more secure. I like it. Our family name is on it. It means something.

Now, if I feel that way, a man of very humble beginnings, I think other people feel that way. People want to feel they are a part of it.

This is why they love their schools, their children; this is why the church has become such a basic, wonderful institution, in part because it gives people a home, a spiritual home.

We have to make American cities that way. They cannot be cities of the absentee landlord. They cannot even be cities, may I say, of just corporate wealth.

They have to be the city of man. They have to be the city of the people, infused with the spirit of understanding and the spirit of compassion.

Well, we have loans and we have loan guarantees and technical assistance available through government agencies, but this is not enough.

Can we turn to you then for the package of financing and technical support which will allow

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that untapped, entrepreneurial talent to flourish?
It is there.

Finally, just how far will modern management techniques take us towards the solution of the physical and human problems of our cities in their totality?

Democracy, federalism, a vital free enterprise system, have together made America strong, and we are strong. We are not sick.

We are changing, and I think for the better. We are not in the final stages of decay. We are in the early stages of growth.

This great system of ours had made America rich beyond the fondest dreams or imagination of any living person, and surely of any that preceded us.

Now, let this same democracy, federalism and free enterprise system make America truly free.

I think we can do it. There are not many optimists left arround this country, but I am one of them.

(Applause)

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I am one that believes that you can dream

the impossible and make it come true, that you can beat the unbeatable foe, you can do it.

The man from La Mancha was no figment of imagination. He stands, may I say, as a constant challenge to this vital people, we, the people of these United States.

All right, let's have some questions.

Thank you very much.

(Applause. Applause. Standing ovation.)

I will try to be speedier on the questions.

MR. TROWBRIDGE: Some argue that Government must be the employer of last resort. If this is the case, won't everyone assume Government will handle the problem and indeed become the employer of first resort?

VICE PRESIDENT HUMPHREY: This is what has concerned me, Sandy, if I may speak so friendly to you -- we have been good friends for a long time.

I have been disturbed about what happens to people that don't find a job. I think, somehow or

other, we have to down-play this idea of the employer of last resort, which lets people, so to speak, off the hook of their responsibility.

I don't think we ought to start thinking that way.

Now, if you can't do it, if you people that can do almost anything, with this great mechanism called our economy, if you can't find ways to employ people, and you come and frankly admit it, then I don't think we are going to take too much heat if we say that the Government will have to step in and employ them.

But I want to give you first chance. What is more, I do think that you ought to employ every possible employable of the so-called unemployables.

I do think that the Government must have a very effective and compassionate role for the handicapped, for those that cannot really take care of themselves.

I think our whole structure of welfare needs the most careful examination, not any longer just by Government but by a good cross section of this

economy of ours.

And if I had the answers to what needed to be done, I would be a little bit too busy to be up here today. But I will tell you one thing: I can find the people that can come up with the answers. They are around, in this American economy.

Experts should be on tap and not on top. I am looking for the on-top job and we'll get the untapped ones later on.

MR. TROWBRIDGE: Many say that massive involvement of business in building low income housing or hiring workers who need extensive training will not come about unless tax incentives are available to improve the economics of such efforts.

Do you agree?

VICE PRESIDENT HUMPHREY: I think you have to treat the underdeveloped areas of America, the blighted areas of America, the backward areas of America, with the same kind of philosophy and thinking that you treat or that you relate to the underdeveloped areas of the world.

Now, let me lay it on the line.

For all practical purposes, many of the people that have come into some of our great cities of late from the rural areas of poverty and backwardness have come into a foreign land.

They are Americans. They speak the same tongue. But they haven't had the experience of urban life, of industrial discipline or industrial practice.

They are strangers in a strange land. They have left the country of the sharecropper economy, frequently; they have left the countryside of the hills and the hollows of Appalachia; they have left the reservations of the Indians; they have come from other parts of the world.

They have come into these great cities, and their capacities and talents are frequently underdeveloped. Their knowledge of the community in which they reside is faulty, limited.

Therefore, we should treat them as a people that need special help. And that means also the facilities.

Now, let me put it this way: If you can

have a forty-year loan under foreign aid, with low rates of interest, subsidized interest, if you please, with a grace period on the payment of the principal and even the interest in order to help build a better Ghana or a better Ecuador or a better Brazil or a better Chile or a better Vietnam, or a better India, then why in the name of common sense can't you apply the same kind of standards and techniques here at home?

