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MEET THE PRESS

America's Press Conference of the Air

Produced by LAWRENCE E. SPIVAK

Guest: SENATOR HUBERT H. HUMPHREY
(D., Minn.)
SENATOR GEORGE MCGOVERN
(D., S. D.)

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Panel:

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ROBERT NOVAK, *Chicago Sun-Times*
HAYNES JOHNSON, *Washington Post*
RICHARD BERGHOLZ, *Los Angeles Times*
TOM PETTIT, *NBC News*

Moderator: LAWRENCE E. SPIVAK

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M E E T T H E P R E S S

MR. SPIVAK: This special edition of MEET THE PRESS comes tonight from Los Angeles where our guests are presidential candidates Senator George McGovern of South Dakota and Senator Hubert H. Humphrey of Minnesota. They are the leading contenders in the contest for the 271 Democratic delegates in the important California primary on June 6.

We'll have the first questions.

MR. PETTIT: Senator McGovern, your opponent has been saying some things about you. Yesterday he said of your tax program, "When you start to have confiscatory taxation even against some of the big ones, you are not going to provide any jobs. That doesn't make you a liberal, that makes you a fool."

If Senator Humphrey should be the nominee of the Democratic Party, could you support a man who has now called you a fool?

SENATOR McGOVERN: I think sometimes these things are said in the heat and the pressures of a campaign. I don't take criticism of that kind too seriously. I supported Senator Humphrey in 1968, when he was the candidate of our party. If the Convention is as open and as fair as I think it is going to be, I will support the nominee. If it is Senator Humphrey, I will be out supporting him. I don't expect to have to face that question. I think the nominee of the party will be George McGovern, and if that is the case, one of the first calls that I will make will be to Senator Humphrey, asking him to join the campaign team.

MR. PETTIT: If you are the nominee, could you accept George Wallace as a running mate?

SENATOR McGOVERN: No, I think that is straining the system too far. I would want Governor Wallace consulted. I think he ought to have a voice at the Convention. He is entitled to have his views heard. His delegates are entitled to be seated and to have their voice at the convention, but I think it would be unrealistic for Governor Wallace and George McGovern to try to run on the same ticket, and I think Governor Wallace would feel that way.

MR. PETTIT: Senator Humphrey, on Sunday you said you

would support Senator McGovern if he got the nomination, and yesterday there was the "fool" expression. Why did you call him a fool? Do you really think he is a fool?

SENATOR HUMPHREY: Mr. Pettit, first of all, if the interpretation of my remarks was to be personal to Senator McGovern, I would be the first man to apologize to him, and I want to do that here if that is the interpretation, because Senator McGovern is a fine man, and I am not about ready to have him called what is indicated here.

What I said was that the confiscatory tax policy that does away with investment and thereby threatens jobs is not liberal, and those who propose it are not liberal, but "a fool." That is unfortunate language, and a man makes a mistake. I surely would not want this to reflect on the Senator in any way.

MR. PETTIT: If you should be the nominee, could you accept George Wallace as a running mate?

SENATOR HUMPHREY: No, I could not. I do not believe that George Wallace and Hubert Humphrey have that much in common on platform and philosophy, but I do believe that George Wallace has earned the consideration of the Democratic Party to at least listen to his views, to be given consideration in terms of fair play and respect at the convention, and of course he will be heard, but I haven't been in the business of selecting running mates, quite honestly. I have been trying to get the nomination, and if I get the nomination, then we will get down to the running mate. That is the first task.

(Announcements)

MR. NOVAK: Senator McGovern, a congressional staff study shows that a family of four making \$12,000 a year will have their federal income taxes raised \$409 a year under your welfare scheme. How does that square with your statements on the campaign trail that you would soak the rich and bring tax relief to those with modest incomes?

SENATOR McGOVERN: I think the proposal that you are talking about is the National Welfare—

MR. NOVAK: No, sir, it is not; it is your proposal.

SENATOR McGOVERN: The one that we have outlined—

MR. NOVAK: Yes, sir.

SENATOR McGOVERN: All right. With reference to that, our projections show that the increase in tax for a person between \$12,000 a year and \$20,000 a year—that is, for a family in that bracket—would not be more than \$21. That same family, in addition to knowing that they are contributing to an income maintenance program that would work, would also experience, under my proposal, a one-third reduction in their property taxes, which would more than offset—several times over offset an increase in

their federal income tax, because one of the parts of the McGovern tax reform is to restore some \$14 billion in federal revenues to the states that we would collect from high income corporations and individuals. That money would be earmarked for the reduction of property taxes. It would have the effect of reducing every property owner's tax by about one-third.

MR. NOVAK: Senator, that is your estimate, but the Congressional staff studies are quite to the contrary, and the financial editor of the Washington Post, Mr. Rowen, says that your proposal would raise the taxes of a great number of families of moderate income. Sunday you said you could not estimate the cost of the project. How do you know how much it will cost people in individual brackets?

SENATOR McGOVERN: It is very difficult, Mr. Novak, for the Senate staff committee, or for a newspaper writer, or for George McGovern or anyone else to put an exact cost factor on this program. The important thing to keep in mind is that it is designed completely to replace the present welfare mess that we have in this country. The basic problem with the present system is that it provides income to those on welfare, in some cases up to \$4,000 a year, but the burden for financing that is entirely on working people above the \$4,000 a year income.

The proposal that I am suggesting would benefit every family in this country. There would be a net gain in their income up to a level of \$12,000. All of those working people would be receiving an income supplement, which we have suggested that for a family of four could come out to about \$4,000 a year. I think that is the way to stop this war that is going on between the working people on the one hand, who are getting nothing out of the present welfare program but who would receive \$4,000 a year in income supplement under the proposal that I have made.

MR. BERGHOLZ: Senator Humphrey, can we go back to the "fool" statement and take out the "fool" part, and I understand the reason—

SENATOR HUMPHREY: Yes, sir.

MR. BERGHOLZ: The part that preceded that dealt with your contention that Senator McGovern is proposing confiscatory tax policy. I have yet to hear from you what specifically is confiscatory about his tax program. Could you tell me?

SENATOR HUMPHREY: What I was attempting to say, Mr. Bergholz, is that if you are going to pay, for example, for the \$210 billion income redistribution program that Senator McGovern has—and that is what it adds up to, at \$1,000 per person—

MR. BERGHOLZ: You told us today it was \$115—

SENATOR HUMPHREY: It is \$210 billion where it starts— at \$1,000 per person, 210 million people. By the time you remove a certain number of the pay-backs that come in under tax pro-

grams, you get down to where there is a difference of figures between \$115 billion and \$60 billion. I don't want to get in the numbers game here too much, but my point is, let's say there is a \$60 billion gap that you haven't been able to identify, how you are going to pay for it. If you taxed all of corporate industry, all of their profits, that would only be \$45 billion.

MR. BERGHOLZ: Excuse me, sir. That isn't the McGovern tax program. What I was referring to was your reference to "confiscatory," if you can tell us what is confiscatory about what Senator McGovern has proposed?

SENATOR HUMPHREY: Yes. What I am saying, if you are going to pay the bill, sir, if you are going to pay the bill of the income redistribution or welfare program—and you have got to pay for it; there is no use talking about it unless you are going to pay for it—you have to get it out of tax revenues.

MR. BERGHOLZ: And how does he propose to do it that is confiscatory?

SENATOR HUMPHREY: That is what I haven't been able to find.

MR. BERGHOLZ: Then how do you know it is confiscatory?

SENATOR HUMPHREY: Because if you are going to get another \$60 billion, you are going to have to take it away from somebody, and that somebody is either middle income, upper income or corporate income. That is where you start.

For example, I have a copy of this tax study that has been made here by the Senate Finance Committee. It says to fund a thousand dollar tax credit under the same assumptions would require a tax rate equal to 30 per cent of all personal income. At present personal income tax amounts to approximately ten per cent of the total amount of personal income. It goes on to point out that there is a \$51 billion gap, under this study, between what the Senator proposes in tax revenue that he would get as compared to what is needed. I am simply saying that if you got that extra \$51 billion, you would have to get it from the rich or from the middle income.

MR. BERGHOLZ: Do you know where he plans to get it?

SENATOR HUMPHREY: No, and he didn't know either. That's the point. Might I add one final thing, that when you add that you are going, instead of closing all tax loopholes for example, which the Senator has proposed, that you would take 75 per cent of the total tax bite, that I consider to be a very high rate of tax.

MR. JOHNSON: Senator McGovern, you have said that you would not close a single air base in California—and after making a similar promise in Nebraska on that. How can you claim to cut the defense budget 40 per cent and not touch California?

SENATOR McGOVERN: Because the proposals that we have made, Mr. Johnson, do not affect air bases. In Omaha I was talking about the Center of the Strategic Air Command at Offutt Air Force Base. Here in California I was talking specifically about four bases that I had been asked about, none of which are affected by the proposals that we have made in our reductions in military spending.

The budget that I have proposed is still a \$55 billion military budget. It actually calls for increases in some items, for example, in attack submarines. It calls for the development of a better fighter aircraft. It calls for a mobile capability in air power to move our troops to where they are needed. But there is nothing in this proposal that jeopardizes the continuance of the air bases that I was asked about here in the state of California.

I do think the larger question we need to consider is what happens when we start cutting back on some of these weapons systems that will naturally flow from the agreements in Moscow and elsewhere, and this is where I have tried to provide some answers with alternative forms of employment.

MR. JOHNSON: And that is the next question I want to ask you, as a matter of fact, because we do have a state here and around the country where you have defense cuts—people are laid off—and I think you said last week on a television program that some of these people who have been laid off might have to be out of work for as long as a year. Is that a comfortable or acceptable alternative to a man who is out of work for a year?

