

REMARKS BY
SENATOR HUBERT H. HUMPHREY
TEXAS AFL-CIO CONVENTION
MUNICIPAL AUDITORIUM
DALLAS, TEXAS
AUGUST 13, 1971

One of the reasons I have come here tonight is to pay a debt of thanks to some very fine people. Good friends are the most valuable asset any man can claim. And some of the finest friends I know are gathered here tonight.

It was at the 1967 AFL-CIO convention in Fort Worth that we shook hands on beginning one of the hardest jobs the Democratic Party has faced in a Presidential election. And you worked your hearts out. I know that, and I'll never forget it.

And I am here to salute one of the finest warriors that the labor movement has been privileged to call its own. Hank Brown has fought hard throughout his career for what he believed in, and Hank is a man of strong convictions. And even those who have been on the other side in some of those historic fights admire and respect his courage and integrity.

I shall always cherish Hank Brown not only because he has been fighting the good fight, but most of all because he has been a warm and trusted friend. I'm proud to have his friendship, and as he lays down his burden of office, I wish him and his family all the happiness in the world. May they have many, many good and satisfying years.

The third reason I'm here tonight is because I'm angry -- downright good and angry -- at this Republican Administration for the economic mess it's gotten this Nation into.

Five million, 300 thousand Americans are out of work today and registered in employment offices trying to find jobs. Another 1.5 million have dropped out of the job market altogether because they have become frustrated and discouraged trying day after day to find a job that doesn't exist.

So the true unemployment figure, my friends, stands close to 7 million -- 7 million workers unemployed -- as a result of Mr. Nixon's "economic game plan" for curing inflation.

We're in the fourth quarter. Time is running out. Mr. Nixon's team is losing badly. And what is the play the coach is sending in to his quarterback?

Why it's another press release, that tries to blame all our troubles on "statistical quirks."

Well it won't work. The people know the score. And in November of next year I predict they'll fire the manager of the Administration team.

Now it's true that the President inherited some inflationary pressures. But he also inherited a solid, booming economy with low unemployment. And he inherited sound policies by the previous Democratic Administration that would have put the Nation's fiscal house in order. So let's not waste any more time talking about the past.

We have an economic crisis on our hands that demands action now. I contend that the present course of this Administration on the economy is a disaster course fraught with peril. We have simply got to get the American economy moving again, providing jobs at a decent wage for all who want and need to work.

The Administration is still applying quack remedies to our economy. It is prescribing simultaneous doses of dangerous "uppers" and "downers" -- persistent inflation and high unemployment side by side for the first time in the history of our Nation.

How can the Administration claim its "game plan" is working when the consumer price index continues to rise at an average annual rate of over 7 per cent?

How can an Administration spokesman claim progress against inflation? Where is the progress?

How can it claim recovery? Let me ask you -- who has recovered?

The wholesale price index -- that harbinger of things to come -- went up another .3 per cent in July, and is now 14.6 per cent higher than it was in 1967.

Industrial commodities -- considered the most accurate measure of inflationary pressures -- showed the sharpest six-month increase since 1957, at 4.9 per cent last month. Lumber alone jumped a whopping 27 per cent, and you can be certain that cost will be passed on in the new house you were hoping to buy for your family.

The price of consumer finished goods that you and I buy actually rose another .5 per cent after adjustment, with big increases in the cost of clothes, tires, and automobiles.

But rather than try to face the problem, the Administration tries to cover up the facts. In this case, it actually tried to show a decline in the cost of consumer goods, by figuring in a sharp drop in food costs, even though it knows these costs are subject to wide and sudden fluctuations.

And it has been the farmer who has suffered heavily from this drop in food costs, as he has watched the price he could get for fruits and vegetables drop by almost 20 per cent, and almost 9 per cent for eggs.

Overall, prices today for the farmer are the lowest they have been since the dark days of the Great Depression of the '30's.

I do not believe that union workers who want a fair and decent wage get any satisfaction out of seeing farmers going broke or getting less than a living wage for their work and investment.

But something else, that all of you see day after day, continues to go down, down, down. I mean, of course, the chance of getting a job, or keeping the one you have.

How can the White House call an unemployment rate of 5.8 per cent "good news," with the fantastic explanation that it had expected an even steeper rise?

The families of 5.3 million Americans out of work do not see any "good news" in the unemployment picture. And anyone who does must be living in a dream world.

And I would respectfully suggest to the Administration's "bluebirds of happiness" that the storm is not ending -- the thunderclouds are darker than ever before.

First, they should look at the deeply disturbing rise in "hidden unemployment" -- hundreds of thousands of discouraged Americans who have given up the job hunt in frustration and are not included in the jobless figures.

Next, they should take note of the fact that there has been practically no net increase in the number of jobs over the past six months, despite the fact that the number of employable Americans has been steadily rising. Some economists predict that the continuing sluggish economy will cause the unemployment rate to reach 7 per cent by the end of the year.

But there is already a 7.1 per cent unemployment rate among our blue-collar workers. In the construction industry alone, 9.6 per cent of our workers are out of jobs.

Joblessness is hitting hard and everywhere -- 8.3 per cent of our farm laborers are looking for work.

But let's look at some even more disturbing figures.

There are 310,000 Vietnam veterans -- 8.2 per cent -- looking for jobs, 75,000 more than last year.

I find it morally reprehensible that a young man who put his life on the line should be denied a chance to earn a living in the Nation he served.

The unemployment rate for young workers has reached the highest level since the Second World War.

And if you think this Administration has done anything about solving the real problems of the cities, look at the jobless rates there.

Unemployment among Blacks has reached 10.1 per cent, rising from 8.3 per cent a year ago.

Among Black youths in poverty areas, the jobless rate has reached the shocking level of over 40 per cent, while total teenage unemployment has jumped 2 per cent in a year to a critical rate of 16.2 per cent.

Oh, there has been a "downward movement" all right -- a downward movement in JOBS.

It is time the Administration abandoned its discredited economic game plan and began looking at people:

The people who have exhausted their unemployment compensation benefits;

-- The people who were promised 18 months ago by the President that there would be a Federal Budget surplus of \$1.3 billion, but are now being told that there will be a deficit of \$23.2 billion;

-- The people affected by the slide in America's balance of trade from a \$5- to \$7-billion surplus through the mid-1960's to a current level of only \$1- to \$2-billion -- a slide that now threatens a deficit in 1971 for the first time in this century;

-- The people who have stared at idle assembly lines, with the production of American industry running at only 73 per cent of plant capacity;

-- The people who have been ignored as the prime interest rates on loans by banks continue to rise.

-- The people who have watched the Gross National Product fall behind the Nixon Administration's goal for 1971 of \$1.065 trillion -- with half of the most recent GNP advance accounted for by rising prices alone;

-- The growing number of people who find themselves living in poverty -- 25 million Americans -- after a steady decline through the decade of the '60s.

-- And the people who have heard this Administration talk about revenue sharing for the cities, but at the same time refuse to release and expend some \$12 billion in funds already appropriated by Congress to help the cities now.

Well, I'll put a recent Harris Survey into an envelope addressed to the White House, if it wants to know what the American people are thinking and feeling.

That survey shows that 62 per cent of our citizens believe the United States is still in the throes of a recession -- and they are right.

Some 47 per cent of the people believe things will be no better a year from now. I hope they are wrong, but the signs are not good.

About three-fourths of the American people believe the President has failed to keep the economy healthy, has failed to keep unemployment down, and has failed to dampen the rise in the cost of living.

And they are absolutely right.

The do-nothing and do-wrong economic policies of the Nixon Administration are producing the largest Federal two-year budget deficit since World War II.

If our present Gross National Produce "gap" continues, this recession will have cost the working people of America more than \$55 billion in lost real income during 1970 and 1971.