(Applause)

We give guaranteed loans to private investment overseas. We give technical assistance. And we have gotten away from the grant idea. We have what we call the development loan fund.

Now, I think that most of the capital that we need is in the hands of the private entrepreneur, in the hands of private finance.

Therefore, I want to see that resource of capital tapped, but if I were a banker -- and a banker, by the way, has a fiduciary responsibility: it is not his money -- or if I were the head of a corporation that has a responsibility to the stockholders, as much as my heart would go out to the

poor, and as much as I would like to, as a, what I would hope to be, a decent citizen, a compassionate citizen, like to help the poor, I have a responsibility to the people that invested in that business or put their money in that bank.

Therefore, if those resources are to be used, in the areas of high risk, if they are to be used with people that need specialized care and training, there must be some kind of a back-up.

And here is where the Government comes in.

I want to see developed in this country what I would call an urban development bank, along the lines of the RFC, the Reconstruction Finance Corporation, that will work with private industry where it needs matching funds from the private resources, to move in with massive amounts of capital and technical know-how, into the slum areas.

In other words, let's treat our slums as a developing area, as an underdeveloped area. Let's apply some of the same standards and techniques,

but through the private resources, and cooperation with Government, to upgrade them and make them a part of the total American community.

I think it can be done.

(Applause)

MR. TROWBRIDGE: When our involvement in Vietnam ceases to drain such a large amount of resources, do you foresee a substantial lessening of our military budget to the benefit of social expenditures?

VICE PRESIDENT HUMPHREY: In all candor, I don't see for the foreseeable future, over and beyond the expenses of Vietnam, any basic reduction in the military expenditures of this country until such time as we can find some agreement with our adversaries, and particularly with the Soviet Union.

I have made some advocacies along the line of a mutual thinning out of forces in Western Europe, mutually agreed upon, not unilaterally -- my fellow Americans, that doesn't work -- but mutually try to negotiate a mutual thinning out, thereby to save us a good deal of expenditures,

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T particularly as it relates to our balance of payments problem.

But let's take a look at where we are today.

Weaponry today is highly sophisticated, very costly.

The truth is that whoever is the next President of the United States is going to face a tremendous problem of inventories in the Defense Department, modernizing them, upgrading and filling inventories that have been drawn down.

There will be heavy expenditures on whatever demobilization that you have, and I have gone over this problem with some of the economists at the Brookings Institute not long ago, and while I am one that believes that if we could do some planning now, both public and private, that we would be able to do a much better job once peace comes in Vietnam, in the post-Vietnam period.

E I think it would be misleading the public on the part of any responsible citizen to say that we can make a substantial reduction over and

beyond the differences of the Vietnam costs in our military expenditures.

Our military expenditures beyond Vietnam, outside of Vietnam, have been pared to the bone. They have been pared very very low, and we have to take another \$3 billion or more out of them under the current situation that the Congress is imposing upon us.

So I think that I would have to say that while a determined effort must be made, that reduction in expenditures will depend in a large measure upon the ability of this country and other countries to negotiate a de-escalation in the arms race, in the Middle East, in NATO and Warsaw Pact countries, and in the Far East.

If we can do that, we can get some paring down. If not, the cost will remain rather high, and very high.

But what is the other answer?

We increase our productivity every year. If we can keep this economy growing, we increase the tax take without raising taxes every year,

very substantially, and it will run as high as twelve, thirteen, fourteen billion dollars, with a new productivity running from fifty to sixty billion dollars a year.

And that accumulates and grows as the gross national product comes up. So we can bear the burden of defense.

If today we had no struggle in Vietnam, the share of our defense cost and the gross national product would be the lowest it has ever been since 1940, far lower than it was in the nineteen-fifties, because everything is relative.

An \$850 billion economy can easily handle a \$50 billion defense budget, very readily.

But when you add thirty billion on to it for a struggle, it becomes a very heavy burden.

And even then, that economy can afford to take on that cost if it wills it.

And might I say that I think that the 10 per cent tax on the tax, the surtax that there has been talk about, is an absolute essential for

fiscal responsibility in this country, and for the policies that this country pursues at home as well as what it does abroad. I think we have to have it.