SENATOR McGOVERN: It is not comfortable at all, but what is even worse is to tell him that he is out of luck permanently, that his government is not concerned about him, that we have put him out on the limb as an aerospace worker or a defense worker, that we are now going to cut those defense contracts and the man is on his own.

What I have proposed is that we start making plans right now to convert our aerospace and defense plants to the production of things that we need. For example in San Francisco the Rohr Aircraft Company is now building a public transit facility for San Francisco. They are running out of money, but it is not that they don't have the ability to do it. It is the fact that the government hasn't been as willing to support projects of that kind as we have new bombers.

MR. JOHNSON: But, Senator, what does that man do—to go back to the question—who is out of work for a year? Where is he guaranteed any kind of help from the government? What do you do with him?

SENATOR McGOVERN: We are providing that during the transitional period when a factory, for example, is moving from the production of military aircraft to the production of public transit facilities, if there is some time lag during that period, he should draw unemployment benefits. He should draw special

benefits. I have said up to 80 per cent of what he was earning before. I don't think that is unreasonable. I think it is within the traditions of this country when people are out of work and especially workers who were put out on that limb by the government themselves, for the government to come through with some kind of transitional benefits.

I am not talking about a permanent relief program. I am saying that we can put all of these aerospace and defense workers back on useful jobs if the government will commit the funds that are needed for new programs, but we are not going to have those funds with an \$80 billion military budget and a war going on in Vietnam. That is why I want to cut some of these wasteful expenditures in the military sector.

MR. NOVAK: Senator Humphrey, I would like to explore your contention that there is no real difference between you and Senator McGovern on Vietnam right now. Would you really be willing to cut off all the South Vietnamese troops fighting in the field without a dime if you were President, as Senator McGovern would?

SENATOR HUMPHREY: Mr. Novak, I consider, if I am the President of the United States, I shall put foremost what I believe to be the interests of this nation, and I think it is time that we had that kind of a policy—put this country up front for a change. That means, to me, that it is no longer in our national interest, if it ever was, for us to be involved in the war in Vietnam.

We are not leaving those people as if they had nothing. They have equipment until they don't know what to do with it, today. Frankly, sometimes they don't know what to do with it. It is my judgment that they are capable today of their own defense. It is also my judgment that if we will get out of there, with an agreement to get the release of our prisoners and to withdraw our forces—by the way, just as President Nixon outlined here the other night when he was outlining his speech on the mining of Haiphong Harbor, he said four months after the agreement upon the release of the prisoners of war, we will have all of our forces out of Vietnam. I think that is a sensible policy. It is one that I have been advocating for a good deal of time, and I think we ought to fulfill it.

MR. NOVAK: Senator, you are familiar enough with that war to know that with all of these piles of equipment, as you call it, they can't exist for a month without our financing their day-to-day fighting. I just wonder, with the invading North Vietnamese army, considering your past positions on Vietnam, if you would really be willing to cut them off flat?

SENATOR HUMPHREY: Yes, I would, because I believe that it is no longer in our interest to be there, and I believe it is imperative if we are going to halt the spiraling inflation here at home to get on with the job of meeting our needs here, of taking care of the needs of our cities, of taking care of the job requirements of our people, of reordering the Social Security structure

of this country to provide decent care for our elderly, that we quit spending our resources in Vietnam and get back here to the United States and start to take care of the human needs and the physical needs of this country. That is my judgment.

MR. NOVAK: Senator Humphrey, seven years ago in California when you were Vice President, you said, "Have we the patience to work and bleed thousands of miles from home for months and years ahead?" Is your answer, no, now?

SENATOR HUMPHREY: We have bled and we have sacrificed for better than ten years in South Vietnam. We have actually been involved in that part of the world since 1954. We have contributed 55,000 dead, 300,000 casualties, \$200 billion in resources. No ally has ever done so much for so few over such a long, extended period of time, and I do believe that if you are President of the United States, the time comes when you must make the decision—which may take as much courage, to make the decision to get out as it did to make the decision to get in.

MR. PETTIT: Senator McGovern, you have criticized Senator Humphrey for his support of the Lockheed loan. According to the Washington Post, in Kenosha, Wisconsin, earlier this year you said you would support a special tax break for American Motors, if the corporation needed it for survival. How do you explain that contradiction? Isn't a favorable tax break somewhat comparable to the Lockheed loan?

SENATOR McGOVERN: I don't think it is, Mr. Pettit. I think what I have proposed all along in my tax proposals is that we do what we can to encourage a greater measure of competition in American business. I have not proposed anything that I felt was harmful to legitimate business in this country. I think we have gotten to the point where we have narrowed down to two or three major automobile companies. It is not in the interests of this country to put one of them under. We need to encourage more competition.

You have quite a different situation in the aircraft industry, it seems to me, where what was happening with Lockheed was a deliberate encouragement on the part of the government of the production of an airplane that we don't need.

MR. PETTIT: Do we need the American Motors cars?

SENATOR McGOVERN: Yes, I think we do, and I think we need the competition that that firm can bring to the others.

MR. PETTIT: And aren't we down to two or three major aircraft manufacturing companies?

SENATOR McGOVERN: Yes, but we are at a point now where we have got to begin shifting over the production from military aircraft, military production to other things. The American Motors Company is in the civilian field.

MR. PETTIT: You have been asked some questions about your

economic program I know, and there are a lot of numbers floating around. Let me ask you about a couple more. You took out an ad in the Wall Street Journal last week, which said about inheritance taxes: "Some consideration must be given to increased rates on inheritances to individuals of more than \$500,000." "Some consideration."

On May 4th in an article you wrote in the New York Review of Books you said, "A progressive tax would be levied reaching an upper limit of 77 per cent on an estate of \$500,000 or more." Which is your position? The Wall Street ad or the New York Review of Books article?

SENATOR McGOVERN: There is nothing inconsistent with the two. In that same Wall Street ad that you quoted, I said in that ad the people of this country are in an outrage against the present tax structure. It has to be fundamentally reformed if we are going to save the free enterprise system of this country. I am perfectly willing to stand on the 77 per cent figure. I think after you get to an inheritance of half a million dollars that the 77 per cent rate is fair, and I am willing to defend that in the Wall Street Journal or before any business group or any group in this country.

SENATOR HUMPHREY: Mr. Spivak, may I—

MR. SPIVAK: Yes.

SENATOR HUMPHREY: I don't believe the problem here is on the tax rate on inheritance. What I think the problem is, is the overall tax reforms that the Senator has been advocating. For example, to do away with the deduction of interest on mortgage payments, to do away with personal exemptions of \$700 or \$750, to do away with the interest on a building fund for a contractor that is in a large housing development, when you start doing away with that you are going to put the construction business of this country into a turmoil. You are going to lay people off.

Every home owner in America that has a mortgage today can deduct from his income tax the interest on his mortgage. I think that—those are the kind of things that worry me in the tax structure that Senator McGovern has advocated.

He also advocates—I noticed an item in the New York Review of Books where he outlines several new tax plans, the effect of which would eliminate all deductions, including medical costs, 700—

MR. PETTIT: Senator, we are talking about inheritance taxes, and I just wondered if you felt the 77 per cent is okay?

SENATOR HUMPHREY: I think it is excessive. I think there is a much better tax.

MR. JOHNSON: Senator Humphrey, let me just follow up along this line of questioning, because I wanted to ask you about this anyhow. As I read all of your various proposals to do things here at home for the elderly, for the cities, for housing, for the

environment, for jobs, in all of these things you are talking about, as I figure, spending billions and billions more money than the federal government has right now. At the same time you are saying that you don't want the United States to become a second-class military power, and you are complaining that Senator McGovern's proposals would do that. Aren't those goals inconsistent? Where are you going to raise the revenue to do that? Doesn't that mean a more massive tax increase for this country?

SENATOR HUMPHREY: It does not. It means putting this country back to work, Mr. Johnson.

MR. JOHNSON: That is what I want to get at.

SENATOR HUMPHREY: When you put this country back to work and get people off of welfare and off of Unemployment Compensation, then you start to generate tax revenues. What's gone wrong in this country is that only 75 per cent of our plant capacity is being used. Six million of our best workers are unemployed. A million and a half are under—or more than that—are underemployed. We have lost, in the first two years of the Nixon Administration, \$40 billion estimated revenues for the federal government alone, another \$30 billion for state governments.

That is what is going wrong with many of our needs today. The money isn't there because the economy isn't working, and I believe that it is fair to say that our proposals and my proposals are directed towards putting this country back to work, and I have finance proposals for it.

MR. JOHNSON: That is what I want, the specifics of that. How are you going to do it? For instance, you talked about the Brookings Institution study on the last program here [in California], and that report says that the government really is over-committed in its funds, that we are facing an enormous deficit ahead. They said there is not enough money to do the job for all of these things that you are talking about, and it says that there are going to have to be more taxes, a much higher rate of taxes. Do you agree with that or don't agree with that?

SENATOR HUMPHREY: I think in certain brackets there will have to be. If we can close those tax loopholes which I want to close and which I believe we can, we can raise another \$16 billion. I think that is within the realm of possibility. I have some other suggestions that I would give to you.

I have outlined the most extensive and I believe the best-structured national Domestic Development Bank proposal, which is based upon the sound principles of international finance, like the World Bank, or the Asian Development Bank, that will provide long-term financing at low rates of interest for public programs in this country. This is the only major modernized country of the world that does not have such a banking structure. That is the way we ought to have been taking care of Lockheed, by the way. This is the way we ought to start refinancing our cities.

You know, we did it for Europe, Mr. Johnson. Isn't it interest-

ing that we could find the means and the skill and the way to be able to finance the reconstruction of Europe out of American taxpayers' resources, but we stand here paralyzed when it comes to refinancing the structure of America?