Our States, counties and cities will confront a loss of almost \$6 billion in revenues over the same period. That's more than they will ever receive annually under the President's highly-touted general revenue-sharing proposal. And Uncle Sam will lose \$31 billion in potential revenues from the income of the American people.

The President has simply got to understand that the economic crisis of America must be attacked on many fronts at once. A Democratic Administration will do just that -- attack, attack, -- keep pressing forward, meet the critical needs of our people and the problems they are confronting head-on.

In the absence of Administration policies, I have presented a comprehensive program to cool inflation, to build confidence in the dollar, and to stimulate a growing, balanced economy.

This country needs what the AFL-CIO Executive Council and its President, George Meany, have recommended -- a national incomes policy.

We need a policy that is even-handed, dealing as firmly with management-administered pricing practices as with what the Administration calls excessive wage increases. We need to establish a rational growth rate for all sectors of the economy. We need measures to increase productivity.

That is why I have called for the establishment of an anti-inflation board -- a National Economic Stabilization Board -- a wage-price-profits board, which would include representatives of industry, labor, and the general public, to undertake intensive studies and make specific recommendations to hold down inflationary forces and to stimulate depressed economic sectors.

And I have called for the creation of local and regional productivity councils to provide firsthand guidance on economic demands, to promote industrial and business expansion, and to implement the recommendations of the Stabilization Board.

The powers of Presidential persuasion to hold down inflationary forces can be further strengthened by the creation of a National Economic Policy Council to maintain a continuous review of the domestic and international economy and to spotlight inflationary danger signs.

I respectfully suggest that the President listen to these recommendations very carefully. They are not partisan Democratic remedies.

They represent proposals and suggestions by responsible leaders of labor and management, leading economists, and many other concerned citizens.

In addition, I have urged the President to apply the emergency authority given him by Congress for selective and flexible controls on interest rates and credit costs.

High interest rates clamp down on solid economic expansion by making capital spending too costly and by withdrawing consumer purchasing dollars into savings accounts, which are already running at a high rate and reflecting a basic lack of public confidence in the Administration's promises that better days are just around the corner.

It was precisely because of hints that banks would again increase their prime interest rates that there was a recent serious slump in the stock market.

And the rising cost of a home mortgage -- by whatever strategem the financial institutions employ -- can once again cut off funds from a major industry that only recently managed to pull out of a serious depression.

I also believe we must have the selective application of the seven per cent investment tax credit to encourage American industry to invest in areas of high unemployment and economic distress.

Under present economic circumstances the Administration's proposal for an accelerated depreciation allowance will only result in a profits windfall for business. We must run our industrial plant at full capacity, for the simple reason -- which the Administration apparently fails to understand -- that an increase in productivity reduces unit costs -- a decisive means of controlling inflation while also expanding jobs.

I strongly believe that immediate and constructive assistance must be given to families facing the despair and anxiety of unemployment and to couples on fixed incomes struggling to meet the rising cost of living.

That means a major expansion of Federal manpower programs and their complete overhaul to assure that training leads to actual jobs.

It means focusing on retraining programs for skilled workers, and establishing entirely new job markets in local government, in environmental pollution control, in the designing and building of new cities, and in our hospitals and school systems.

It means emergency short term assistance to jobless families to meet essential living costs. And that is why I have been fighting in the Senate to extend the unemployment insurance program with full Federal financing. Are we to do nothing for the 45,000 eligible unemployed who exhaust their benefits each week?

And are we to continue to treat as second-class citizens our veterans who did their job for their country and now ask only for what is right -- a job in their country?

I say we must immediately launch programs to train and place returning veterans in jobs that can be made available now.

I have also called for the acceleration of Federal income tax relief measures scheduled to take effect next year.

We must also provide for a substantial increase in Social Security payments coupled with a delay in the increase of the Social Security tax rate and earnings base, in recognition of the present surplus in the Social Security trust fund.

And I have called for the immediate increase in the minimum wage. I am amazed that the Administration calls such an increase "inflationary."

An administration that characterizes it as such is an administration that has no understanding of the needs of working people.

Let's take a look at the situation: The current minimum wage of \$1.60 an hour today has less purchasing power than the \$1.25 an hour minimum had in 1966.

A young worker today with a full year's earnings at the present \$1.60 an hour minimum wage is still classified as living in poverty.

An Administration that doesn't understand these facts will never be able to understand collective bargaining. It will never understand what goes into a three-year labor-management contract:

The first year, the worker hopes to catch up for the prices increases of the preceding two years.

The second year, he hopes to be able to hold the line between what he receives and what he has to pay for goods and services.

The third year, the worker falls behind again.

That is the sequence. And those contracts -- and the vast majority are just like them -- are not inflationary.

The worker is constantly compelled to play a game of "catch up." But Mr. Nixon and company just don't understand those things.

Finally, I believe that we must turn crisis into opportunity. I refer to the fiscal crisis of our towns and cities, which face rising costs that prevent them from even maintaining present public services, much less expand critically needed public facilities.

In meeting this crisis we can also seize a major opportunity to launch comprehensive national growth programs that can provide a major new source of job opportunities.

But the Nixon Administration seems to feel that all this can wait. The President has vetoed a public works acceleration program that would have meant jobs and critically needed public facilities for thousands of American communities. Only after overwhelming public pressure did he sign the Emergency Employment Act to provide 200,000 public service job opportunities.

The Administration's economic policies seem to say: "Come weal or woe, our position is status quo."

I say such policies can only lead to disaster. I say we must move now with an all-out frontal assault to get the economy moving again.

The actions I have spelled out constitute the vital first step. But we must also move today to meet the demands of tomorrow that are already upon us. We must launch programs to promote balanced rural and urban development across the Nation that will also reestablish a strong and growing national economy.

That is why I have introduced the National Domestic Development Bank Act and the Consolidated Farm and Rural Development Act. These new legislative programs will create major new sources of financing for our cities and towns and for economic development projects across the Nation.

They will enable us to undertake immediately the critically needed construction of public facilities . . . to meet the health care, housing, education, and social welfare needs of all our people . . . to revitalize our rural areas and restore our cities . . . and to bring industry, jobs, and income to people, where they want to live and work and raise their families -- in short, to establish a "Freedom of Residence" for all Americans.

I say all this can be done.

I say it must be done.

And I firmly believe it will be done by the people of this great land.

#

Here three Reasons - thanks - Hank - Economic

① Hank Brown - Roy Evans Secy Treas
thanks - Sophie for Hoyer - Natural

- Ralph Yarborough - Senate
- next President - here - San Barnes COPE
- Nixon - Quack Remedies Whitehouse

- Nixon - Doesn't understand
- Nixon - memoranda - young - famous - plus 6/6
LABOR HISTORY - needs know

LABOR & TOMORROW
DALLAS, TEXAS
ASTRODOME

(Vietnam out) Nixon out, Lyndon, unemployed
AUGUST 17, 1971

② Spent time on Nixon, since 1946
will keep AT it until he's out

Future →

The brain -
the organizers
supported &
Preserved .

Recycle

OLD-TIMES -
the Preserved
the Trade Players
+ Ladies

#1 Thanks

- Legislators -
- Friends of Democ Party

ONE OF THE REASONS I HAVE COME HERE TONIGHT IS TO
PAY A DEBT OF THANKS TO SOME VERY FINE PEOPLE. GOOD
FRIENDS ARE THE MOST VALUABLE ASSET ANY MAN CAN CLAIM.
AND SOME OF THE FINEST FRIENDS I KNOW ARE GATHERED HERE
TONIGHT.

Hank Brown!