Not to have it is courting danger, and possibly economic disaster.

I don't get many applauses after we ask for more taxes, but may I just say to a man of business, don't underestimate the necessity of a sound fiscal policy.

(Applause)

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VICE PRESIDENT HUMPHREY: I squeezed that one out of you, but you were nice.

(Laughter)

MR. TROWBRIDGE: Mr. Vice President, if you are our next President, will you continue the policies of the present Administration as regards the urban crisis or do you have any new and different programs to propose?

VICE PRESIDENT HUMPHREY: Well, I have given some indication today of some of my thinking. I intend to direct my attention in a very substantial way to the whole problem of the urban crisis and solution.

We know what the crisis is. We are experts on our problems. We are a little short on solutions.

Might I add that much of the legislation that's been passed has not as yet been applied. The model cities legislation, for example, which is on the books, is yet to be used. The planning funds are out. I think there is great hope in the model cities plan, but I will put it very frankly. I think we ought to go back again,

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as I said, and take a look at our urban crisis and see whether or not some of the techniques of the Marshall Plan that was used in Western Europe at the end of World War Two, some of the more workable techniques of our foreign aid program for developing countries, could not be applied. I think they can and I believe that we have made a good beginning.

Let me put it quite candidly. I have said a number of times that I indeed am proud of the record that we have made. I am not going to stand on that record, however. I am going to run on it and run with it and move ahead. I think that is what the American people want -- someone that moves ahead with it.

(Applause)

MR. TROWBRIDGE: Mr. Vice President, should, in your opinion, federal funds to aid in the solution of our urban problems flow directly to the mayors or should the governors and the state agencies be the prime movers in solving the crisis faced by the cities in their states?

VICE PRESIDENT HUMPHREY: If state governments will take a good hard look at the urban

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facts of life, then there is no reason why those funds could not go through the proper channels of state authority, but I was the mayor of a rather substantial city, and I want to tell you that I had more chance of getting a grant of money from Moscow than I did from the legislature. I hate to say that, but at that time it was true.

(Laughter)

The trouble is that many of our state constitutions have not been modernized. All too often state governments are yet organized on the basis where you are dealing with essentially rural economy, when in fact what we have today is an urbanized economy in the majority. The state governments need to upgrade the quality of its personnel, modernize its constitutional structure and start to take some responsibility itself for cities.

I know the State of New York does that and I am in the state where it has done this. I have watched the proceedings here. I know the interest that Governor Rockefeller has and I commend him for it. In city affairs it is very important. He set a fine example.

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But it is not true all over America and this is why mayors frequently come to Washington and say, "Listen, I want to do business directly with you and don't have that money channeled through the state house, because if it gets to the state house we don't get our hands on it," and the mayors do pack a little punch.

When they come on down to Washington to get a hold of their Congressmen, you may get a Senator that is an ex-governor that says to put it through the governor, but there are more Senators than governors.

Now, the answer is simply this, that when state governments understands that a city is the creature of the state, that the city has no more authority, no more power than the state legislature and the state constitution grants, when the state governments begin to understand that their children deserve attention, then we can put the federal funds where they ought to go, through the state channels, because I think that federal funds should go from federal to state to local, but if those channels are clogged up, if they have what I call a policy arthritis and sort of a -- this business where you get the veins all clogged up -- what do you call that business?

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My veins are good, so I don't remember it-- arterio-
sclerosis -- that is it. If there is a kind of arterio-
sclerosis of the fiscal passages from the state govern-
ment to the local government, you have to expect to
bypass. That is all I say -- and maybe sometimes a
transplant.

(Laughter)

Well, my good friend Sandy Trowbridge
tells me that I have kept you here for too long, which
I think is very true. But I enjoyed being with you. One
of the problems that I have when I get with an audience
like this, I enjoy being with you so much.

I want to meet you in the reception in
a few minutes and I want to thank you very, very much
for giving me an audience to listen to what I had to say.

Thank you very much.

(Applause)

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This is the prepared + VP's best
inserts + Q + A, edited.

~~Transcript~~ of the Vice President's remarks to

AMERICAN MANAGEMENT ASSOCIATION
NEW YORK, NEW YORK
June 3, 1968

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The "urgent call" on the cover of your Conference program is "for the immediate mobilization of management in the attack on urban despair and decay."