MR. JOHNSON: But Senator, what you are saying is that you believe you can have both the guns and the butter, too; you can have both a peace-time economy and also a high defense expenditure. Is that right?

SENATOR HUMPHREY: No. I believe we all want to see this defense structure of ours pared down. I know Senator McGovern does, I know I do. The Brookings Institution study says \$12 billion in savings. I think that is substantial, by the way.

Also, can't we get more negotiated arms agreements? I have spent a lifetime urging arms control agreements. I was the leader in the Senate for it. I have been the leader in the government for it during the previous administration. I served on that committee that made the preliminary arrangements for these arms controls agreements.

MR. BERGHOLZ: Senator McGovern, can we pick up on this defense budget problem? You are one of the rather unique candidates who tells us in advance what you are going to cut out of a defense budget. Usually we find out later.

I am curious how you go about it, and particularly I am thinking, if you become President, you are going to have the Joint Chiefs of Staff and the Defense establishment telling you what their needs are, and you have already told them what you are going to do.

How does this come about, and how are you going to reconcile this problem?

SENATOR McGOVERN: Mr. Bergholz, I think the time has come when we have to break out of the old ways of doing things. I don't think we necessarily let the Joint Chiefs of Staff decide how we spend the federal tax dollar.

Of course, we want this country to be militarily strong. Senator Humphrey has said he doesn't want us to become a second-rate power. Nobody wants that. But we need to recognize that there are other ways of measuring national power. Let's take care of our reasonable defense needs, but let's be careful that we are not a second-rate power morally or economically or on job fronts or on health and education.

I have taken a year's time to talk with some of the most knowledgeable people I can find—

MR. BERGHOLZ: In or out of government?

SENATOR McGOVERN: Both. In the government, out of government, defense experts—we have gone over the military budget, critically and prudently. We have come up with a figure of \$55 billion that we think will provide for the defense of this country. That includes ending the war in Southeast Asia. It in-

cludes reducing our forces in Western Europe. I think this is where Senator Humphrey and I take issue. We both give lip service to the idea of arms reductions. But when we have a chance really to spell out where those reductions are going to come, such as the reduction of American troops in Europe, Senator Humphrey has said, no, we can't afford that, and the same thing on so many of these other programs.

(Announcements)

MR. BERGHOLZ: Senator McGovern, just to clean this up a bit, if you would, what you have done is to draw a defense budget predicated on conditions as they will exist in 1975, based in part on information from civilian and military sources. How can you possibly tell what the defense threat, what the threat to the country will be in 1975, which, presumably, is the basis for a defense establishment?

SENATOR McGOVERN: You can't, Mr. Bergholz, and obviously what I am proposing here is a budget based on the assumptions about the world as we now know it. It is a fast-changing world. If we are attacked tomorrow morning obviously all bets are off, and we do what we did earlier: we get ready for it. But I am talking about the kind of world that I now perceive it to be, and it is a different world than it [was] in the past.

I think so many of our people, including those in high places in the Congress and in the Executive Branch in both parties, are so wedded to the past that they can't realize that a new day has come, that we have to begin recognizing that the central threat of this country is probably not from abroad any more. Probably the central threat are problems right here in our own society, and if we spend too much on military overkill capacity, that goes way beyond any reasonable defense need, then we only weaken the nation by depriving ourselves of resources we need here at home.

MR. PETTIT: Senator Humphrey, on Sunday you were asked what your defense budget would be, and you said, "I did not say we have to spend \$70 to \$80 billion a year." What you failed to say is what you would spend. What would you spend?

SENATOR HUMPHREY: I served on the National Security Council of this government, and I have been a Senator and one thing I learned during that period of time is that the gift of prophecy as to what will happen in 1975 or '74 is not generally to be found either in the presidency or the Congress of the United States. We have made terrible miscalculations in the past.

MR. PETTIT: Given things as they are now, what do you think would be a reasonable figure?

SENATOR HUMPHREY: I believe that the Brookings Institution report—that was made up of very competent people, men who are specialists in their field—saying that you could reduce this budget safely by about \$12 billion, should be a reasonable figure.

MR. PETTIT: What does that leave then?

SENATOR HUMPHREY: That would leave approximately out of the current budget about \$64 billion, I believe, out of the \$76.5 billion.

MR. PETTIT: And that would be acceptable to you?

SENATOR HUMPHREY: Wait a minute. What we need to do—and I want to pick up where Senator McGovern made a comment on arms control—I am no Johnny-Come-Lately or neophyte on arms control. I have spent a good deal of my time in this field. I believe I am knowledgeable in it, and I believe that the fact that Mr. Nixon was able to conclude an arms control agreement in the Soviet Union verifies the policy that I adhere to, that you should negotiate troop reductions with the Russians in Western Europe. And there aren't 500,000 Americans there. There are approximately 300,000. We ought to reduce that number, and we ought to get them out. But we should do it bilaterally, mutually with the Soviet Union.

I think we should reduce our offensive weaponry, and I am pleased that the system which I pioneered as the author of the Arms Control Agency—and I am its author and I served as a principal member of the committee of principals on the whole subject of arms control—I believe that system works. I want to see the defense budget reduced. I have spent a lifetime trying to get the human needs of this country fulfilled. But let me say that in the world in which we live today, with problems in the Middle East that are unbelievably tense, with a world that still is unsafe, I think we ought to be prudent and careful as we start to pull back and to do it under mutual arrangements.

MR. PETTIT: You think that Senator McGovern's proposal, even in view of the historic accords reached in Moscow—on which you commented that the Soviet Union is perfectly capable still of engaging in gunboat diplomacy—are you suggesting your opponent would create a gunboat gap?

SENATOR HUMPHREY: I am not making invidious comparisons or suggestions. I am saying that I disagree as one Senator to another with the sharpness and with the depth of the cut proposed by Senator McGovern.

For example, I do not believe that you ought to phase out 230 of the 530 strategic bombers and at the same time say that you are going to keep McClellan Air Force Base, Travis Air Force Base, Offutt Air Force Base, and the Wright-Patterson Base. What are you going to do; are you going to make those into golf links? You are not going to have any bombers over there.

I don't believe that you can phase out 80 per cent of your naval air squadrons and still have a modern fleet that is capable of really taking action if it is needed. Most of what we have today is not for the purpose of war but for the purpose of peace. The whole purpose of our ICBMs, the whole purpose of the submarine fleet that Senator McGovern outlines is not to engage in war. He is not a warrior; he wants peace. So do I. What does he want this

for? As a deterrent, as a bargaining tool, and that is exactly what I want.

I would like to see a defense budget that is much less than we have today, but I want to make sure that it is one that has been negotiated out with safeguarded agreements with the Soviet Union. I have lived too long to have anything happen to this country when we stand unprepared. And when I hear the Senator say: "What if we were attacked? Then we will have to do something about it!" That is too late in the kind of times in which we live.

MR. NOVAK: Senator McGovern, I calculate the many spending proposals that you have put on paper as adding to federal spending at least \$100 billion a year and very possibly \$160 billion a year. You have been around Capitol Hill long enough to know that your tax reform program has no chance of being passed by any Congress in the foreseeable future. Therefore, do you agree with Walter Heller and other economists that there ought to be a tax increase in the income tax next year?

SENATOR McGOVERN: There ought to be an increase on high income individuals, Mr. Novak. First, let me reject your calculation of the cost of the programs that I have made. We have made no proposals for anything without matching it with new revenue proposals or cuts in previous programs—

MR. NOVAK: It doesn't add up that way, Senator.

SENATOR McGOVERN: Well, it adds up in very careful calculations that we have made. The proposal that I have made for a \$28 billion tax reform program means \$28 billion in additional revenue.

MR. NOVAK: Do you expect that to be passed, realistically?

SENATOR McGOVERN: I think it can be passed. I think it is a reasonable program. It calls for a \$17 billion increase in the rate that the corporations are now paying. That takes us back roughly to the rate they were at in the last year of the Eisenhower Administration. It is not a radical proposal at all. It does say that they ought to pay their fair share.

MR. NOVAK: If you think that it can be passed, sir, why did you place an ad in the Wall Street Journal, which appeals to an elite audience, saying that it is well known that Congress initiates and only Congress initiates tax measures and that your suggestions, as you call them in the ad, therefore should be regarded always as suggestions for consideration by Congress. Weren't you telling the businessmen you really don't expect that stuff to be passed?

SENATOR McGOVERN: Mr. Novak, don't you think that is a reasonable thing that I said to the people that read the Wall Street Journal, to remind them that the whole matter of tax legislation is a joint enterprise between President and the Congress of the United States? I think I have an obligation to the voters

of this country to tell them what I am going to recommend to the Congress. I also think I ought to remind them that I don't expect to be a dictator, that I—

MR. NOVAK: You don't say that on the stump, though, sir. You say you are going to get tax reforms. You don't say those are suggestions.

SENATOR McGOVERN: Mr. Novak, you have heard me on the stump many times say that I don't want to operate without consultation with the Congress, that one of the things wrong with your political system in recent years is that Presidents have defied the Congress too much. There have been too many secret deals behind closed doors at the White House, not enough consultation with the Congress. But I have the courage in this campaign to spell out to the American people what I propose to do with the tax system that I now think is unfair. I think we have got a tax revolt in this country. I said that in the Wall Street Journal. I have said it on the stump, and I believe that. I don't think you are going to be able to finance the kind of programs this country needs if we don't close off this outrageous situation that permits multimillionaires to pay nothing while the working people are paying higher and higher taxes every year.

MR. NOVAK: I would like to return to my first question if I could, Senator. The people who earn over \$50,000 a year pay only \$15 billion in federal income taxes. You know very well that if you are going to get extra income you are going to have to tax the lower brackets. Do you agree with Dr. Heller and other economists that it will be necessary in the next administration to have an across-the-board income tax increase?