IT WAS AT THE 1967 AFL-CIO CONVENTION IN FORT

WORTH

WORTH THAT WE SHOOK HANDS ON BEGINNING ONE OF THE HARDEST

JOBS THE DEMOCRATIC PARTY HAS FACED IN A PRESIDENTIAL

ELECTION. AND YOU WORKED YOUR HEARTS OUT, I KNOW THAT,

AND I'LL NEVER FORGET IT.

#2/L

AND I AM HERE TO SALUTE ONE OF THE FINEST WARRIORS

THAT THE LABOR MOVEMENT HAS BEEN PRIVILEGED TO CALL ITS

OWN. L HANK BROWN HAS FOUGHT HARD THROUGHOUT HIS CAREER

FOR WHAT HE BELIEVED IN, AND HANK IS A MAN OF STRONG

CONVICTIONS. AND EVEN THOSE WHO HAVE BEEN ON THE OTHER

SIDE IN SOME OF THOSE HISTORIC FIGHTS ADMIRE AND RESPECT

HIS COURAGE AND INTEGRITY.

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I SHALL ALWAYS CHERISH HANK BROWN NOT ONLY BECAUSE

HE HAS BEEN FIGHTING THE GOOD FIGHT, BUT MOST OF ALL

BECAUSE HE HAS BEEN A WARM AND TRUSTED FRIEND.

I'M PROUD TO HAVE HIS FRIENDSHIP, AND AS HE LAYS DOWN

(Sophie)

HIS BURDEN OF OFFICE, I WISH HIM AND HIS FAMILY ALL

THE HAPPINESS IN THE WORLD. MAY THEY HAVE MANY, MANY

GOOD AND SATISFYING YEARS.

THE THIRD REASON I'M HERE TONIGHT IS BECAUSE I'M

ANGRY -- DOWNRIGHT GOOD AND ANGRY -- AT THIS REPUBLICAN

ADMINISTRATION FOR THE ECONOMIC MESS IT'S GOTTEN THIS

NATION INTO.

FIVE MILLION, 300 THOUSAND AMERICANS ARE OUT OF WORK

TODAY AND REGISTERED IN EMPLOYMENT OFFICES TRYING TO FIND

JOBS.

#3
violates
Employment
Act
1946

Nixon Quack Remedies
Result: Inflation - Recession Budget Deficit
Unemploy - Slow-Down Economy
Interest Rate - Trade Deficit - Dollar

ANOTHER 1.5 MILLION HAVE DROPPED OUT OF THE JOB
MARKET ALTOGETHER BECAUSE THEY HAVE BECOME FRUSTRATED AND
DISCOURAGED TRYING DAY AFTER DAY TO FIND A JOB THAT
DOESN'T EXIST.

SO THE TRUE UNEMPLOYMENT FIGURE, MY FRIENDS, STANDS
CLOSE TO 7 MILLION -- 7 MILLION WORKERS UNEMPLOYED -- AS
A RESULT OF MR. NIXON'S "ECONOMIC GAME PLAN" FOR CURING
INFLATION.

WE'RE IN THE FOURTH QUARTER. TIME IS RUNNING OUT.
MR. NIXON'S TEAM IS LOSING BADLY. AND WHAT IS THE PLAY
THE COACH IS SENDING IN TO HIS QUARTERBACK?

WHY IT'S ANOTHER PRESS RELEASE, THAT TRIES TO BLAME
ALL OUR TROUBLES ON "STATISTICAL QUIRKS." or Labor Fault

WELL IT WON'T WORK. THE PEOPLE KNOW THE SCORE.

AND IN NOVEMBER OF NEXT YEAR I PREDICT THEY'LL FIRE THE
MANAGER OF THE ADMINISTRATION TEAM.

NOW IT'S TRUE THAT THE PRESIDENT INHERITED SOME
INFLATIONARY PRESSURES. BUT HE ALSO INHERITED A SOLID,
BOOMING ECONOMY WITH LOW UNEMPLOYMENT. AND HE INHERITED
SOUND POLICIES BY THE PREVIOUS DEMOCRATIC ADMINISTRATION
THAT WOULD HAVE PUT THE NATION'S FISCAL HOUSE IN ORDER.
SO LET'S NOT WASTE ANY MORE TIME TALKING ABOUT THE PAST.

WE HAVE AN ECONOMIC CRISIS ON OUR HANDS THAT DEMANDS ACTION NOW. I CONTEND THAT THE PRESENT COURSE OF THIS ADMINISTRATION ON THE ECONOMY IS A DISASTER COURSE FRAUGHT WITH PERIL. WE HAVE SIMPLY GOT TO GET THE AMERICAN ECONOMY MOVING AGAIN, PROVIDING JOBS AT A DECENT WAGE FOR ALL WHO WANT AND NEED TO WORK.

THE ADMINISTRATION IS STILL APPLYING QUACK REMEDIES TO OUR ECONOMY. IT IS PRESCRIBING SIMULTANEOUS DOSES OF DANGEROUS "UPPERS" AND "DOWNERS" -- PERSISTENT INFLATION AND HIGH UNEMPLOYMENT SIDE BY SIDE FOR THE FIRST TIME IN THE HISTORY OF OUR NATION.

WE MUST ALSO PROVIDE FOR A SUBSTANTIAL INCREASE
IN SOCIAL SECURITY PAYMENTS COUPLED WITH A DELAY IN
THE INCREASE OF THE SOCIAL SECURITY TAX RATE AND EARNINGS
BASE, IN RECOGNITION OF THE PRESENT SURPLUS IN THE
SOCIAL SECURITY TRUST FUND.

①

*Jobs
contract!*

AND I HAVE CALLED FOR THE IMMEDIATE INCREASE IN THE
MINIMUM WAGE. I AM AMAZED THAT THE ADMINISTRATION CALLS
SUCH AN INCREASE "INFLATIONARY."

AN ADMINISTRATION THAT CHARACTERIZES IT AS SUCH
IS AN ADMINISTRATION THAT HAS NO UNDERSTANDING OF THE
NEEDS OF WORKING PEOPLE.

LET'S TAKE A LOOK AT THE SITUATION: THE CURRENT
MINIMUM WAGE OF \$1.60 AN HOUR TODAY HAS LESS PURCHASING
POWER THAN THE \$1.25 AN HOUR MINIMUM HAD IN 1966.

A YOUNG WORKER TODAY WITH A FULL YEAR'S EARNINGS
AT THE PRESENT \$1.60 AN HOUR MINIMUM WAGE IS STILL
CLASSIFIED AS LIVING IN POVERTY.

AN ADMINISTRATION THAT DOESN'T UNDERSTAND THESE
FACTS WILL NEVER BE ABLE TO UNDERSTAND COLLECTIVE
BARGAINING. IT WILL NEVER UNDERSTAND WHAT GOES INTO A
THREE-YEAR LABOR-MANAGEMENT CONTRACT:

THE FIRST YEAR, THE WORKER HOPES TO CATCH UP FOR
THE PRICES INCREASES OF THE PRECEDING TWO YEARS.

THE SECOND YEAR, HE HOPES TO BE ABLE TO HOLD THE LINE BETWEEN WHAT HE RECEIVES AND WHAT HE HAS TO PAY FOR GOODS AND SERVICES.

THE THIRD YEAR, THE WORKER FALLS BEHIND AGAIN.

THAT IS THE SEQUENCE. AND THOSE CONTRACTS -- AND THE VAST MAJORITY ARE JUST LIKE THEM -- ARE NOT INFLATIONARY.

THE WORKER IS CONSTANTLY COMPELLED TO PLAY A GAME OF "CATCH UP." BUT MR. NIXON AND COMPANY JUST DON'T UNDERSTAND THOSE THINGS.

HOW CAN THE ADMINISTRATION CLAIM ITS "GAME PLAN" IS WORKING WHEN THE CONSUMER PRICE INDEX CONTINUES TO RISE AT AN AVERAGE ANNUAL RATE OF OVER 7 PER CENT?