I join that call. Management -- getting it done -- is the inescapable, unavoidable, all-important next step in America's response to our urban crisis.

The evolution of that response has brought us a long way in the last five years.

We have, first of all, pretty well made up our minds that urban despair and decay are intolerable -- politically, economically and morally. It says a lot that a time when we are concerned about budget-paring, the Senate last week passed the largest housing bill in our history -- one which will move us out of the experimental stage and into mass production in the field of publicly financed housing.

And we have decided - in the authentic American tradition -- to tackle our urban challenge on the basis of a joint commitment by both our public and private institutions.

That joint commitment is written in the Model Cities legislation...rent supplement legislation...our job training programs...and most of the other new social programs you have just heard discussed. Nothing could symbolize it better than your conference.

Whether our new common enterprise will work is still uncertain. One social critic has warned that "when business methods are sincerely and honestly applied to urban problems, with every good intention, they still inevitably lead to anti-social results" -- and there are many who today hold that view.

I disagree. Everything I know about American free enterprise in the 1960's tells me that the public interest has reached the top of the list of what is good for business.

In any case I am convinced that successful joint action by government at all levels...business...labor...and non-profit organizations is our last best chance to prove the viability of American democratic federalism as an instrument for dealing with both the ills and the opportunities of the world's most powerful nation.

The real issue before us today is not whether we choose to offer full and equal opportunity to every American. That promise has been made.

The real issue before us today is not whether we must remake America's communities into decent, safe places to live. The thrust of history will let us do no less.

The issue is not whether to do it now or put it off. Too many Americans are rightly refusing now to wait.

The issue before us today is whether or not we can put our promises into practice. And a great deal more rides on a successful answer than many of us have been aware.

It comes right down to management -- the business of putting our wealth, our talent, our promises into a package which will produce results -- solid, visible and soon.

If what we had to build were just a matter of cement and steel, success would be certain.

A nation capable of producing short-order skyscrapers is surely capable of housing itself, cleaning up its smokestacks and regulating traffic flow.

But the equations all become more complicated when you factor in people.

Will our managerial competence and systems technology work when it comes to rescuing and rebuilding individuals...when local politics and personal preferences have to be taken into account?...when the end product must be something as complex as human betterment?

We know we can put a man on the moon, but do we know how to put a man on his own two feet here on earth?

Most of us, when we speak of slums think of broken down buildings. The question is, do the people break down before the buildings or do the buildings break down before the people? Which comes first: the physical slum ^{or} of the human depravity, the human despair, the human misery? Where do we start?

Easy answers will come not from wise men but from fools, and the worst thing a man who seeks high office or occupies high office -- private or public -- can do is to pretend that there are instant solutions to these difficult and long-term problems.

There are no miracle medicine men today, my friends. We are going to have to take on these problems the way we have every other one, through pragmatic experiment, -- trial and error -- recognizing that there is no dogma or doctrine that fits the contemporary needs of our people, or the future needs of a growing and changing nation.

I think we can do it.

Somebody asked me the other day, "what makes you think we can do it?"

I said, "Well, because I believe...

"A nation that can span the continent with steel rails while still in its more primitive days,

"A nation that could put together this great Federal Union and make it a strong Union, a nation that could withstand the trials of Civil War,

"A nation that could industrialize as rapidly as we have, a nation that can reach out and touch every part of the vastness of this continent with a network of roads,

"A nation that can build enough fabulous universities so that 57 percent of America's families have some family member in one of them,

"A nation that has developed the greatest system of public education the world has ever known,

"I think that nation knows how to build a city that is livable, and I think that nation also has the talent that can help people help themselves to make the phrase 'human dignity' meaningful."

This is my belief.

There has never been a great city in the history of mankind that wasn't cursed with slums, and yet we say that we can rid our cities of slums, and I think we can.

The reason I say I think we can is that we have built so much in such a short period of time and done it so well, that it stands out as one of the miracles of all of civilization. This kind of people, I believe, can produce the talent, the know-how, the skill, the resources, to do what needs to be done

Government, as well as business, must meet the managerial challenge.

But American industry will face the most immediate test -- when all the pledges to hire and train the hard-core unemployed turn into real people at the personnel desk.