SENATOR McGOVERN: I do not. I think that we can correct the injustices in our present tax system; we can collect \$6 billion, as I have proposed, from high-income individuals above \$50,000, that is, above what they are now paying. This is not a confiscatory rate. It is to take care of a situation in which many people are paying no taxes at all because of the loopholes.

My friend Senator Humphrey said we are going to close off medical benefits, we are going to close off housing loan considerations. None of those things affect anyone at the \$50,000 and below income in my proposal, and we only reduce part of them at the level above \$50,000. But we are collecting \$6 billion in additional revenue from wealthy individuals. We are collecting another \$5 billion in increased inheritance taxes, and all the rest that I have proposed comes from a \$17 billion increase on the corporations that I am convinced they are well able to pay. If that money is invested in job creating enterprises to put people back to work, if part of it is invested in reducing property taxes, it is going to stimulate the economy of this country, not destroy it.

MR. BERGHOLZ: Senator Humphrey, could I enter a new era for us?

SENATOR HUMPHREY: I was hoping we'd stay with this one.

MR. BERGHOLZ: No, I have got another one here for you.

SENATOR HUMPHREY: Thank you.

MR. BERGHOLZ: Two of our cities in California, particularly Los Angeles and San Francisco, currently are under court order to redesign their school system to reach the Supreme Court dicta on integrated schools. Other cities, notably Pasadena and Berkeley, are now operating under a busing schedule. Obviously the problem of racially integrated schools is a serious problem in California.

Can you tell us, sir, as specifically as possible, what your attitude, what your approach, what your tone will be as President, both in your directions to your Justice Department and as a moral and executive leader of the country?

SENATOR HUMPHREY: Yes, I believe I can be helpful on that, and I do believe that the President has an obligation to give moral leadership and to give political and legislative executive leadership on this.

First of all, I would keep in mind that I do not believe in massive compulsory busing that has as its sole and primary objective the achievement of a racial balance on a quota system. Not only do I not believe in that, but the court, itself, does not go for that.

MR. BERGHOLZ: We will accept that it is not part of the court order.

SENATOR HUMPHREY: Secondly, I believe that busing is one of several tools that we have that can help improve quality education. How do we? By being able to transport a child from a poor school to a better school, or by being able to have what we call programs, where you go from one class room to another because of the quality of teaching in those particular class rooms. I think that to have busing to answer the race problems, the race problems of the community, is putting a burden upon children that is far beyond what they ought to take, and I think it will jeopardize education and also the well-being and the social well-being of the child.

MR. BERGHOLZ: That well may be, Senator, but what are you going to tell the parents, say, of a black child, who sees white schools that are superior, far superior to what they are getting in their neighborhood? What are you going to tell them? Can they bus?

SENATOR HUMPHREY: I am going to say two things to them: First of all, I happen to believe in open neighborhoods. I hope that the time will come in this country—and I know it takes time—when we will learn how to live together without prejudice. I know that will take time, but it is a goal that we ought to look to.

I also believe that we ought to be building schools rather than

having people stand around here unemployed, which is an outrage in this country. Hundreds of thousands of teachers with no jobs today, that have been educated in our universities. Let's build good schools for children. Until we can get those good schools for that little child of a black family or a chicano family or whatever family it may be, I want that child to get the experience of a quality and a good education, and I am perfectly willing—

MR. BERGHOLZ: —if that includes busing?

SENATOR HUMPHREY: Yes, if that includes busing. It may also include redesigning school districts. It may include building new schools along particular areas, as you get a chance to have a better mix. I really think that integrated education in most instances is better. We learn together so that we can live together.

MR. JOHNSON: Senator McGovern, I have some questions about Vietnam, and particularly the aftermath of Vietnam. If you were President and you do end the war as you say and our presence is withdrawn from there, what steps would you take if our prisoners over there are not released?

SENATOR McGOVERN: Mr. Johnson, the burden of proof is really the other way around. We haven't released any prisoners, with the most massive kind of aerial bombardment. We didn't get any prisoners released with 500,000 American troops there. I think we have to begin with the assumption that the American prisoners are going to be held as long as military activities are in progress, so the time has come now to try something different.

I have no inside pipeline to Hanoi. I don't know what they are going to do if we stop the bombing and withdraw our forces. I assume at that point they no longer have any interest in holding American prisoners of war. I think it is clear now to the wives of the these prisoners, dozens of whom have come to me and talked about their support for my candidacy, because they now realize they will never see their husbands again until the war ends. So we have to take whatever risk is involved now on the side of peace. We have taken all these risks on the side of war, and it has accomplished two things: It has killed more of our people, and the other side has taken more of our prisoners. Let's try now to see if ending the war isn't also the way to end the imprisonment of our soldiers.

MR. JOHNSON: In other words, you really don't know what you would do?

SENATOR McGOVERN: There is not an awful lot we can do other than to take our case to the international community, unless we want to go over there and obliterate North Vietnam, which would kill all of our prisoners.

MR. JOHNSON: Another question, Senator, about Vietnam. What sort of obligation do you think this country has to the people, assuming the war ends and so forth? We have been there

all these years. The country is ravaged, destitute people—forget how we got into the war, but what is the obligation of an American President and the American people to that country?

SENATOR McGOVERN: I think the obligation is at least as great as it was to Germany and Japan at the end of World War II. Here were two countries that actually attacked us, and yet when the war was over, we saw that it was in our national interest to see that the suffering and the chaos was ended as quickly as possible, and we extended a helping hand.

I would hope, in concert with other countries that we would join in an effort to rebuild the devastated areas of Southeast Asia once the war comes to an end.

MR. NOVAK: Senator Humphrey, Senator McGovern's defense budget, his large cuts in defense spending have been a matter of public record for some months. Yet in this long campaign I can find nothing that you said about the subject until you set foot in California for this primary in a state where there is heavy defense spending. Can I ask you why you haven't brought the matter up until now?

SENATOR HUMPHREY: I will say, Mr. Novak, that is not quite an accurate evaluation of my performance thus far, but you are entitled to your opinion. I have been the staunchest advocate of mutual arms reduction of any man in the Congress of the United States, and I take a back seat for no one. That is the way you start to cut arms and that is the way you start to cut budgets. The anti-ballistic missile program itself was a \$24 billion program, had the Administration's program gone through.

MR. NOVAK: But that isn't the question I asked, sir.

SENATOR HUMPHREY: I gathered it was.

MR. NOVAK: You misunderstood, sir. I asked why it was that during this entire year you did not criticize Senator McGovern's defense budget cut until you stepped into the state—onto the soil of the state for an important primary where defense spending is a very big factor in the economy.

SENATOR HUMPHREY: It really wasn't until about California that very many people were taking either Senator McGovern or myself very seriously about what we were saying. I think that is an unfortunate factual statement, but it is a fact. What I mean by this is simply that until it had narrowed down to a couple of men, both of whom had points of view on critical issues, very little had been said.

It is a fact also that Senator McGovern's point of view became somewhat of interest to the public when he started to rise in what we call the public opinion polls, particularly after the West Virginia and the Ohio primaries. Now we are at a point where we are discussing three very vital issues: defense, welfare and taxes. I think those issues need airing, and they need full and

complete ventilation and discussion, I am fully prepared to give that kind of an airing to them. That is what the purpose of this program is right here.

MR. PETTIT: Senator McGovern, could we come back to busing for a moment? You heard what Senator Humphrey said. Do you see any essential difference in his views from your views?

SENATOR McGOVERN: In the way Senator Humphrey describes it today, we are very close together on the busing issue. I see busing simply as one tool that can be used to bring about quality education. I fully support the Supreme Court decision. I think we have got to go beyond that to try to break down the walls of segregation all across this country; busing is one tool that can help accomplish that.

MR. SPIVAK: Gentlemen, I am sorry to interrupt you, but we have only four minutes left, and I'd like to divide this time equally between our two guests.

We will come to you to finish off, Senator McGovern, but first, Senator Humphrey.

We will go right down the line. Mr. Novak.

MR. NOVAK: Senator Humphrey, I would like to continue on this defense question. You are proposing a \$10 billion defense cut of the present budget, but with inflation and with the rise in military salaries that would leave the defense spending precisely where it is today, so you are proposing no cut whatever; isn't that right?

SENATOR HUMPHREY: No. I would say that the Brookings Institute report took into consideration factors of pay, factors of inflation [in] a \$12 billion cut which they justify as eliminating waste and obsolete weapons systems, and I come back again: The most sensible way to reduce defense expenditures is to have mutually agreed-upon arms cuts, and that includes troops in Europe, that includes also looking over, by the way, all of our overseas bases to see how many of those that we no longer need. I am for eliminating waste, but I want to say once again that the President of the United States has no greater responsibility than to take care of the security of this country.

MR. NOVAK: Senator, your past record on Vietnam has become an issue in this primary campaign, and I want to quote you something you said in June of 1968. You said there was no conflict of conscience on Vietnam. You said, "No man agrees with the President on every detail, but I have supported this policy enthusiastically." Were you not telling the truth then?

SENATOR HUMPHREY: Yes, I was. You know I don't mind being wrong, but I do not want to be a hypocrite, and I am not. I did support President Johnson's policy, because I thought he wanted peace, and I was the one that spoke up in that Administration to end the bombing of the North, to have phased withdrawal of our forces, to seek a cease-fire.

Might I suggest right here that I think the time is at hand for the President of the United States to ask the Secretary General of the United Nations to call North and South Vietnam before the Security Council of the United Nations and have President Nixon meet with them. If he can go to Russia, if he can go to Peking, then why can't we have a meeting in the Security Council of the United Nations—or under the auspices—with the President.

MR. SPIVAK: Excuse me, Senator. Your two minutes is up, and we must now go to Senator McGovern. A question for Senator McGovern. Mr. Bergholz.

