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REMARKS BY SENATOR HUBERT H. HUMPHREY

NRECA CO-OPMANSHIP CONFERENCE

ATLANTA, GEORIGIA
NOVEMBER 15, 1971

I UNDERSTAND THAT THE THEME OF THIS CONFERENCE IS "NEW
DIMENSIONS IN MARKETING." AND IT'S PLAIN TO SEE WHAT THE
DIMENSIONS OF YOUR MARKETING PROBLEMS ARE.

↳ ON THE ONE HAND, YOU HAVE A SIMPLE SALES JOB ↳ YOU MUST
SELL ENOUGH OF YOUR PRODUCT TO MEET THE GROWING EXPENSE OF
PROVIDING ELECTRIC SERVICE,

↳ ON THE OTHER, YOU ARE FACED WITH A NUMBER OF URGENT
PROBLEMS.

↳ FIRST, RURAL AREAS WHICH NEED MORE POWER BUT FIND THAT THE
MONEY WHICH CONGRESS APPROPRIATED FOR THIS PURPOSE HAS BEEN
IMPOUNDED BY THE ADMINISTRATION,

-2-

THE ADMINISTRATION IS SITTING ON SOME \$200 MILLION OF THE
\$545 MILLION IN REA FUNDS APPROPRIATED BY CONGRESS THIS YEAR,

THAT MONEY IN TURN IS PART OF THE MORE THAN \$12 BILLION -- FULLY
APPROPRIATED BY CONGRESS FOR A RANGE OF URGENT PROBLEMS -- BEING
WITHHELD BY THE ADMINISTRATION THIS YEAR,

I HAVE INTRODUCED LEGISLATION ^{+ Passed in Senate} TO REQUIRE THE EXECUTIVE
 BRANCH ~~IN THE FUTURE~~ TO NOTIFY CONGRESS WHEN IT INTENDS TO TAKE
SUCH ACTION, SUPPLEMENTED WITH DETAILED EXPLANATIONS AS TO
WHY, AND FOR HOW LONG,

THAT MAY HELP US IN THE FUTURE. BUT FOR THE MOMENT, THE
 TAXPAYER HAS BEEN HAD

*there is no response or
 action from the Executive Branch*

-3-

2 L SECOND, THE FAILURE BY THE FEDERAL GOVERNMENT TO COME UP WITH
 THE FINANCIAL FORMULAS TO PROVIDE YOUR ^{electrical} SYSTEMS WITH THE GENERATION
 CAPACITY THEY NEED,

3 L AND THIRD, THE CONTINUING EXODUS FROM RURAL AMERICA OF
 MILLIONS OF PEOPLE -- PARTICULARLY THE YOUNG -- INTO THE ALREADY
 OVER-CONGESTED BIG CITIES,

L SEVENTY-FIVE PERCENT OF OUR PEOPLE ARE NOW CROWDED ONTO
 LESS THAN TWO PERCENT OF THE LAND.

THE FUTURE OF RURAL ELECTRICS LIES IN REVERSING, OR AT LEAST
 ARRESTING, THIS RURAL TO URBAN MIGRATION.

↳ RURAL ELECTRICS MUST REMAIN FINANCIALLY STRONG SO THEY CAN
REPAY THE MILLIONS OF DOLLARS STILL OWED TO THE GOVERNMENT, AND
SO THEY CAN MEET THEIR OVERHEAD.

↳ THE ONLY WAY THEY HAVE OF ADDING TO REVENUE IS THROUGH
ADDITIONAL SALES OF ELECTRICITY. ↳ AND THE ONLY WAY TO EXPAND YOUR
SALES IS IN A HEALTHY, VITAL, GROWING RURAL AMERICA.

↳ RURAL ELECTRIC CO-OPS HAVE BEEN INNOVATORS AND LEADERS IN
THE UTILITY INDUSTRY IN PROTECTING AND ENHANCING THE PUBLIC
INTEREST.

↳ THEREFORE, ~~IF YOU ARE NOT~~ YOU WILL BE FAITHFUL TO THE
GREAT TRADITIONS OF YOUR PROGRAM IF YOU INSIST THAT RURAL ELECTRIC
MARKETING MUST FOCUS ON OVERALL IMPROVEMENT OF RURAL COMMUNITIES
-- HELPING PEOPLE TO OBTAIN GOOD JOBS, DECENT HOUSING, AND THE
OTHER ESSENTIALS TO UPGRADE THE QUALITY OF RURAL LIFE.

YOUR GOAL -- THE NATION'S GOAL -- MUST BE THE BUILDING OF
A BETTER AMERICAN COUNTRYSIDE, WHERE PEOPLE WILL WANT TO ~~live,~~
to work, and stay.