American business has had plenty of experience training well-motivated, reasonably well-educated, responsible workers. Now we are talking about people who don't meet all of those criteria. They are men and women who have been repeatedly screened out -- out of school ... out of jobs ... out of American society.

We are talking about people who not only cannot pass the test in your personnel office, but don't even come in to try because bitter experience tells them that rejection and failure are the only possible results.

Your management task in showing these people the way from poverty to productivity is threefold: Find them. Train them. And -- very important -- keep them on the job.

You can get a lot of help with the finding from ministers, teachers, and community action workers. But you will also have to send your own recruiters out to knock on doors.

Rather than waiting for high-school graduates to come to you, you will have to get to those who might not graduate before they drop out, with summer jobs and counseling.

Your employment ads will have to say something more than "help wanted" -- something like "help offered."

As for the training and keeping, let me only say this: Your training system has to teach more than minimum competence in a limited task. It has to put your new employee on the first rung of the employment ladder with enough skill and enough self-confidence so that he can hope to move up.

For he is a person whose total environment has given him a sixth sense for spotting deadends. And he has had enough of them.

Finally, let's not forget that successful systems for training and employing the hard-core unemployed will have to take account of human attitudes in your own organizations. Your system won't work unless you get the word down to every echelon in your business that you mean business -- unless every department head and every foreman, and every personnel officer knows his own career prospects depend partly on his success in training and adjusting and promoting these new workers.

The federal government is ready to help by paying all the extra costs of training the hard-core unemployed. The National Alliance of Businessmen is ready to help with hard, practical advice on how to find, hire and train them.

But we are counting on you to do what you do best -- the managing.

The management challenge in our cities goes far beyond employment.

There are millions of American families paying enough rent for slum tenements today to cover the mortgage costs on a decent home. There is federal money available to help provide low and middle-income housing.

Where is the construction and financing package which will give those families the pride and security of ownership?

The development of local entrepreneurship would clearly contribute to the stability and economic development of inner-city neighborhoods across the country. There are loans, guarantees and technical assistance available through the Small Business Administration, the Office of Economic Opportunity, and the Department of Commerce for this purpose.

Can we turn to you for the package of financing and technical support which will allow that untapped entrepreneurial talent to flourish?

Finally, just how far will modern management techniques take us toward the solution of the physical and human problems of our cities in their totality?

Democracy, federalism, a vital free enterprise system have together made American strong.

They have made America rich.

Now let them make America truly free.

All right, let's have some questions.

~~Thank you very much.~~

MR. TROWBRIDGE: Some argue that Government must be the employer of last resort. If this is the case, won't everyone assume Government will handle the problem and indeed become the employer of first resort?

VICE PRESIDENT HUMPHREY: This is what has concerned me, Sandy, ~~if I may speak so friendly to you -- we have been good friends for a long time.~~

I have been disturbed about what happens to people ^{who} ~~that~~ don't find a job. I think, somehow or other, we have to down-play this idea of the employer of last resort, which lets people, so to speak, off the hook of their responsibility.

I don't think we ought to start thinking that way.

Now, if you can't do it -- if you can't find ways to employ people in the private sector and come and frankly admit it -- then I say that the Government will have to step in and employ them.

But I want to give you first chance. What is more, I do think that you ought to employ every possible employable of the so-called unemployables.

The Government must have a very effective and compassionate role for the handicapped, for those that cannot really take care of themselves.

MR. TROWBRIDGE: Many say that massive involvement of business in building low income housing or hiring workers who need extensive training will not come about unless tax incentives are available to improve the economics of such efforts.

Do you agree?

VICE PRESIDENT HUMPHREY: Now, let me put it this way: If you can have a forty-year loan under foreign aid, with low rates of interest, subsidized interest, if you please, with a grace period on the payment of the principal and even the interest in order to help build a better Ghana or a better Ecuador or a better Brazil or a better Chile or a better Vietnam, or a better India, then why in the name of common sense can't you apply the same kind of standards and techniques here at home?

We give guaranteed loans to private investment overseas. We give technical assistance. And we have gotten away from the grant idea. We have what we call the development loan fund.

Now, I think that most of the capital that we need is in the hands of the private entrepreneur, in the hands of private finance.

I want to see the resource of capital tapped. But if I were a banker or the head of a corporation that has a responsibility to the stockholders, as much as my heart would go out to the poor, I would have a responsibility to the people that invested in that business or put their money in that bank.