MR. BERGHOLZ: Senator, this campaign, rapidly coming to a conclusion here, has been in large part an attempt by Senator Humphrey and his supporters to portray you as a man who is perhaps too liberal, too extreme, too radical—whatever term—to entrust to the presidency. I am curious, sir, if that is the case, how in good conscience can politicians after the primary then get together and say, "Well, gee whiz, we didn't mean it. We are all good friends, and we will support each other?"

SENATOR McGOVERN: Mr. Bergholz, let me speak to the charge about radicalism rather than to try to go into what is going to happen after the convention. Let me say. I come from the state of South Dakota, where there are two to one Republican odds against me. I have been elected four times in that state. Ordinarily we don't send wild-eyed radicals to the United States Senate from South Dakota, and I think the proposals that I have made in this campaign while they do represent a break with the past, I think that is what the American people want.

If I were to describe the central issue in this campaign, I wouldn't say it was the dollar figure on any one program. I would say that it is the new politics, the new proposals against the old: that everything I have tried to propose in the way of fundamental tax reform, in the way of fundamental alternative military budget, in scrapping our present welfare mess and starting with something new, these things have been attacked as radical.

I don't think they are radical at all. I think they only seem radical to people who are so wedded to the past, so caught up in the old assumptions that they can't break loose from those things that not only brought us Vietnam but brought us an unjust tax structure, brought us into a welfare mess that doesn't work, and the time has come for a new leadership that is willing to look to the future and to look to some new solution.

MR. SPIVAK: I am sorry to interrupt, but our time is up. Thank you, Senator McGovern and Senator Humphrey, for being with us tonight on MEET THE PRESS.

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SUGGESTED REMARKS, OR THEME FOR

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SENATOR HUBERT H. HUMPHREY

FOR "MEET THE PRESS"

Senator McGovern often speaks of his campaign being the "new politics". He advertises himself as being "right from the start". I do not believe the people of California or this Nation will be taken in by slogans.

Is it "new politics" to promise people, regardless of their need, a check for \$1,000 apiece at a gross cost of 210 billion dollars? Is it "new politics" to promise tax reform to the wage earner, but assure the millionaire reading the Wall Street Journal that tax reform does not include him? Is it "new politics" to promise jobs, but vote against legislation that means jobs here in California -- or, promise extended unemployment compensation in a campaign, but vote against it in Congress?

Is it "new politics", or are you "right from the start" when you urge Israel to surrender its occupied land and internationalize Jerusalem -- when you vote against credits and aid for that country, but when you are campaigning and speaking before Jewish groups you say you didn't mean it?

No, my friend, "new politics" to me means talking and voting the same way. Its not just slogans we need, its trying to right this troubled country of ours and that takes experience.

I was there when the mistakes were made in Viet Nam.
~~I was a part of those mistakes,~~ and I do not hide behind slogans
to deny those ^{FACTS} ~~mistakes.~~

I propose defense cuts, but not at the expense of our security; welfare for the needy, but not at the expense of an outlandish tax increase; tax reform, but not to the extent that it destroys initiative.

I do not want our boys returning from a "no win" war to a "no job" peace. This country can supply the jobs and I can supply the leadership.

This contest in California must not go to the man who has coined the best slogans. The winner must be the man who has the experience; the man who has broad national support and the man who can best lead our party against the Republicans. I assure you if I am your candidate in '72, you will not see a rerun of '68. In this rematch, Hubert Humphrey will be the winner!

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1 Burbank, California, Tuesday, May 30, 1972

2 6:30 P.M.

3 NBC - MEET THE PRESS

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6 MR. SPIVAK: This is Lawrence Spivak inviting
7 you to a special full hour edition of Meet the Press: the
8 presidential candidates, George McGovern and Hubert H.
9 Humphrey.

10 MEET THE PRESS

11 (Commercial Pause.)

12 MR. SPIVAK: This special edition of Meet
13 The Press comes tonight from Los Angeles, where our guests
14 are presidential candidate Senator Senator George McGovern
15 of South Dakota and Senator Hubert H. Humphrey of Minnesota.
16 They are the leading contenders in the contest for the 1971
17 Democratic delegates in the important California primary on
18 June 6.

19 We'll have the first questions now from Tom
20 Pettit of NBC News.

21 MR. PETTIT: Senator McGovern, your opponent
22 has been saying some things about you. Yesterday he said,
23 of your tax program, "When you start to have confiscatory
24 taxation even against some of the big ones, you're not going
25 to provide any jobs. That doesn't make you a liberal; that
26 makes you a fool."

27 If Senator Humphrey should be the nominee
28 of the Democratic party, could you support a man who has now

1 called you a fool?

2 MR. McGOVERN: Well, I think sometimes these
3 things are said in the heat and the pressures of the campaign.
4 I don't take criticism of that kind too seriously.

5 I supported Senator Humphrey in 1968, when he
6 was the candidate of our party.

7 If the convention is as open and as fair as I
8 think it is going to be, I'll support the nominee.

9 If it's under Humphrey, I'll be out supporting
10 him.

11 I don't expect to have to face that question.
12 I think the nominee of the party will be George McGovern.
13 And if that's the case, one of the first calls that I will
14 make will be to Senator Humphrey, asking him to join the
15 campaign team.

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1 MR. PETTIT: If you are not the nominee,
2 could you accept George Wallace as a running mate?

3 MR. McGOVERN: No. I think that's straining
4 the system too far.

5 MR. PETTIT: Could you accept Shirley Chisholm?

6 MR. McGOVERN: I would want Governor Wallace
7 consulted. I think he ought to have a voice at the convention.
8 He's entitled to have his views heard.

9 His delegates are entitled to be seated, and
10 to have their voice at the convention. But, I think it would
11 be unrealistic for Governor Wallace and George McGovern to
12 try to run on the same ticket. And I think Governor Wallace
13 would feel that way.

14 MR. PETTIT: Senator Humphrey, on Sunday you
15 said you would support Senator McGovern if he got the
16 nomination, and yesterday there was the "fool" expression.

17 Why did you call him a fool? Do you really
18 think he's a fool?

19 MR. HUMPHREY: Mr. Pettit, first of all, if
20 the interpretation of my remarks was to be personal to
21 Senator McGovern, I would be the first man to apologize to
22 him. And I want to do that here, if that is the interpretation.

23 Because Senator McGovern is a fine man, and
24 I'm not about ready to have him called what is indicated here.

25 What I said was, "confiscatory tax policy."
26 It does away with investment, and thereby threatens jobs,
27 which is not liberal. And those who propose it are not
28 liberals, but a fool. And that's unfortunate language.

1 And a man makes a mistake, and I surely would
2 not want this to reflect on the Senator in any way.

3 MR. PETTIT: If you should be the nominee,
4 could you accept George Wallace as a running mate?

5 MR. HUMPHREY: No, I could not. I do not
6 believe that George Wallace and Hubert Humphrey have that
7 much in common on the platform and philosophy. But, I do
8 believe that George Wallace has earned a consideration of
9 the Democratic party to at least listen to his views, to be
10 given consideration in terms of fair play and respect at the
11 convention. And, of course, he will be heard.

12 But, I haven't been in the business of
13 selecting running mates. Quite honestly, I've been trying
14 to get the nomination. And if I get the nomination, then we'll
15 get down to running mates. That's the first task.

16 MR. SPIVAK: Thank you, gentlemen. We'll
17 be back to introduce your other panel members and continue
18 the questions for Senator McGovern and Senator Humphrey in
19 just a minute. But, first, this message.

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1 MR. SPIVAK: We are ready now to resume our
2 interview on Meet the Press with Senator Humphrey and
3 Senator McGovern.

4 You have just met Tom Pettit of NBC News.
5 The other questioners on our panel today are Robert Novak of
6 the CHICAGO SUN TIMES;

7 Richard Bergholz, of the LOS ANGELES TIMES;
8 and Haines Johnson, of the WASHINGTON POST. We
9 will continue the questions now with Mr. Novak.

10 MR. NOVAK: Senator McGovern, a congressional
11 staff study shows that a family of four making \$12,000 a year
12 will have their federal income taxes raised \$409 a year under
13 your welfare scheme.

14 How does that square with your statements on
15 the campaign trail that you would soak the rich and bring tax
16 relief to those with modest incomes?

17 MR. McGOVERN: Well, Mr. Novak, I think the
18 proposal that you are talking about is the national welfare --

19 MR. NOVAK: No, sir, it is not. It is your
20 proposal.

21 MR. McGOVERN: It is not? The one that we have
22 outlined?

23 MR. NOVAK: Yes, sir.

24 MR. McGOVERN: All right. With reference to
25 that, our projections show that the increase in tax for a
26 person between \$12,000 a year and \$20,000 a year, that is,
27 for a family in that bracket, would not be more than \$21.

28 That same family, in addition to knowing that

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1 they are contributing to an income maintenance program that
 2 would work, would also experience, under my proposal, a one-
 3 third reduction in their property taxes, which would more than
 4 offset, several times over offset, any increase in their
 5 federal income tax, because one of the parts of the McGovern
 6 tax reform is to restore some \$14 billion in federal revenues
 7 to the states that we would collect from high income
 8 corporations and individuals, and that money would be earmarked
 9 for the reduction of property taxes.

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1 It would have the effect of reducing every
2 property owner's tax by one-third.

3 MR. NOVAK: Well, Senator, that is your
4 estimate. But the congressional staff studies are quite to
5 the contrary, and the financial editor of the WASHINGTON POST,
6 Mr. Rowans, says that your proposal would raise the taxes of
7 a great number of families of moderate income.

8 Now, Sunday you said that you could not
9 estimate the cost of the project. How do you know how much
10 it will cost people in individual brackets?