HOW CAN AN ADMINISTRATION SPOKESMAN CLAIM PROGRESS AGAINST INFLATION? WHERE IS THE PROGRESS?

HOW CAN IT CLAIM RECOVERY? LET ME ASK YOU -- WHO HAS RECOVERED?

THE WHOLESALE PRICE INDEX -- THAT HARBINGER OF THINGS TO COME -- WENT UP ANOTHER .3 PER CENT IN JULY, AND IS NOW 14.6 PER CENT HIGHER THAN IT WAS IN 1967.

INDUSTRIAL COMMODITIES -- CONSIDERED THE MOST ACCURATE
MEASURE OF INFLATIONARY PRESSURES -- SHOWED THE SHARPEST
SIX-MONTH INCREASE SINCE 1957, AT 4.9 PER CENT LAST
MONTH. LUMBER ALONE JUMPED A WHOPPING 27 PER CENT, AND
YOU CAN BE CERTAIN THAT COST WILL BE PASSED ON IN THE
NEW HOUSE YOU WERE HOPING TO BUY FOR YOUR FAMILY.

THE PRICE OF CONSUMER FINISHED GOODS THAT YOU AND
I BUY ACTUALLY ROSE ANOTHER .5 PER CENT AFTER ADJUSTMENT,
WITH BIG INCREASES IN THE COST OF CLOTHES, TIRES, AND
AUTOMOBILES.

BUT RATHER THAN TRY TO FACE THE PROBLEM, THE
ADMINISTRATION TRIES TO COVER UP THE FACTS. IN THIS
CASE, IT ACTUALLY TRIED TO SHOW A DECLINE IN THE COST
OF CONSUMER GOODS, BY FIGURING IN A SHARP DROP IN
FOOD COSTS, EVEN THOUGH IT KNOWS THESE COSTS ARE
SUBJECT TO WIDE AND SUDDEN FLUCTUATIONS.

AND IT HAS BEEN THE FARMER WHO HAS SUFFERED HEAVILY FROM
THIS DROP IN FOOD COSTS, AS HE HAS WATCHED THE PRICE HE COULD
GET FOR FRUITS AND VEGETABLES DROP BY ALMOST 20 PER CENT,
AND ALMOST 9 PER CENT FOR EGGS.

OVERALL, PRICES TODAY FOR THE FARMER ARE THE LOWEST
THEY HAVE BEEN SINCE THE DARK DAYS OF THE GREAT DEPRESSION
OF THE '30's.

I DO NOT BELIEVE THAT UNION WORKERS WHO WANT A
FAIR AND DECENT WAGE GET ANY SATISFACTION OUT OF SEEING
FARMERS GOING BROKE OR GETTING LESS THAN A LIVING WAGE FOR
THEIR WORK AND INVESTMENT.

BUT SOMETHING ELSE, THAT ALL OF YOU SEE DAY AFTER
DAY, CONTINUES TO GO DOWN, DOWN, DOWN. I MEAN, OF
COURSE, THE CHANCE OF GETTING A JOB, OR KEEPING THE
ONE YOU HAVE.

HOW CAN THE WHITE HOUSE CALL AN UNEMPLOYMENT RATE OF 5.8 PER CENT "GOOD NEWS," WITH THE FANTASTIC EXPLANATION THAT IT HAD EXPECTED AN EVEN STEEPER RISE?

THE FAMILIES OF 5.3 MILLION AMERICANS OUT OF WORK DO NOT SEE ANY "GOOD NEWS" IN THE UNEMPLOYMENT PICTURE.

AND ANYONE WHO DOES MUST BE LIVING IN A DREAM WORLD.

AND I WOULD RESPECTFULLY SUGGEST TO THE ADMINISTRATION'S "BLUEBIRDS OF HAPPINESS" THAT THE STORM IS NOT ENDING -- THE THUNDERCLOUDS ARE DARKER THAN EVER BEFORE.

FIRST, THEY SHOULD LOOK AT THE DEEPLY DISTURBING RISE IN "HIDDEN UNEMPLOYMENT" -- HUNDREDS OF THOUSANDS OF DISCOURAGED AMERICANS WHO HAVE GIVEN UP THE JOB HUNT IN FRUSTRATION AND ARE NOT INCLUDED IN THE JOBLESS FIGURES.

NEXT, THEY SHOULD TAKE NOTE OF THE FACT THAT THERE HAS BEEN PRACTICALLY NO NET INCREASE IN THE NUMBER OF JOBS OVER THE PAST SIX MONTHS, DESPITE THE FACT THAT THE NUMBER OF EMPLOYABLE AMERICANS HAS BEEN STEADILY RISING. SOME ECONOMISTS PREDICT THAT THE CONTINUING SLUGGISH ECONOMY WILL CAUSE THE UNEMPLOYMENT RATE TO REACH 7 PER CENT BY THE END OF THE YEAR.

BUT THERE IS ALREADY A 7.1 PER CENT UNEMPLOYMENT RATE AMONG OUR BLUE-COLLAR WORKERS. IN THE CONSTRUCTION INDUSTRY ALONE, 9.6 PER CENT OF OUR WORKERS ARE OUT OF JOBS.

JOBLESSNESS IS HITTING HARD AND EVERYWHERE -- 8.3 PER CENT OF OUR FARM LABORERS ARE LOOKING FOR WORK.

BUT LET'S LOOK AT SOME EVEN MORE DISTURBING FIGURES.

THERE ARE 310,000 VIETNAM VETERANS -- 8.2 PER CENT -- LOOKING FOR JOBS, 75,000 MORE THAN LAST YEAR.

I FIND IT MORALLY REPREHENSIBLE THAT A YOUNG MAN WHO PUT HIS LIFE ON THE LINE SHOULD BE DENIED A CHANCE TO EARN A LIVING IN THE NATION HE SERVED.

THE UNEMPLOYMENT RATE FOR YOUNG WORKERS HAS
REACHED THE HIGHEST LEVEL SINCE THE SECOND WORLD WAR.

AND IF YOU THINK THIS ADMINISTRATION HAS DONE
ANYTHING ABOUT SOLVING THE REAL PROBLEMS OF THE CITIES,
LOOK AT THE JOBLESS RATES THERE.

UNEMPLOYMENT AMONG BLACKS HAS REACHED 10.1 PER CENT,
RISING FROM 8.3 PER CENT A YEAR AGO.

AMONG BLACK YOUTHS IN POVERTY AREAS, THE JOBLESS
RATE HAS REACHED THE SHOCKING LEVEL OF OVER 40 PER CENT,
WHILE TOTAL TEENAGE UNEMPLOYMENT HAS JUMPED 2 PER CENT
IN A YEAR TO A CRITICAL RATE OF 16.2 PER CENT.

OH, THERE HAS BEEN A "DOWNWARD MOVEMENT" ALL RIGHT --
A DOWNWARD MOVEMENT IN JOBS.

IT IS TIME THE ADMINISTRATION ABANDONED ITS
DISCREDITED ECONOMIC GAME PLAN AND BEGAN LOOKING AT
PEOPLE:

THE PEOPLE WHO HAVE EXHAUSTED THEIR UNEMPLOYMENT
COMPENSATION BENEFITS;

-- THE PEOPLE WHO WERE PROMISED 18 MONTHS AGO
BY THE PRESIDENT THAT THERE WOULD BE A FEDERAL BUDGET
SURPLUS OF \$1.3 BILLION, BUT ARE NOW BEING TOLD THAT
THERE WILL BE A DEFICIT OF \$23.2 BILLION;

-- THE PEOPLE AFFECTED BY THE SLIDE IN AMERICA'S
BALANCE OF TRADE FROM A \$5- TO \$7-BILLION SURPLUS
THROUGH THE MID-1960'S TO A CURRENT LEVEL OF ONLY
\$1- TO \$2-BILLION -- A SLIDE THAT NOW THREATENS A
DEFICIT IN 1971 FOR THE FIRST TIME IN THIS CENTURY;

-- THE PEOPLE WHO HAVE STARED AT IDLE ASSEMBLY
LINES, WITH THE PRODUCTION OF AMERICAN INDUSTRY RUNNING
AT ONLY 73 PER CENT OF PLANT CAPACITY;

-- THE PEOPLE WHO HAVE BEEN IGNORED AS THE PRIME
INTEREST RATES ON LOANS BY BANKS CONTINUE TO RISE.