THIS WILL REQUIRE THE INVESTMENT OF TIME, HARD WORK AND
MONEY. BUT I'VE SEEN WHAT THE RURAL ELECTRICS ARE DOING TOWARD
RURAL RENEWAL IN SOUTH DAKOTA AND ELSEWHERE, AND I KNOW IT CAN
BE DONE.

AND THIS KIND OF APPROACH WILL RETURN BIG DIVIDENDS, BOTH
IN TERMS OF SOCIAL ACCOMPLISHMENT AND ECONOMIC PROGRESS.

RURAL ELECTRIC COOPERATIVES CAN HAVE ENORMOUS IMPORT IN
THIS DRIVE TO REVITALIZE RURAL AREAS.

YOU ALREADY HAVE AN IMPRESSIVE RECORD OF ACHIEVEMENT.

000461

-6-

L RURAL ELECTRIFICATION ITSELF HAS BEEN AN HISTORIC RURAL
DEVELOPMENT PROGRAM, AND BECAUSE OF ITS SUCCESS, THE FEDERAL
GOVERNMENT HAS PROVIDED THE FAVORABLE LOAN TERMS NEEDED TO
ACCOMPLISH THIS SOCIAL OBJECTIVE.

L THE REA PROGRAM HAS CREATED THOUSANDS OF NEW JOBS. L IT HAS
DIRECTLY IMPROVED THE QUALITY OF LIFE FOR MILLIONS OF AMERICANS.

L MANY OF YOU ALSO HAVE BEEN DIRECTLY INVOLVED IN INDUSTRIAL
DEVELOPMENT. L OTHERS HAVE HELPED THEIR COMMUNITIES OBTAIN
ESSENTIAL FACILITIES SUCH AS WATER AND SEWER SYSTEMS. YOU HAVE
DONE MUCH. BUT WE ALL NEED TO DO MORE.

I BELIEVE WE HAVE MADE AN IMPORTANT START WITH THE SENATE
SUBCOMMITTEE ON RURAL DEVELOPMENT, OF WHICH I AM CHAIRMAN.

L WE'RE NEW, WE HAVEN'T DEVELOPED ANYTHING LIKE THE TRACK
RECORD YOU HAVE L BUT WE'RE MOVING.

L WE HAVE TAKEN OUR SUBCOMMITTEE OUT OF THE CONFINES OF
WASHINGTON INTO THE HEART OF RURAL AMERICA, HOLDING FIELD
HEARINGS IN GEORGIA, ALABAMA, IOWA, SOUTH DAKOTA, OKLAHOMA
AND NEBRASKA.

L IN THE COURSE OF THESE HEARINGS, WE HAVE SOUGHT ADVICE
FROM HUNDREDS OF THE REAL EXPERTS ON RURAL PROBLEMS -- THE
PEOPLE WHO LIVE AND WORK IN THE COUNTRYSIDE.

THESE HEARINGS HAVE LED TO A RURAL DEVELOPMENT CREDIT *Banking*
ACT, WHICH I BELIEVE CAN INFUSE NEW ECONOMIC LIFE AND ENERGY
INTO RURAL AMERICA.

THIS BILL, WHICH I INTRODUCED WITH SENATOR HERMAN
TALMADGE, THE CHAIRMAN OF OUR FULL AGRICULTURE COMMITTEE,
PICKS UP WHERE THE HOMESTEAD ACT OF A HUNDRED YEARS AGO LEFT
OFF, IN TRYING TO PROMOTE AN INTELLIGENT, RATIONAL GROWTH
POLICY FOR THIS NATION.

IT WOULD PROVIDE WHAT WE CALL HARD AND SOFT CREDIT FOR
PUBLIC AND PRIVATE RURAL BORROWERS, WITHIN A SYSTEM NEARLY
IDENTICAL TO THE SUCCESSFUL FARM CREDIT SYSTEM.

~~WE~~ WE HAVE SIMILAR PROGRAMS FOR UNDERDEVELOPED NATIONS
OVERSEAS, THROUGH SUCH HIGHLY-SUCCESSFUL INSTITUTIONS AS
THE WORLD BANK

ISN'T IT ABOUT TIME WE DID AS MUCH FOR OUR OWN COMMUNITIES?

I SAY IF WE CAN HELP BUILD A BETTER RIO DO JANEIRO OR
 LIMA, PERU, WE CAN HELP THOUSANDS OF SMALL TOWNS, AND VILLAGES
 AND COMMUNITIES RIGHT HERE AT HOME.