11 MR. McGOVERN: Well, it's very difficult,
12 Mr. Novak, for the Senate staff committee, or for a newspaper
13 writer, or for George McGovern, or anyone else, to put an
14 exact cost factor on this program. The important thing to
15 keep in mind is that it is designed to completely replace
16 the present welfare mess that we have in this country.

17 The basic problem with the present system is
18 that it provides income to those on welfare, in some cases
19 up to \$4,000 a year. But the burden for financing that is
20 entirely on working people above the \$4,000 a year income.

21 The proposal that I am suggesting would benefit
22 every family in this country. There would be a net gain in
23 their income up to a level of \$12,000.

24 All of those working people would be receiving
25 an income supplement which we have suggested for a family of
26 four could come out to about \$4,000 a year.

27 And I think that's the way to stop this war
28 that is going on between the working people on the one hand,

1 MR. SPIVAK: This is Mr. Bergholz.

2 MR. BERGHOLZ: Senator Humphrey, can we go back
3 to the "fool" speech, and I'll drop the "fool", as I under-
4 stand the reasons.

5 The part that preceded that dealt with your
6 contention that Senator McGovern is proposing a confiscatory
7 policy. I have yet to hear from you what specifically is
8 confiscatory about his tax program.

9 Could you tell me?

10 SENATOR HUMPHREY: Well, what I was attempting
11 to say, Mr. Bergholz, is that if you are going to pay, for
12 example, for the \$210 billion income redistribution program
13 that Senator McGovern has, and that's what it adds up to, at
14 a thousand dollars per person --

15 MR. BERGHOLZ: You told us today it was a
16 hundred fifteen.

17 SENATOR HUMPHREY: No, it is two hundred ten
18 billion where it starts at a thousand dollars per person,
19 two hundred ten billion people. By the time you remove a
20 certain number of the paybacks that come in under tax programs,
21 you get down to where there is a difference of figures between
22 one hundred fifteen billions of dollars and sixty billion. I
23 don't want to get into the numbers game here too much.

24 But my point is: Let's say there is a \$60
25 billion gap that you haven't been able to identify how you are
26 going to pay for it.

27 If you tax all the corporate industry, all of
28 their profits, that would only --

10
1 MR. BERGHOLZ: Excuse me, sir. That isn't the
2 McGovern tax program.

3 And what I was referring to was your reference
4 to confiscatory. If you could tell us what is confiscatory
5 about what Senator McGovern has proposed.

6 SENATOR HUMPHREY: Yes. What I'm saying, if
7 you are going to pay the bills, sir, if you are going to pay
8 the bill of the income redistribution or welfare program, --
9 and you've got to pay for it, there's no use of talking about
10 it unless you are going to pay it -- you have got to get it
11 off of tax revenues.

12 MR. BERGHOLZ: How does he propose to do it?

13 SENATOR HUMPHREY: That is what I am trying to
14 find out.

15 MR. BERGHOLZ: How do you know if it is
16 confiscatory?

17 SENATOR HUMPHREY: Because if you are going to
18 go get another \$60 billion, you are going to take it away from
19 somebody; and that somebody is either mid-income or upper
20 income or corporate income. That's where you start.

21 For example, I have a copy of this tax study
22 that has been made here by the Senate Finance Committee.

23 It says to fund a thousand dollar tax credit.
24 Under the same assumptions would require a tax rate equal to
25 30 percent of all personal income. Personal income tax amounts
26 to approximately 10 percent of the total amount of personal
27 income.

28 It goes on to point out that there's a \$51

1 billion under this study gap between what the Senator proposes
2 in tax revenue that he would get, as compared to what is
3 needed.

4 I'm simply saying that if you got that extra
5 \$51 billion, you would have to get it from the rich or from
6 the middle income.

7 MR. BERGHOLZ: Do you know where he plans to
8 get it?

9 SENATOR HUMPHREY: No, and he didn't know,
10 either. That's the point.

11 I might add one final thing: that when you add
12 that you are going to instead of closing all tax loopholes,
13 for example, which the Senator has proposed, that you would
14 take 75 percent of the total tax bite, that I consider to be
15 a very high rate of tax.

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1 MR. SPIVAK: Mr. Johnson.

2 MR. JOHNSON: Senator McGovern, you just said
3 that you would not close a single air base in California;
4 and after making a similar promise in Nebraska on that.

5 How can you claim to cut the defense budget
6 40 percent and not touch California?

7 SENATOR McGOVERN: Well, because the proposals
8 we have made, Mr. Johnson, do not affect air bases in Omaha.
9 I was talking about the center of the Strategic Air Command
10 at Moffat Air Force Base.

11 Here in California, I was talking specifically
12 about four bases that I had been asked about, none of which
13 are affected by the proposals that we have made in our
14 reductions in military spending.

15 The budget that I have proposed is still a
16 \$55 billion military budget. It actually calls for increases
17 in some items. For example, attack submarines. It calls for
18 a development of a better fighter aircraft. It calls for
19 a mobile capability in air power to move our troops to where
20 they are needed.

21 But there is nothing in this proposal that
22 jeopardizes the continuance of the airways that I was asked
23 about here in the State of California.

24 Now, I do think the larger question that we
25 need to consider is what happens when we start cutting back
26 on some of these weapon systems that will naturally flow
27 from the agreements in Moscow and elsewhere, and this is
28 where I've tried to provide some answers with alternative

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1 forms of proposals.

2 MR. JOHNSON: That is the next question I
3 want to ask you, as a matter of fact, because we do have a
4 state here and around the country where we have defense cuts,
5 people are laid off.

6 And I think you said last week on a television
7 program that some of these people might have to be out of
8 work for as long as a year.

9 Is that a comfortable or acceptable alternative?

10 SENATOR McGOVERN: It is not comfortable at
11 all, but what is even worse is to tell him that he is out of
12 luck permanently, that his government is not concerned about
13 him, that we put him out on the limb as an aerospace worker
14 or a defense worker, we are now going to cut those defense
15 contracts and the man is on his own.

16 Now, what I have proposed is that we start
17 making plans right now to convert our aerospace and defense
18 plants to the production of things that we need.

19 For example, in San Francisco the Rohr Aircraft
20 Company is now building a public transit facility for San
21 Francisco.

22 They are running out of money, but it's not
23 that they don't have the ability to do it. It's the fact that
24 the government hasn't been as willing to support projects of
25 that kind, as we have new bombers.

26 MR. JOHNSON: But, Senator, what does that man
27 do who is out of work for a year? Where is he guaranteed
28 any kind of help from the government? What do you do with him?

1 MR. SPIVAK: Mr. Novak.

2 MR. NOVAK: Senator Humphrey, I would like
3 to explore your contention that there is no real difference
4 between you and Senator McGovern on Vietnam right now.

5 Would you really be willing to cut off all the
6 South Vietnamese troops fighting in the field without a dime,
7 if you were President, as Senator McGovern would?

8 MR. HUMPHREY: Mr. Novak, I consider, if I'm
9 the President of the United States, I shall put foremost
10 what I believe to be the interests of this nation. And I
11 think it's time that we had that kind of a policy. Put this
12 country out front for a change.

13 And that means, to me, that it is no longer
14 in our national interest, if it ever was, for us to be
15 involved in the war in Vietnam.

16 Now, we're not leaving those people as if
17 they had nothing. They have equipment till they don't know
18 what to do with it today.

19 Frankly, this --

20 MR. NOVAK: You don't --

21 MR. HUMPHREY: May I just continue?

22 It's my judgment that they are capable today
23 of their own defense. It is also my judgment that if we'll
24 get out of there, with an agreement to get the release of our
25 prisoners and to withdraw our forces -- by the way, just as
26 President Nixon did, outlined here the other night, when he
27 was outlining his speech on the mines of Haiphong Harbor,
28 he said four months after the agreement on the release of the

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1 MR. NOVAK: You are familiar enough with
2 that war to know that with all these piles of equipment, as
3 you call it, they can't exist for a month in Vietnam without
4 somebody stealing them, and without day-to-day financing,
5 and I just wondered, with the invading North Vietnamese
6 Army, considering your past positions on Vietnam, if you
7 would be willing to cut them out flat.

8 MR. HUMPHREY: Yes, I would, because I
9 believe it is no longer in our interest to be there, and
10 I believe it is imperative if we are going to halt the
11 spiraling inflation here at home to get on with the job of
12 meeting our needs here, of taking care of the needs of our
13 cities, of taking care of the job requirements of our people,
14 of reordering the Social Security structure of this country,
15 and provide decent care for our elderly, that we quit spending
16 our resources in Vietnam and get back here to the United
17 States and start to take care of the human needs and the
18 physical needs of this country.

19 MR. NOVAK: Sir, several years ago in California
20 when you were Vice President you said, "Have we the patience
21 to work and bleed thousands of miles from home for months and
22 years ahead?"

23 Is your answer "No" now?

24 MR. HUMPHREY: We have bled and we have
25 sacrificed for better than ten years in South Vietnam. We
26 have actually been involved in that part of the world since
27 1954. We have contributed 50,000 dead, 300,000 casualties,
28 \$200 billion in resources. No ally has ever done so much for

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1 MR. SPIVAK: Mr. Pettit.

2 MR. PETTIT: Senator McGovern, you criticized
3 Senator Humphrey for his support of the Lockheed loan.
4 According to the WASHINGTON POST, in Kenosha, Wisconsin,
5 earlier this year, you said you would support a special tax
6 break for American Motors if the corporation needed it for
7 survival.

8 How do you explain that contradiction? Isn't
9 it a favorable tax break somewhat comparable to the Lockheed
10 loan?

11 MR. MCGOVERN: I don't think it is, Mr. Pettit.
12 I think what I have proposed all along in my tax proposals
13 is that we do what we can to encourage a greater measure of
14 competition in American business. I have not proposed anything
15 that I felt was harmful to legitimate business in this
16 country.