-- THE PEOPLE WHO HAVE WATCHED THE GROSS NATIONAL PRODUCT FALL BEHIND THE NIXON ADMINISTRATION'S GOAL FOR 1971 OF \$1.065 TRILLION -- WITH HALF OF THE MOST RECENT GNP ADVANCE ACCOUNTED FOR BY RISING PRICES ALONE;

-- THE GROWING NUMBER OF PEOPLE WHO FIND THEMSELVES LIVING IN POVERTY -- 25 MILLION AMERICANS -- AFTER A STEADY DECLINE THROUGH THE DECADE OF THE '60s.

-- AND THE PEOPLE WHO HAVE HEARD THIS ADMINISTRATION TALK ABOUT REVENUE SHARING FOR THE CITIES, BUT AT THE SAME TIME REFUSE TO RELEASE AND EXPEND SOME \$12 BILLION IN FUNDS ALREADY APPROPRIATED BY CONGRESS TO HELP THE CITIES NOW.

WELL, I'LL PUT A RECENT HARRIS SURVEY INTO AN ENVELOPE ADDRESSED TO THE WHITE HOUSE, IF IT WANTS TO KNOW WHAT THE AMERICAN PEOPLE ARE THINKING AND FEELING.

THAT SURVEY SHOWS THAT 62 PER CENT OF OUR CITIZENS BELIEVE THE UNITED STATES IS STILL IN THE THROES OF A RECESSION -- AND THEY ARE RIGHT.

SOME 47 PER CENT OF THE PEOPLE BELIEVE THINGS WILL BE NO BETTER A YEAR FROM NOW. I HOPE THEY ARE WRONG, BUT THE SIGNS ARE NOT GOOD.

ABOUT THREE-FOURTHS OF THE AMERICAN PEOPLE BELIEVE
THE PRESIDENT HAS FAILED TO KEEP THE ECONOMY HEALTHY,
HAS FAILED TO KEEP UNEMPLOYMENT DOWN, AND HAS FAILED TO
DAMPEN THE RISE IN THE COST OF LIVING.

AND THEY ARE ABSOLUTELY RIGHT.

THE DO-NOTHING AND DO-WRONG ECONOMIC POLICIES OF
THE NIXON ADMINISTRATION ARE PRODUCING THE LARGEST
FEDERAL TWO-YEAR BUDGET DEFICIT SINCE WORLD WAR II.

IF OUR PRESENT GROSS NATIONAL PRODUCE "GAP" CONTINUES,
THIS RECESSION WILL HAVE COST THE WORKING PEOPLE OF
AMERICA MORE THAN \$55 BILLION IN LOST REAL INCOME DURING
1970 AND 1971.

OUR STATES, COUNTIES AND CITIES WILL CONFRONT A LOSS OF ALMOST \$6 BILLION IN REVENUES OVER THE SAME PERIOD. THAT'S MORE THAN THEY WILL EVER RECEIVE ANNUALLY UNDER THE PRESIDENT'S HIGHLY-TOUTED GENERAL REVENUE-SHARING PROPOSAL. AND UNCLE SAM WILL LOSE \$31 BILLION IN POTENTIAL REVENUES FROM THE INCOME OF THE AMERICAN PEOPLE.

THE PRESIDENT HAS SIMPLY GOT TO UNDERSTAND THAT THE ECONOMIC CRISIS OF AMERICA MUST BE ATTACKED ON MANY FRONTS AT ONCE. A DEMOCRATIC ADMINISTRATION WILL DO JUST THAT -- ATTACK, ATTACK, -- KEEP PRESSING FORWARD, MEET THE CRITICAL NEEDS OF OUR PEOPLE AND THE PROBLEMS THEY ARE CONFRONTING HEAD-ON.

IN THE ABSENCE OF ADMINISTRATION POLICIES, I HAVE
PRESENTED A COMPREHENSIVE PROGRAM TO COOL INFLATION,
TO BUILD CONFIDENCE IN THE DOLLAR, AND TO STIMULATE
A GROWING, BALANCED ECONOMY.

THIS COUNTRY NEEDS WHAT THE AFL-CIO EXECUTIVE COUNCIL
AND ITS PRESIDENT, GEORGE MEANY, HAVE RECOMMENDED -- A
NATIONAL INCOMES POLICY.

WE NEED A POLICY THAT IS EVEN-HANDED, DEALING AS
FIRMLY WITH MANAGEMENT-ADMINISTERED PRICING PRACTICES AS
WITH WHAT THE ADMINISTRATION CALLS EXCESSIVE WAGE INCREASES.

WE NEED TO ESTABLISH A RATIONAL GROWTH RATE FOR ALL SECTORS OF THE ECONOMY. WE NEED MEASURES TO INCREASE PRODUCTIVITY.

THAT IS WHY I HAVE CALLED FOR THE ESTABLISHMENT OF AN ANTI-INFLATION BOARD -- A NATIONAL ECONOMIC STABILIZATION BOARD -- A WAGE-PRICE-PROFITS BOARD, WHICH WOULD INCLUDE REPRESENTATIVES OF INDUSTRY, LABOR, AND THE GENERAL PUBLIC, TO UNDERTAKE INTENSIVE STUDIES AND MAKE SPECIFIC RECOMMENDATIONS TO HOLD DOWN INFLATIONARY FORCES AND TO STIMULATE DEPRESSED ECONOMIC SECTORS.

AND I HAVE CALLED FOR THE CREATION OF LOCAL AND REGIONAL PRODUCTIVITY COUNCILS TO PROVIDE FIRSTHAND GUIDANCE ON ECONOMIC DEMANDS, TO PROMOTE INDUSTRIAL AND BUSINESS EXPANSION, AND TO IMPLEMENT THE RECOMMENDATIONS OF THE STABILIZATION BOARD.

THE POWERS OF PRESIDENTIAL PERSUASION TO HOLD DOWN INFLATIONARY FORCES CAN BE FURTHER STRENGTHENED BY THE CREATION OF A NATIONAL ECONOMIC POLICY COUNCIL TO MAINTAIN A CONTINUOUS REVIEW OF THE DOMESTIC AND INTERNATIONAL ECONOMY AND TO SPOTLIGHT INFLATIONARY DANGER SIGNS.

I RESPECTFULLY SUGGEST THAT THE PRESIDENT LISTEN TO THESE RECOMMENDATIONS VERY CAREFULLY. THEY ARE NOT PARTISAN DEMOCRATIC REMEDIES.

THEY REPRESENT PROPOSALS AND SUGGESTIONS BY RESPONSIBLE LEADERS OF LABOR AND MANAGEMENT, LEADING ECONOMISTS, AND MANY OTHER CONCERNED CITIZENS.

IN ADDITION, I HAVE URGED THE PRESIDENT TO APPLY THE EMERGENCY AUTHORITY GIVEN HIM BY CONGRESS FOR SELECTIVE AND FLEXIBLE CONTROLS ON INTEREST RATES AND CREDIT COSTS.