SIMPLY STATED, THE RURAL DEVELOPMENT CREDIT ACT WOULD DO
 FOR NON-FARM CREDIT WHAT FARM CREDIT DOES FOR THE FARMERS. IT
 IS DESIGNED TO DISPERSE NEW INDUSTRIAL DEVELOPMENT ^{to} COMMUNITIES
 OF UNDER 35,000 POPULATION. I ~~THINK IT WILL PROVIDE MANY OF~~

~~THOSE CUSTOMERS YOU'D LIKE TO SEE.~~

↳ BUT IT CAN ACCOMPLISH MUCH MORE:

IT CAN PROVIDE FINANCING FOR NEW INDUSTRY -- AND THAT
 MEANS NEW PAYROLLS AND NEW JOBS; FINANCING FOR BETTER SCHOOLS;
 FOR MEDICAL CENTERS AND HOSPITALS; FOR PARKS AND RECREATION
AREAS; FOR IMPROVED TRANSPORTATION SYSTEMS; FOR DAY-CARE
FACILITIES; FOR CULTURAL CENTERS; SANITATION SYSTEMS; AND
FOR DESPERATELY NEEDED HOUSING.

↳ AND MUCH MORE: INDUSTRIAL PARKS; COMMUNITY COLLEGES; STREETS
AND HIGHWAYS; POLICE AND FIRE STATIONS; LIBRARIES -- THE
WHOLE GAMUT OF FACILITIES AND SERVICES WHICH ARE NEEDED TO
IMPROVE THE QUALITY OF LIFE IN RURAL AMERICA.

↳ THERE ARE TWO MAIN FEATURES OF THE BILL.

└ FIRST, IT REORGANIZES THE DEPARTMENT OF AGRICULTURE TO
INSURE A MAJOR EMPHASIS ON FINANCING FARM CREDIT AND NON-FARM
RURAL DEVELOPMENT REQUIREMENTS.

└ AND SECOND, IT EXPANDS RURAL CREDIT BY MAKING IT
AVAILABLE TO PRIVATE AND PUBLIC BORROWERS UNABLE TO GET
CREDIT FROM COMMERCIAL SOURCES FOR RURAL DEVELOPMENT PURPOSES.

└ MOST OF THE CAPITAL FOR THIS SYSTEM WOULD COME FROM
PRIVATE SOURCES, SO THERE WOULD BE A COMBINATION OF CAPITAL
INVESTMENTS BY THE FEDERAL GOVERNMENT, PLUS A LARGE MEASURE OF
PRIVATE CAPITAL BUILT ON THE PRINCIPLE OF THE FARM CREDIT SYSTEM.

L IN OTHER WORDS, INSTEAD OF DOLLARS FLOWING OUT OF RURAL
AMERICA TO THE MAJOR MONEY MARKETS, WE PROPOSE TO REVERSE THIS
FLOW OF MONEY SO THAT RURAL PEOPLE CAN USE IT TO HELP THEMSELVES,

L WHEN BOB PARTRIDGE, THE GENERAL MANAGER OF YOUR NATIONAL
ASSOCIATION, TESTIFIED ON THE BILL IN SEPTEMBER, HE CALLED IT
ONE OF THE BOLDEST, MOST IMAGINATIVE PIECES OF RURAL DEVELOPMENT
LEGISLATION EVER PROPOSED.

L HE ADDED, "WE SUPPORT ITS CONCEPT AND BELIEVE THAT IT CAN
PROVIDE THE BROAD, MASSIVE ASSISTANCE NECESSARY TO PROVIDE
SUCCESSFUL, COMPREHENSIVE RURAL DEVELOPMENT."

L YOUR NATIONAL ASSOCIATION SUBMITTED A NUMBER OF
RECOMMENDATIONS FOR STRENGTHENING THIS LEGISLATION WHICH OUR
COMMITTEE HAS ACCEPTED.

WHETHER OR NOT THE GOALS OF THE RURAL DEVELOPMENT CREDIT
 BILL ARE ACHIEVED DEPENDS LARGELY ON THE INVOLVEMENT OF LOCAL
 PEOPLE LIKE YOURSELVES. RURAL DEVELOPMENT DEPENDS ON LOCAL
 LEADERSHIP. *(We need your help - write - call)*

↳ IF WE COULD RENEW RURAL AMERICA SIMPLY THROUGH THE FEDERAL
 GOVERNMENT ^{*alone*} I'D BE AGAINST IT. THE PEOPLE WHO HAVE THE MOST
 AT STAKE -- RURAL AMERICANS -- HAVE TO PLAY A BIG PART IN MAKING
ANY GOVERNMENT ASSISTANCE SUCCEED

↳ AN APPROPRIATE ANALOGY, IT SEEMS TO ME, IS THE RURAL
ELECTRIFICATION ACT OF 1935. THERE WAS NO ASSURANCE THAT IT
WOULD WORK. BUT, THE KEY TO ITS SUCCESS WAS THE ESTABLISHMENT
OF THE RURAL ELECTRIC CO-OPS, WHICH YOU MANAGE.