17 I think we have gotten to the point where we
18 have narrowed down to two or three major automobile companies.
19 It's not in the interest of this country to put one of them
20 under. We need to encourage more competition.

21 Now, you have quite a different situation
22 in the aircraft industry, it seems to me, where what was
23 happening with Lockheed was a deliberate encouragement on
24 the part of the government of the production of an airplane
25 that we don't need.

26 MR. PETTIT: Well, do we need any American
27 Motors cars?

28 MR. MCGOVERN: Yes, I think we do. And I

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1 think we need the competition that that firm can bring to
2 the others.

3 MR. PETTIT: And aren't we down to two or
4 three major aircraft manufacturing companies?

5 MR. McGOVERN: Yes, but we are at a point
6 now where we have got to begin shifting over the production
7 from military aircraft, military production, to other things.
8 The American Motors Company is in the civilian field.

9 MR. PETTIT: You have been asked some
10 questions about your economic program, I know, and there are
11 a lot of numbers floating around. Let me ask you about a
12 couple more.

13 You took out an ad in the WALL STREET JOURNAL
14 last week which said, about inheritance taxes: "Some
15 consideration must be given to increased rates on inheritances
16 to individuals of more than \$500,000." Some consideration.

17 On May 4th, in the article you wrote in the
18 NEW YORK REVIEW OF BOOKS, you said a progressive tax would
19 be levied reaching an upper limit of 77 percent on an estate
20 of \$500,000 or more.

21 Now, which is your position, the WALL STREET
22 JOURNAL ad or the NEW YORK REVIEW OF BOOKS article?

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1 MR. McGOVERN: There is nothing inconsistent
2 with the two. In that same WALL STREET ad that you quoted
3 I said in that ad that the people of this country are in an
4 outrage against the present tax structure. It has to be
5 fundamentally reformed if we are going to save the free
6 enterprise system of this country.

7 Now, I'm perfectly willing to stand on the
8 77 percent figure. I think after you get to an inheritance
9 of a half a million dollars, that the 77 percent rate is fair.
10 And I am willing to defend that in the WALL STREET JOURNAL,
11 or before any business group, or any group in this country.

12 MR. HUMPHREY: Mr. Spivak, may I --

13 MR. SPIVAK: Yes, Senator.

14 MR. HUMPHREY: I don't believe the problem
15 here is on the tax rate on inheritance. What I think the
16 problem is is the overall tax reforms that the Senator has
17 been advocating.

18 For example, to do away with the deduction of
19 interest on mortgage payments; to do away with personal
20 exemptions of \$700 or \$750; to do away with the interest on
21 a building fund for a contractor that is in a large housing
22 development.

23 When you start doing away with that, you are
24 going to put the construction business of this country into a
25 turmoil. You are going to lay people off.

26 Your homeowner in America that has a mortgage
27 today can deduct from his income tax the interest on his
28 mortgage. I think that those are the kinds of things that

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1 worry me in the tax structure that Senator McGovern has
2 advocated.

3 He also advocates, I noticed an item in the
4 NEW YORK REVIEW OF BOOKS where he outlines several new tax
5 plans the effect of which would eliminate all deductions,
6 including medical costs --

7 MR. PETTIT: Senator, we were talking about
8 inheritance taxes, and I just wondered if you felt that the
9 77 percent is okay.

10 MR. HUMPHREY: I think it is excessive. I
11 think there is a much better tax.

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1 MR. SPIVAK: Mr. Johnson.

2 MR. JOHNSON: Senator Humphrey, let me follow
3 up on this line of questioning, because I wanted to ask this
4 anyway.

5 As I read your various proposals to do things
6 at home for the elderly, the cities, housing, environment,
7 jobs, all these things, you are talking about, as I figure,
8 spending billions and billions more money than the federal
9 government has right now. At the same time, you are saying
10 we don't want the U. S. becoming a second class military
11 power. And you are complaining that Senator McGovern's
12 proposals would do that.

13 Now, aren't those goals inconsistent? Where
14 are you going to raise the revenue to do that? Doesn't that
15 mean a more massive tax increase for this country?

16 MR. HUMPHREY: It does not. It means putting
17 this country back to work, Mr. Johnson.

18 MR. JOHNSON: Well, that's what I want to get
19 at --

20 MR. HUMPHREY: When you put this country
21 back to work and get people off of welfare and off of
22 unemployment compensation, then you start to generate tax
23 revenues. What has gone wrong in this country is that only
24 75 percent of our plant capacity is being used. Six million
25 of our best workers are unemployed. A million and a half
26 or more than that are underemployed. We have lost in the
27 first two years of the Nixon administration \$40 billion
28 estimated revenues for the federal government alone. Another

1 MR. JOHNSON: And that's what I want, the
2 specifics of that. How are you going to do it?

3 MR. HUMPHREY: I would be happy to give them
4 to you.

5 MR. JOHNSON: You talked about the Brookings
6 Institution study on the last program here.

7 MR. HUMPHREY: Yes.

8 MR. JOHNSON: And that report said that the
9 government really is overcommitted in its funds; that we are
10 facing an enormous deficit ahead. There is not enough money
11 to do the job for all of these things you are talking about.

12 And it says that there is going to have to be
13 more taxes, a much higher rate of taxes.

14 Do you agree with that or not agree with that?

15 MR. HUMPHREY: I think in certain brackets
16 there will have to be. If we can close those tax loopholes
17 which I want to close, and I believe we can, we can raise
18 another \$16 billions. I think that is within the realm of
19 possibility. I have some other suggestions that I would give
20 to you.

21 I have outlined the most extensive, and I
22 believe the best structured national domestic development
23 bank proposal which is based upon the sound principles of
24 international finance like the World Bank or the Asian
25 Development Bank that will provide long-term financing at low
26 rates of interest for public programs in this country.

27 This is the only major modernized country of
28 the world that does not have such a banking structure. That's

1 the way we ought to have in taking care of Lockheed, by the
2 way, and this is the way we ought to start to refinance our
3 cities. You know we did it for Europe, Mr. Johnson.

4 Isn't it interesting that we can find the means
5 and the skill and the way to be able to finance the recon-
6 struction of Europe out of American taxpayers' resources,
7 but we stand here paralyzed when it comes to refinancing the
8 structure of America.

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MR. JOHNSON: But, Senator, what you are saying is you believe you can have both the guns and butter, too. You can have both the peacetime economy and also a high defense expenditure. Is that right?

MR. HUMPHREY: No. I believe we all want to see this defense structure of ours pared down. I know Senator McGovern does. I know I do. The Brookings Institution study says \$12 billion in savings. I think that's substantial, by the way.

Also, can we get more negotiated arms agreements? I have spent a lifetime urging arms control agreements. I was the leader in the Senate for it. I have been the leader in the government for it during the previous administration.

MR. SPIVAK: Mr. Bergholz --

MR. HUMPHREY: I served on that committee that made the preliminary arrangements for these arms agreements.

MR. SPIVAK: Mr. Bergholz.

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MR. SPIVAK: Mr. Bergholz.

MR. BERGHOLZ: Senator McGovern, can we pick up on this defense budget problem?

MR. McGOVERN: Yes.

MR. BERGHOLZ: You are one of the rather unique candidates who tells us in advance what you are going to cut out of a defense budget. Usually we find out later.

MR. McGOVERN: Yes.

MR. BERGHOLZ: I am curious how you go about it. And, particularly, I'm thinking of, if you become president, you're going to have the Joint Chiefs of Staff and the defense establishment telling you what their needs are, and you've already told them what you are going to do.

Now, how does this come about, and how are you going to reconcile this problem?

MR. McGOVERN: Mr. Bergholz, I think that the time has come when we have to break out of the old ways of doing things.

I don't think we necessarily let the Joint Chiefs of Staff decide how we spend the federal tax dollar.

Now, of course, we want this country to be military, militarily strong. Senator Humphrey had said he doesn't want us to become a second-rate power. Well, nobody wants that. But, we need to recognize that there are other ways of measuring national power.

Let's take care of our reasonable defense needs. But, let's be careful that we are not a second-rate power morally or economically or on job fronts or on health

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1 and education. Now, I have taken a year's time to talk
2 with some of the most knowledgeable people I can find.

3 MR. BERGHOLZ: In or out of government?

4 MR. McGOVERN: Both in the government, out
5 of government, defense experts. We've gone over the military
6 budget critically and prudently.

7 We've come up with a figure of \$55 billion
8 that we think will provide for the defense of this country.

9 Now, that includes ending the war in Southeast
10 Asia. It includes reducing our forces in Western Europe.

11 I think this is where Senator Humphrey and I
12 take issue. We both give lip service to the idea of arms
13 reductions, but when we have a chance, really, to spell out
14 where those reductions are going to come, such as the
15 reduction of American troops in Europe, Senator Humphrey has
16 said, "No, we can't afford that."

17 And the same thing on so many of these other
18 programs.

19 MR. SPIVAK: We're reaching a point where
20 I'm going to have to interrupt, so hold everything a while.

21 I must interrupt briefly. We'll continue
22 the special edition of Meet The Press with Senator McGovern
23 and Senator Humphrey shortly.

24 (Station identification pause.)

25 MR. SPIVAK: This is Lawrence Spivak inviting
26 you to the second half of the special full hour edition of
27 Meet The Press from California with Senator George McGovern
28 and Senator Hubert H. Humphrey.

1 We're ready now to resume the special edition
2 of Meet The Press from Los Angeles with our guests Senator
3 George McGovern and Senator Hubert H. Humphrey, the leading
4 candidates in the battle for the Democratic delegates in
5 the important California primary.

6 Interviewing our guests are Tom Pettit of
7 NBC News, Robert Novak of the CHICAGO SUN TIMES, Richard
8 Bergholz of the LOS ANGELES TIMES, and Haines Johnson of
9 the WASHINGTON POST.