HIGH INTEREST RATES CLAMP DOWN ON SOLID ECONOMIC
EXPANSION BY MAKING CAPITAL SPENDING TOO COSTLY AND
BY WITHDRAWING CONSUMER PURCHASING DOLLARS INTO SAVINGS
ACCOUNTS, WHICH ARE ALREADY RUNNING AT A HIGH RATE
AND REFLECTING A BASIC LACK OF PUBLIC CONFIDENCE IN
THE ADMINISTRATION'S PROMISES THAT BETTER DAYS ARE JUST
AROUND THE CORNER.

IT WAS PRECISELY BECAUSE OF HINTS THAT BANKS WOULD
AGAIN INCREASE THEIR PRIME INTEREST RATES THAT THERE
WAS A RECENT SERIOUS SLUMP IN THE STOCK MARKET.

AND THE RISING COST OF A HOME MORTGAGE -- BY WHATEVER STRATEGEM THE FINANCIAL INSTITUTIONS EMPLOY -- CAN ONCE AGAIN CUT OFF FUNDS FROM A MAJOR INDUSTRY THAT ONLY RECENTLY MANAGED TO PULL OUT OF A SERIOUS DEPRESSION.

I ALSO BELIEVE WE MUST HAVE THE SELECTIVE APPLICATION OF THE SEVEN PER CENT INVESTMENT TAX CREDIT TO ENCOURAGE AMERICAN INDUSTRY TO INVEST IN AREAS OF HIGH UNEMPLOYMENT AND ECONOMIC DISTRESS.

UNDER PRESENT ECONOMIC CIRCUMSTANCES THE ADMINISTRATION'S PROPOSAL FOR AN ACCELERATED DEPRECIATION ALLOWANCE WILL ONLY RESULT IN A PROFITS WINDFALL FOR BUSINESS.

WE MUST RUN OUR INDUSTRIAL PLANT AT FULL CAPACITY, FOR THE SIMPLE REASON -- WHICH THE ADMINISTRATION APPARENTLY FAILS TO UNDERSTAND -- THAT AN INCREASE IN PRODUCTIVITY REDUCES UNIT COSTS -- A DECISIVE MEANS OF CONTROLLING INFLATION WHILE ALSO EXPANDING JOBS.

I STRONGLY BELIEVE THAT IMMEDIATE AND CONSTRUCTIVE ASSISTANCE MUST BE GIVEN TO FAMILIES FACING THE DESPAIR AND ANXIETY OF UNEMPLOYMENT AND TO COUPLES ON FIXED INCOMES STRUGGLING TO MEET THE RISING COST OF LIVING.

THAT MEANS A MAJOR EXPANSION OF FEDERAL MANPOWER PROGRAMS AND THEIR COMPLETE OVERHAUL TO ASSURE THAT TRAINING LEADS TO ACTUAL JOBS.

IT MEANS FOCUSING ON RETRAINING PROGRAMS FOR SKILLED WORKERS, AND ESTABLISHING ENTIRELY NEW JOB MARKETS IN LOCAL GOVERNMENT, IN ENVIRONMENTAL POLLUTION CONTROL, IN THE DESIGNING AND BUILDING OF NEW CITIES, AND IN OUR HOSPITALS AND SCHOOL SYSTEMS.

IT MEANS EMERGENCY SHORT TERM ASSISTANCE TO JOBLESS FAMILIES TO MEET ESSENTIAL LIVING COSTS. AND THAT IS WHY I HAVE BEEN FIGHTING IN THE SENATE TO EXTEND THE UNEMPLOYMENT INSURANCE PROGRAM WITH FULL FEDERAL FINANCING. ARE WE TO DO NOTHING FOR THE 45,000 ELIGIBLE UNEMPLOYED WHO EXHAUST THEIR BENEFITS EACH WEEK?

AND ARE WE TO CONTINUE TO TREAT AS SECOND-CLASS
CITIZENS OUR VETERANS WHO DID THEIR JOB FOR THEIR
COUNTRY AND NOW ASK ONLY FOR WHAT IS RIGHT -- A JOB IN
THEIR COUNTRY?

I SAY WE MUST IMMEDIATELY LAUNCH PROGRAMS TO TRAIN
AND PLACE RETURNING VETERANS IN JOBS THAT CAN BE MADE
AVAILABLE NOW.

I HAVE ALSO CALLED FOR THE ACCELERATION OF FEDERAL
INCOME TAX RELIEF MEASURES SCHEDULED TO TAKE EFFECT NEXT
YEAR.

FINALLY, I BELIEVE THAT WE MUST TURN CRISIS INTO OPPORTUNITY. I REFER TO THE FISCAL CRISIS OF OUR TOWNS AND CITIES, WHICH FACE RISING COSTS THAT PREVENT THEM FROM EVEN MAINTAINING PRESENT PUBLIC SERVICES, MUCH LESS EXPAND CRITICALLY NEEDED PUBLIC FACILITIES.

IN MEETING THIS CRISIS WE CAN ALSO SEIZE A MAJOR OPPORTUNITY TO LAUNCH COMPREHENSIVE NATIONAL GROWTH PROGRAMS THAT CAN PROVIDE A MAJOR NEW SOURCE OF JOB OPPORTUNITIES.

BUT THE NIXON ADMINISTRATION SEEMS TO FEEL THAT ALL THIS CAN WAIT. THE PRESIDENT HAS VETOED A PUBLIC WORKS ACCELERATION PROGRAM THAT WOULD HAVE MEANT JOBS AND CRITICALLY NEEDED PUBLIC FACILITIES FOR THOUSANDS OF AMERICAN COMMUNITIES. ONLY AFTER OVERWHELMING PUBLIC PRESSURE DID HE SIGN THE EMERGENCY EMPLOYMENT ACT TO PROVIDE 200,000 PUBLIC SERVICE JOB OPPORTUNITIES.

THE ADMINISTRATION'S ECONOMIC POLICIES SEEM TO SAY:

"COME WEAL OR WOE, OUR POSITION IS STATUS ~~QUO~~ QUO."

I SAY SUCH POLICIES CAN ONLY LEAD TO DISASTER.

I SAY WE MUST MOVE NOW WITH AN ALL-OUT FRONTAL ASSAULT TO GET THE ECONOMY MOVING AGAIN.

THE ACTIONS I HAVE SPELLED OUT CONSTITUTE THE VITAL FIRST STEP. BUT WE MUST ALSO MOVE TODAY TO MEET THE DEMANDS OF TOMORROW THAT ARE ALREADY UPON US. WE MUST LAUNCH PROGRAMS TO PROMOTE BALANCED RURAL AND URBAN DEVELOPMENT ACROSS THE NATION THAT WILL ALSO REESTABLISH A STRONG AND GROWING NATIONAL ECONOMY.

THAT IS WHY I HAVE INTRODUCED THE NATIONAL DOMESTIC DEVELOPMENT BANK ACT AND THE CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT. THESE NEW LEGISLATIVE PROGRAMS WILL CREATE MAJOR NEW SOURCES OF FINANCING FOR OUR CITIES AND TOWNS AND FOR ECONOMIC DEVELOPMENT PROJECTS ACROSS THE NATION.

THEY WILL ENABLE US TO UNDERTAKE IMMEDIATELY THE
CRITICALLY NEEDED CONSTRUCTION OF PUBLIC FACILITIES . . .
TO MEET THE HEALTH CARE, HOUSING, EDUCATION, AND SOCIAL
WELFARE NEEDS OF ALL OUR PEOPLE . . . TO REVITALIZE OUR
RURAL AREAS AND RESTORE OUR CITIES . . . AND TO BRING
INDUSTRY, JOBS, AND INCOME TO PEOPLE, WHERE THEY
WANT TO LIVE AND WORK AND RAISE THEIR FAMILIES -- IN
SHORT, TO ESTABLISH A "FREEDOM OF RESIDENCE" FOR ALL
AMERICANS.