Therefore, if those resources are to be used, in the areas of high risk -- if they are to be used with people that need specialized care and training -- there must be some kind of a back-up.

And here is where the Government comes in.

I want to see developed in this country what I would call an urban development bank, along the lines of the RFC -- the Reconstruction Finance Corporation -- that will work with private industry where it needs matching funds to move, with massive amounts of capital and technical know-how, into the slum areas.

In other words, let's treat our slums as an underdeveloped area. Let's apply some of the same standards and techniques we use abroad to upgrade them and make them a part of the total American community.

I think it can be done.

MR. TROWBRIDGE: When our involvement in Vietnam ceases to drain such a large amount of resources, do you foresee a substantial lessening of our military budget to the benefit of social expenditures?

VICE PRESIDENT HUMPHREY: In all candor, I don't see for the foreseeable future, over and beyond the expenses of Vietnam, any basic reduction in the military expenditures of this country until such time as we can find some agreement with our adversaries, and particularly with the Soviet Union.

I have advocated a mutual thinning out of forces in Western Europe, which could save us a good deal of money and help our balance of payments problem.

But let's take a look at where we are today.

Weaponry today is highly sophisticated, very costly.

The truth is that whoever is the next President of the United States is going to face a tremendous problem of inventories in the Defense Department, modernizing them, upgrading and filling inventories that have been drawn down.

There will be heavy expenditures on whatever demobilization that you have. I have gone over this problem with some of the economists at the Brookings Institute, and while I believe that if we do some planning now, both public and private, we will be able to do a much better job once peace comes in Vietnam,

I think it would be misleading the public to say that we can make a substantial reduction over and beyond the Vietnam costs in our military expenditures.

Our military expenditures outside of Vietnam have been pared to the bone. They have been pared very very low, and we have to take another \$3 billion or more out of them under the current situation that the Congress is imposing upon us.

So I think that I would have to say that while a determined effort must be made, reduction in expenditures will depend in a large measure upon the ability of this country and other countries to negotiate a de-escalation in the arms race, in the Middle East, in NATO and Warsaw Pact countries, and in the Far East.

If we can do that, we can get some paring down. If not, the cost will remain rather high -- very high.

But what is the other answer?

We increase our productivity every year. If we can keep this economy growing, we increase the tax take, without raising taxes, by as much as twelve to fourteen billion dollars a year.

And that accumulates and grows as the gross national product comes up. So we can bear the burden of defense. An \$850 billion economy can easily handle a \$50 billion defense budget.

But when you add thirty billion on to it for a special struggle, it becomes a very heavy burden.

And even then, that economy can afford to take on that cost if it wills it.

And might I say that I think that the 10 per cent tax on the tax, the surtax that there has been talk about, is an absolute essential for fiscal responsibility in this country, and for the policies that this country pursues at home as well as what it does abroad. I think we have to have it.

Not to have it is courting danger, and possibly economic disaster.

I don't get ^{much} many applauses after we ask for more taxes, but may I just say to a man of business, don't underestimate the necessity of a sound fiscal policy.

I squeezed that one out of you, but you were nice.

MR. TROWBRIDGE: Mr. Vice President, if you are our next President, will you continue the policies of the present Administration as regards the urban crisis or do you have any new and different programs to propose?

VICE PRESIDENT HUMPHREY: Well, I have given some indication today of some of my thinking. I intend to direct my attention in a very substantial way to the whole problem of the urban crisis and solution.

We know what the crisis is. We are experts on our problems. We are a little short on solutions.

Might I add that much of the legislation that's been passed has not as yet been applied. The model cities legislation, for example, which is on the books, has yet to be used. The planning funds are out. I think there is great hope in the Model Cities plan, but I will put it very frankly: I think we ought to go back again, as I've said, and see whether or not some of the techniques of the Marshall Plan that was used in Western Europe at the end of World War Two -- some of the more workable techniques or our foreign aid program for developing countries -- could not be applied. I think they can and I believe that we have made a good beginning.

Let me put it quite candidly. I have said a number of times that I indeed am proud of the record that we have made. I am not going to stand on that record, however. I am going to run on it and run with it and move ahead. I think that is what the American people want -- someone that moves ahead with it.