L THAT'S WHY I URGE YOU AND YOUR RURAL ELECTRIC SYSTEMS
TO ASSUME A LEADING ROLE IN TURNING AROUND THE ECONOMY AND
THE MIGRATION PATTERNS IN THE COUNTRYSIDE

L ALREADY, THE LONG KNIVES ARE OUT IN AN ATTEMPT BY THE
ADMINISTRATION AND OTHERS WHO HAVE LITTLE CONCERN FOR THE PEOPLE
YOU SERVE, TO KILL THE HUMPHREY-TALMADGE RURAL DEVELOPMENT BILL

L UNFORTUNATELY, THERE ARE NO LOBBIES IN WASHINGTON FOR
NON-FARM RURAL PEOPLE, SO THE GOING IS GOING TO BE TOUGH. WE
NEED YOUR HELP.!

L YOU HAVE AS MUCH AT STAKE HERE AS ANY ORGANIZATION I CAN
THINK OF. YOUR EXPERTISE AND ENTHUSIASM, MADE TO BE FELT IN
WASHINGTON, ARE CRITICAL TO THE SUCCESS OF THIS CRUSADE AND
TO THE SUCCESS OF THIS VITAL BILL.

000470

-15-

L WE MUST STOP THIS SENSELESS GEOGRAPHIC, ECONOMIC,
DEMOGRAPHIC IMBALANCE BETWEEN RURAL AND URBAN AREAS -- AN
IMBALANCE THAT ADDS UP TO ONE OF THE MOST SERIOUS PROBLEMS FACING
OUR NATION.

L AND I'M GOING TO KEEP FIGHTING ON THIS ISSUE, NO MATTER
WHAT PRESSURES ARE BROUGHT TO BEAR TO KEEP RURAL PEOPLE FROM
HAVING THE FULL BENEFITS OF THIS WEALTHY SOCIETY.

L I AM IN THIS BATTLE TO WIN! WE CANNOT REST UNTIL ALL THE
CAUSES AND SYMPTOMS OF RURAL POVERTY AND UNDER-EMPLOYMENT ARE
ERADICATED.

L UNTIL THE NATION HAS IMPLEMENTED A STRONG, AGGRESSIVE RURAL
URBAN-BALANCE THAT PROVIDES FOR A BETTER GEOGRAPHIC DISTRIBUTION
OF ECONOMIC OPPORTUNITIES, OF JOBS, OF PEOPLE.

Jim Gunning to fight -16-

— UNTIL THE QUALITY OF LIFE FOR MILLIONS OF AMERICANS IN RURAL AMERICA IS SIGNIFICANTLY IMPROVED.

L BUT A HANDFUL OF U.S. SENATORS AREN'T GOING TO GET THE JOB DONE WITHOUT THE LOUD, insistent, demanding SUPPORT OF PEOPLE LIKE YOU.

L WHAT WE ARE TALKING ABOUT IS SIMPLY THIS: THE RIGHT OF ALL PEOPLE TO HAVE A REALISTIC CHOICE ABOUT WHERE THEY WILL LIVE AND WORK -- NOT A CHOICE DICTATED BY POLITICS OR ECONOMICS. Freedom of Residence!

L THIS MEANS THAT YOUNG PEOPLE WILL NOT BE FORCED, AS THEY ARE NOW, TO MIGRATE TO METROPOLITAN AREAS BECAUSE THERE ARE NO

JOBS AT HOME. IT MEANS THAT PEOPLE WHO MAY WANT TO LIVE IN SMALL TOWNS CAN EXPECT TO FIND GOOD SCHOOLS FOR THEIR CHILDREN.

DECENT TRANSPORTATION SYSTEM, AND THE BEST OF MEDICAL CARE AND MEDICAL FACILITIES.

↳ IT MEANS THAT AMERICANS SHOULD BE ABLE TO ENJOY ALL THE
BENEFITS OF LIFE, LIBERTY, AND PROPERTY, NOT ONLY IN BIG CITIES,
NOT ONLY IN THE SUBURBS, BUT EVERYWHERE IN THIS VAST AND WEALTHY
NATION.

↳ I AM NOT TALKING ABOUT A CITY PROBLEM OR A RURAL PROBLEM,
NOT A LIBERAL ISSUE OR A CONSERVATIVE ISSUE, IT IS NOT NORTHERN,
SOUTHERN, EASTERN, OR WESTERN. IT IS THE VERY LIFE OF OUR COUNTRY.

↳ THIS IS SOMETHING WE MUST FACE TOGETHER AS AMERICANS. THE
ISSUE AT HAND IS OUR GROWTH AS A NATION, OUR VERY DESTINY.

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