I SAY ALL THIS CAN BE DONE.

I SAY IT MUST BE DONE.

AND I FIRMLY BELIEVE IT WILL BE DONE BY THE PEOPLE
OF THIS GREAT LAND.

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MY OWN EXPERIENCE, HOWEVER, AS A SENATOR AND AS A VICE-PRESIDENT, PERSUADE ME THAT DESIRABLE AS IT IS FOR THE CONGRESS TO PLAY A MORE SIGNIFICANT AND MAJOR ROLE IN FOREIGN POLICY, THAT OBJECTIVE CANNOT BE OBTAINED UNLESS THE MECHANISM IN THE CONGRESS IS ADEQUATE TO ASSUME THAT INCREASED RESPONSIBILITY.

IT IS A FACT THAT THE CONGRESS IS TODAY UNPREPARED FOR THAT TASK. DECISIONS ON FOREIGN POLICY ARE DISCUSSED IN BOTH HOUSES OF CONGRESS AND IN THREE, FOUR, OR EVEN FIVE COMMITTEES IN EACH HOUSE. WITH THIS MULTIPLICITY AND LACK OF COORDINATION, IT IS IMPOSSIBLE FOR THE CONGRESS TO ASSERT ITSELF IN A MEANINGFUL WAY AND WITH AN IMPACT ON THE BASIC DECISIONS.

THE PRESIDENCY MODERNIZED ITSELF BY CREATING A NATIONAL SECURITY COUNCIL SOME YEARS AGO SO AS TO HELP THE PRESIDENT ACT WITH CLARITY, DECISIVENESS AND FULL INFORMATION; IF HE ONLY CHOSE TO DO SO. IT IS TIME FOR THE CONGRESS TO DO THE SAME. I, THEREFORE, RECENTLY SUBMITTED TO THE SENATE A PROPOSAL TO CREATE A JOINT CONGRESSIONAL COMMITTEE ON NATIONAL SECURITY WITH THE LEADING MEMBERS OF CONGRESS OF BOTH PARTIES REPRESENTED. THE MAJOR INTERESTED COMMITTEES OF THE CONGRESS WOULD THEN ACT TOGETHER ON THE SAME FACTS, AT THE SAME TIME, AND WITH THE SAME PERSPECTIVE.

I, THEREFORE, PLEDGE MYSELF AND I ASK YOU AS INTERESTED
CITIZENS TO PLEDGE YOURSELVES TO HELP THIS COUNTRY ACHIEVE
THAT ~~MILITARY~~, ECONOMIC, SOCIAL ~~AND~~ POLITICAL ^{+ military} STRENGTH THAT
IS SO NECESSARY FOR PEACE AND FOR OUR STABILITY AS A FREE
SOCIETY.

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File

REMARKS BY
SENATOR HUBERT H. HUMPHREY
TEXAS AFL-CIO CONVENTION
MUNICIPAL AUDITORIUM
DALLAS, TEXAS
AUGUST 13, 1971

One of the reasons I have come here tonight is to pay a debt of thanks to some very fine people. Good friends are the most valuable asset any man can claim. And some of the finest friends I know are gathered here tonight.

It was at the 1967 AFL-CIO convention in Fort Worth that we shook hands on beginning one of the hardest jobs the Democratic Party has faced in a Presidential election. And you worked your hearts out. I know that, and I'll never forget it.

And I am here to salute one of the finest warriors that the labor movement has been privileged to call its own. Hank Brown has fought hard throughout his career for what he believed in, and Hank is a man of strong convictions. And even those who have been on the other side in some of those historic ^{Battles} ~~fight~~s admire and respect his courage and integrity.

I shall always cherish Hank Brown not only because he has been fighting the good fight, but most of all

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because he has been a warm and trusted friend. I'm proud to have his friendship, and as he lays down his burden of office, I wish him and his family all the happiness in the world. May they have many, many good and satisfying years.

The third reason I'm here tonight is because I'm angry -- downright good and angry -- at this Republican Administration for the economic mess it's gotten this Nation into.

Five million 300 thousand Americans are out of work tonight as a result of President Nixon's "economic game plan" for curing inflation.

We're in the fourth quarter. Time is running out. Mr. Nixon's team is losing badly. And what is the play the coach is sending in to his quarterback?

Why it's another press release, that tries to blame all our troubles on "statistical quirks."

Well it won't work. The people know the score.

And in November of next year I predict they'll fire the manager of the Administration team. *and clean out the entire squad - bench and all.*

Now it's true that the President inherited some inflationary pressures. But he also inherited a solid, booming economy with low unemployment. And he inherited sound policies by the previous Democratic Administration that would have put the Nation's fiscal house in order.

*1,500,000
-
hundreds of
thousands
underemployed*

So let's not waste any more time talking about the past.

We have an economic crisis on our hands that demands action now. I contend that the present course of this Administration on the economy is a non-policy fraught with peril. We have simply got to get the American economy moving again, providing jobs at a decent wage for all who want and need to work.

The Administration is still applying quack remedies to our economy. It is prescribing simultaneous doses of dangerous "uppers" and "downers" -- persistent inflation and high unemployment side by side for the first time in the history of our Nation.

How can the Administration claim its "game plan" is working when the consumer price index continues to rise at an average annual rate of over 7 per cent?

How can an Administration spokesman claim progress against inflation? Where is the progress?

How can it claim recovery? Let me ask you -- who has recovered?

The wholesale price index -- that harbinger of things to come -- went up another .3 per cent in July, and is now 14.6 per cent higher than it was in 1967.

Industrial commodities -- considered the most accurate measure of inflationary pressures -- showed the sharpest six-month increase since 1957, at 4.9 per cent last month. Lumber alone jumped a whopping 27 per cent, and

you can be certain that cost will be passed on in the new house you were hoping to buy for your family.

The price of consumer finished goods that you and I buy actually rose another .5 per cent after adjustment, with big increases in the cost of clothes, tires, and automobiles.

But rather than try to face the problem, the Administration tries to cover up the facts. In this case, it actually tried to show a decline in the cost of consumer goods, by figuring in a sharp drop in food costs, even though it knows these costs are subject to wide and sudden fluctuations.

And it was the farmer who suffered heavily from this drop in food costs, as he watched the price he could get for fruits and vegetables drop by almost 20 per cent, and almost 9 per cent for eggs.

But something else, that all of you see day after day, continues to go down, down, down. I mean, of course, the chance of getting a job, or keeping the one you have.

How can the White House call an unemployment rate of 5.8 per cent "good news," with the fantastic explanation that it had expected an even steeper rise?

The families of 5.3 million Americans out of work do not see any "good news" in the unemployment picture. And anyone who does must be living in a dream world.

And I would respectfully suggest to the Administration's

"bluebirds of happiness" that the storm is not ending -- the thunderclouds are darker than ever before.

First, they should look at the deeply disturbing rise in "hidden unemployment" -- hundreds of thousands of discouraged Americans who have given up the job hunt in frustration and are not included in the jobless figures.

Next, they should take note of the fact that there has been practically no net increase in the number of jobs over the past six months, despite the fact that the number of employable Americans has been steadily rising. Some economists predict that the continuing sluggish economy will cause the unemployment rate to reach 7 per cent by the end of the year.

But there is already a 7.1 per cent unemployment rate among our blue-collar workers. In the construction industry alone, 9.6 per cent of our workers are out of jobs.

Joblessness is hitting hard and everywhere -- 8.3 per cent of our farm laborers are looking for work.

But let's look at some even more disturbing figures.

There are 310,000 Vietnam veterans -- 8.2 per cent -- looking for jobs, 75,000 more than last year.

I find it morally reprehensible that a young man who put his life on the line should be denied a chance to earn a living in the Nation he served.