MR. TROWBRIDGE: Mr. Vice President, should, in your opinion, federal funds to aid in the solution of our urban problems flow directly to the mayors or should the governors and the state agencies be the prime movers in solving the crisis faced by the cities in their states?

VICE PRESIDENT HUMPHREY: If state governments will take a good hard look at the urban facts of life, then there is no reason why those funds could not go through the proper channels of state authority. But I was the mayor of a rather substantial city, and I want to tell you that I had more chance of getting a grant of money from Moscow than I did from the legislature. I hate to say that, but at that time it was true.

The trouble is that many of our state constitutions have not been modernized. All too often state governments are still organized the way they were for dealing with essentially rural economy. The state governments need to upgrade the quality of their personnel, modernize their constitutional structure and start to take some responsibility themselves for cities.

I know the State of New York does that. But it is not true all over America, and this is why mayors frequently come to Washington and say, "Listen, I want to do business directly with you and don't have that money channeled through the state house, because if it gets to the state house we don't get our hands on it." And the mayors do pack a little punch.

Now, the answer is simply this: state governments understand that the city has no more authority than the state legislature and the state constitution grants. When the state governments begin to understand that their cities deserve attention, then we can put the federal funds where they ought to go, through the state channels. I think that federal funds should go from federal to state to

local. But if there is a kind of arteriosclerosis of the fiscal passages from the state government to the local government, you have to expect to bypass. That is all I say -- and maybe sometimes a transplant.

*Taken
for transcript*

Excerpts from speech by
Vice President Hubert Humphrey
The American Management Association
New York, New York
June 3, 1968

*Terry
file*

A nation capable of producing short order skyscrapers is surely capable of housing itself. As Chairman of the Space Council of your government, I have seen a space capsule made into a wholesome environment where men can breathe clean air, consume clean water, and live a healthy and wholesome life -- provided you put them far enough out in space.

If you can do that in a space capsule through modern American science and technology and management techniques -- I ask, why can't you do it right here on earth, right in the surroundings that you know much better than outer space.

* * *

Most people when you speak of slums speak of broken down buildings. The question is, do the people break down before the buildings or do the buildings break down before the people? Which comes first, the physical slum of the human depravity, the human despair, the human misery. Where do we start.

Easy answers will come not from wise men but from fools, and the worst thing a man who seeks high office or occupies high office -- private or public -- can do is to pretend that there are instant solutions to these difficult and long-term problems.

There are no miracle medicine men today, my friends. We are going to have to take on these problems the way we have every other one, through the pragmatic experiment of trial and error, recognizing that there is no dogma or doctrine that fits the contemporary needs of our people, or the future needs of a growing and changing nation...

I think we can do it.

Somebody asked me the other day, "what makes you think we can do it?"

I said, "well, because I believe

A nation that can span the continent with steel rails while still in its more primitive days;

A nation that could put together this great Federal Union and make it a more important Union, a nation that can withstand the trials of Civil War;

A nation that can industrialize as rapidly as we have, a nation that can reach out and touch every part of the vastness of this continent with a network of roads;

A nation that can build enough fabulous universities so that 57 percent of America's families have some family member in these universities;

A nation that has developed the greatest system of public education the world has ever known --

I think that nation knows how to build a city that is livable and I think that nation also has the talent that can help people help themselves and make the phrase "human dignity" a meaningful phrase that bears with it the emblem of self-respect.

This is my belief.

There has never been a great city in the history of mankind that wasn't cursed with slums, and yet we say that we can rid our cities of slums, and I think we can. The reason I say I think we can is because we have built so much in such a short period of time and done it so well, that it stands out as one of the miracles of all of civilization. This kind of people, I believe, can produce the talent, the know-how, the skill, the resources, to do what needs to be done.

* * *

I have said to audiences of business leaders, that whether they know it or not, they are the radicals of the twentieth century. They don't

like to hear it because they would like to put that label on some politicians. But politicians are basically timid, generally behind the public, seldom in front, and those of us who have gotten out in front a little bit have the scars to remind us...

I come to you today because we need you. I am in government. I know the limitations of government. I've wrestled with those limitations for twenty years...

Government can be an expediter. It can even be a pioneer. It can afford at times to take chances, but government alone in this kind of a system that is ours, at best can only be a junior partner.



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