The unemployment rate for young workers has

reached the highest level since the Second World War.

And if you think this Administration has done anything about solving the real problems of the cities, look at the jobless rates there.

Unemployment among Blacks has reached 10.1 per cent, rising from 8.3 per cent a year ago.

Among Black youths in poverty areas, the jobless rate has reached the shocking level of over 40 per cent, while total teenage unemployment has jumped 2 per cent in a year to a critical rate of 16.2 per cent.

Oh, there has been a "downward movement" all right -- a downward movement in JOBS.

It is time the Administration abandoned its discredited economic game plan and began looking at people:

The people who have exhausted their unemployment compensation benefits;

-- The people who were promised 18 months ago by the President that there would be a Federal Budget surplus of \$1.3 billion, but are now being told that there will be a deficit of \$23.2 billion;

-- The people affected by the slide in America's balance of trade from a \$5- to \$7-billion surplus through the mid-1960's to a current level of only \$1- to \$2-billion -- a slide that now threatens a deficit in 1971 for the first time in this century;

-- The people who have stared at idle assembly lines, with the production of American industry running at only 73 per cent of plant capacity;

-- The people who have been ignored as the prime interest rates on loans by banks continue to rise.

-- The people who have watched the Gross National Product fall behind the Nixon Administration's goal for 1971 of \$1.065 trillion -- with half of the most recent GNP advance accounted for by rising prices alone;

-- The growing number of people who find themselves living in poverty -- 25 million Americans -- after a steady decline through the decade of the '60s.

-- And the people who have heard this Administration talk about revenue sharing for the cities, but at the same time refuse to release from impoundment some \$12 billion in funds already appropriated by Congress to help the cities now.

Well, I'll put a recent Harris Survey into an envelope addressed to the White House, if it wants to know what the American people are thinking and feeling.

That survey shows that 62 per cent of our citizens believe the United States is still in the throes of a recession -- and they are right.

Some 47 per cent of the people believe things will be no better a year from now. I hope they are wrong, but the signs are not good.

About three-fourths of the American people believe the President has failed to keep the economy healthy, has failed to keep unemployment down, and has failed to dampen the rise in the cost of living.

And they are absolutely right.

The do-nothing and do-wrong economic policies of the Nixon Administration are producing the largest Federal two-year budget deficit since World War II.

If our present Gross National Produce "gap" continues, this recession will have cost the working people of America more than \$55 billion in lost real income during 1970 and 1971.

Our States, counties and cities will confront a loss of almost \$6 billion in revenues over the same period. That's more than they will ever receive annually under the President's highly-touted general revenue-sharing proposal. And Uncle Sam will lose \$31 billion in potential revenues from the income of the American people.

The President has simply got to understand that the economic crisis of America must be attacked on many fronts at once. A Democratic Administration will do just that -- attack, attack, -- keep pressing forward, meet the critical needs of our people and the problems they are confronting head-on.

In the absence of Administration policies, I have presented a comprehensive program to cool inflation,

to build confidence in the dollar, and to stimulate a growing, balanced economy.

I strongly agree with the chairman of the Federal Reserve Board, Arthur Burns, that we need a national "incomes policy."

family
~~much~~ We need a policy that is even-handed, dealing as *necessary* with management-administered pricing practices as with wage increases, and establishing a rational growth rate for prices and wages for all sectors of the economy in relation to productivity.

Board That is why I have called for the establishment *of Anti Inflation* of a National Economic Stabilization Board -- a wage-price-profits board, which would include representatives of industry, labor, and the general public, to undertake intensive studies and make specific recommendations to hold down inflationary forces and to stimulate depressed economic sectors.

And I have called for the creation of local and regional productivity councils to provide firsthand guidance on economic demands, to promote industrial and business expansion, and to implement the recommendations of the Stabilization Board.

The powers of Presidential persuasion to hold down inflationary forces can be further strengthened by the creation of a National Economic Policy Council to maintain a continuous review of the domestic and international economy and to spotlight inflationary danger signs.

I suggest that the President listen to these recommendations very carefully. They are not partisan Democratic remedies. ~~Similar legislative proposals have recently been introduced by an important delegation of Republican Senators.~~

In addition, I have urged the President to apply the emergency authority given him by Congress for selective and flexible controls on interest rates and credit costs.

High interest rates clamp down on solid economic expansion by making capital spending too costly and by withdrawing consumer purchasing dollars into savings accounts, which are already running at a high rate and reflecting a basic lack of public confidence in the Administration's promises that better days are just around the corner.

It was precisely because of hints that banks would again increase their prime interest rates that there was a recent serious slump in the stock market.

And the rising cost of a home mortgage -- by whatever strategem the financial institutions employ -- can once again cut off funds from a major industry that only recently managed to pull out of a serious depression.

I also believe we must restore the seven per cent investment tax credit to help American industry return to full production.

Under present economic circumstances the Administration's proposal for an accelerated depreciation allowance will only result in a profits windfall for business. We must run our industrial plant at full capacity, for the simple reason -- which the Administration apparently fails to understand -- that an increase in productivity reduces unit costs -- a decisive means of controlling inflation while also expanding jobs.

I strongly believe that immediate and constructive assistance must be given to families facing the despair and anxiety of unemployment and to couples on fixed incomes struggling to meet the rising cost of living.

That means a major expansion of Federal manpower programs and their complete overhaul to assure that training leads to actual jobs.

It means focusing on retraining programs for skilled workers, and establishing entirely new job markets in local government, in environmental pollution control, in the designing and building of new cities, and in our hospitals and school systems.

It means emergency short term assistance to jobless families to meet essential living costs. And that is why I have been fighting in the Senate to extend the unemployment insurance program with full Federal financing. Are we to do nothing for the 45,000 eligible unemployed who exhaust their benefits each week?

And are we to continue to treat as second-class citizens our veterans who did their job for their country and now ask only for what is right -- a job in their country?

I say we must immediately launch programs to train and place returning veterans in jobs that can be made available now.

I have also called for the acceleration of Federal income tax relief measures scheduled to take effect next year.

We must also provide for a substantial increase in Social Security payments coupled with a delay in the increase of the Social Security tax rate and earnings base, in recognition of the present surplus in the Social Security trust fund.

Finally, I believe that we must turn crisis into opportunity. I refer to the fiscal crisis of our towns and cities, which face rising costs that prevent them from even maintaining present public services, much less expand critically needed public facilities.

In meeting this crisis we can also seize a major opportunity to launch comprehensive national growth programs that can provide a major new source of job opportunities.

But the Nixon Administration seems to feel that all this can wait. The President has vetoed a public works acceleration program that would have meant jobs

and critically needed public facilities for thousands of American communities. Only after overwhelming public pressure did he sign the Emergency Employment Act to provide 200,000 public service job opportunities.

The Administration's economic policies seem to say: "Come weal or woe, our ^{friction is} status ~~is~~ quo."

I say such policies can only lead to disaster. I say we must move now with an all-out frontal assault to get the economy moving again.

The actions I have spelled out constitute the vital first step. But we must also move today to meet the demands of tomorrow that are already upon us. We must launch programs to promote balanced rural and urban development across the Nation that will also reestablish a strong and growing national economy.

That is why I have introduced the National Domestic Development Bank Act and the Consolidated Farm and Rural Development Act. These new legislative programs will create major new sources of financing for our cities and towns and for economic development projects across the Nation.

They will enable us to undertake immediately the critically needed construction of public facilities . . . to meet the health care, housing, education, and social welfare needs of all our people . . . to revitalize our rural areas and restore our cities . . . and to bring industry, jobs, and income to people, where they

want to live and work and raise their families -- in short, to establish a "Freedom of Residence" for all Americans.

I say all this can be done.

I say it must be done.

And I firmly believe it will be done by the people of this great land.

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