10 We'll continue the questions now with
11 Mr. Bergholz.

12 MR. BERGHOLZ: Senator McGovern, just to
13 clean this up a bit, if you would, what you have done is
14 draw a defense budget predicated on conditions as they will
15 exist in 1975, based in part on information from civilian
16 and military sources.

17 How can you possibly tell what the defense
18 threat, what the threat to the country will be in 1975,
19 which presumably is the basis for a defense establishment?

20 MR. McGOVERN: Well, you can't, Mr. Bergholz,
21 and obviously what I'm proposing here is, it's a budget based
22 on the assumptions about the world as we now know it.

23 It's a fast-changing world. If we're attacked
24 tomorrow morning, obviously all bets are off and we do what
25 we did earlier. We get ready for it.

26 But, I'm talking about the kind of world that
27 I now perceive it to be, and it's a different world than it
28 was in the past.

1 I think so many of our people, including
2 those in high places in the Congress and in the executive
3 branch in both parties, are so wedded to the past that they
4 can't realize that a new day has come. That we have to
5 begin recognizing that the central threat to this country is
6 probably not from abroad any more. Probably the central
7 threat are problems right here in our own society.

8 And if we spend too much on military overkill
9 capacity that goes way beyond any reasonable defense need,
10 then we only weaken the nation by depriving ourselves of
11 resources we need here at home.

12 MR. SPIVAK: Tom Pettit.

13 MR. PETTIT: Senator Humphrey, on Sunday you
14 were asked what your defense budget would be, and you said,
15 "I did not say we have to spend 70 to 80 billion dollars a
16 year."

17 But, what you failed to say is what you would
18 spend. Now, what would you spend?

19 MR. HUMPHREY: I served on the National Security
20 Council of this government, and I've been a senator. And one
21 thing I learned during that period of time is that the gift
22 of prophecy as to what will happen in 1975 or '74 is not
23 generally to be found either in the presidency or the Congress
24 of the United States.

25 We've made terrible miscalculations in the past.

26 MR. PETTIT: Well, given things as they are
27 now, what do you think would be a reasonable figure?
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1-1 1 MR. HUMPHREY: I believe that the Bookings
2 Institution report that was made up of very competent people,
3 men that are specialists in their field, saying that you
4 could reduce this budget safely by about \$12 billion, should
5 be a reasonable figure --

6 MR. PETTIT: What does that leave, then?

7 MR. HUMPHREY: That would leave, approximately,
8 out of the current budget, what is it, about \$64 billion,
9 I believe, out of the sixty-seven and a half billions of
10 dollars --

11 MR. PETTIT: And that would be acceptable
12 to you?

13 MR. HUMPHREY: Well, now, wait a minute.
14 What I -- I want to pick up where Senator McGovern made
15 comment on arms control. I'm no Johnny-come-lately or
16 neophyte on arms control.

17 MR. PETTIT: Well, Senator --

18 MR. HUMPHREY: May I just complete it, Mr.
19 Pettit? I have spent a good deal of my time in this field.
20 I believe I am knowledgeable in it. And I believe that the
21 fact that Mr. Nixon was able to conclude an arms control
22 agreement in the Soviet Union verifies the policy that I
23 adhere to, that you should negotiate troop reductions with
24 the Russians in Western Europe, and there aren't 500,000
25 Americans there; there are approximately 300,000.

26 We ought to reduce that number, and we ought
27 to get them out. But we should do it bilaterally, mutually
28 with the Soviet Union. I think we should reduce our offensive

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1 MR. PETTIT: You think that Senator McGovern's
2 proposal, even in view of the historic accords reached at
3 Moscow, and in which you comment that the Soviet Union is
4 perfectly capable still of engaging in gunboat diplomacy,
5 are you suggesting your opponent would create a gunboat gap?

6 MR. HUMPHREY: I'm not making invidious
7 comparisons or suggestions. I am saying that I disagree as
8 one Senator to another with the sharpness and with the depth
9 of the cut proposed by Senator McGovern.

10 For example, I do not believe that you ought to
11 phase out 230 of the 530 strategic bombers and at the same
12 time say that you are going to keep McClellan Air Force Base,
13 Travis Air Force Base, Offut Air Force Base and the Wright
14 Patterson Base. What are you going to do, make those into
15 golf links?

16 You are not going to have any bombers over
17 there. I don't believe that you can phase out 80 percent of
18 your naval air squadrons and still have a modern fleet that is
19 capable of really taking action if it is needed.

20 Most of what we have today is not for the
21 purpose of war, but for the purpose of peace. The whole
22 purpose of our ICBM's, the whole purpose of the submarine
23 fleet that Senator McGovern outlines, is not to engage in
24 war. He is not a warrior. He wants peace. So do I.

25 What does he want this for? As a deterrent.
26 As a bargaining tool. And that's exactly what I want.

27 I would like to see a defense budget that is
28 much less than we have today. But I want to make sure that it

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1 is one that has been negotiated out with safeguarded agree-
2 ments with the Soviet Union.

3 I have lived too long to have anything happen
4 to this country when we stand unprepared.

5 And when I hear the Senator say, "Well, if we
6 are attacked, then we will have to do something about it,"
7 that's too late in the kind of times in which we live.

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1 MR. SPIVAK: Mr. Novak.

2 MR. NOVAK: Senator McGovern, I calculated
3 the many spending proposals that you have put on paper as
4 adding to federal spending at least 100 billion a year, and
5 very possibly 160 billion a year.

6 Now, you have been around Capitol Hill long
7 enough to know that your tax reform program has no chance of
8 being passed by any Congress in the foreseeable future.
9 Therefore, do you agree with Walter Heller, and other
10 economists, that there ought to be a tax increase in the
11 income tax next year?

12 MR. McGOVERN: There ought to be an increase
13 on high income individuals, Mr. Novak.

14 First, let me reject your calculation of the
15 cost of the programs that I have made. We have made no
16 proposals for anything without matching it with new revenue
17 proposals, or cuts in previous programs --

18 MR. PETTIT: It doesn't add up that way,
19 Senator.

20 MR. McGOVERN: Well, it adds up in very
21 careful calculations that we have made. The proposal that
22 I have made for a \$28 billion tax reform program means \$28
23 billion in additional revenue.

24 MR. PETTIT: Now, do you expect that to be
25 passed, realistically?

26 MR. McGOVERN: I think it can be passed. I
27 think it is a reasonable program. It calls for a \$17 billion
28 increase in the rate that the corporations are now paying.

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1 That takes us back to roughly the rate they were at in the
 2 last year of the Eisenhower administration. It's not a
 3 radical proposal at all.

4 MR. PETTIT: Well, if you --

5 MR. McGOVERN: It does say that they ought
 6 to pay their fair share.

7 MR. PETTIT: If you think that can be passed,
 8 sir, why did you place an ad in the WALL STREET JOURNAL which
 9 appeals to an elite audience saying that "It is well known
 10 that Congress initiates, and only Congress initiates, tax
 11 measures." And that your suggestion, as you calculate in the
 12 ad, therefore, should be regarded always as suggestions for
 13 consideration by Congress? Weren't you telling the
 14 businessmen you really don't expect that stuff to get passed?

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1 MR. McGOVERN: Mr. Novak, don't you think
2 that's a reasonable thing that I said to the people who read
3 the WALL STREET JOURNAL, to remind them that the whole matter
4 of tax legislation is a joint enterprise between the people
5 and the Congress of the United States?

6 I think I have an obligation to the voters
7 of this country to tell them what I'm going to recommend to
8 the Congress. I also think that I ought to remind them that
9 I don't expect to be a dictator.

10 MR. NOVAK: You say that you are going to get
11 a tax reform. You don't say those are suggestions?

12 MR. McGOVERN: Mr. Novak, you've heard me
13 on the stump many times say that I don't want to operate
14 without consultation with the Congress.

15 One of the things wrong with our political
16 system in recent years is that Presidents have defied the
17 Congress. There have been too many secret deals behind
18 closed doors in the White House, not enough consultation
19 with the Congress.

20 But I had the courage in this campaign to spell
21 out to the American people what I propose to do with the tax
22 system that I now think is unfair.

23 I think we've got a tax revolt in this country.
24 I said that in the WALL STREET JOURNAL, I've said it on the
25 stump, and I believe that.

26 I don't think you are going to be able to
27 finance the kind of programs this country needs if we don't
28 close off this outrageous situation that permits multi-

1 millionaires to pay nothing, while the working people are
2 paying higher and higher taxes every year.

3 MR. NOVAK: I would like to return to my first
4 question, Senator.

5 The people who earn over \$50,000 pay only
6 \$15 billion in federal taxes.

7 So you know very well that if you are going
8 to get extra income, you are going to have to tax the lower
9 brackets.

10 Now, do you agree with Dr. Heller and other
11 economists that it will be necessary in the next administration
12 to have an across-the-board income tax increase?

13 MR. McGOVERN: I do not. I think that we can
14 correct the injustices in our present tax system.

15 We can collect \$6 billion as I have proposed
16 from high income individuals above \$50,000. That's above
17 what they are now paying. This is not a confiscatory rate.
18 It is to take care of the situation in which many people are
19 paying no taxes at all, because of the loopholes.

20 Now, my friend, Senator Humphrey, said we are
21 going to close off medical benefits, we are going to close off
22 housing loan considerations.

23 None of those things affect anyone at the
24 \$50,000 below income in my proposal, and we only reduce part
25 of them at the level above \$50,000.

26 But we are collecting \$6 billion in additional
27 revenue from wealthy individuals, we are collecting another
28 \$5 billion in increased inheritance taxes, and all the rest

1 MR. SPIVAK: Mr. Bergholz.

2 MR. BERGHOLZ: Senator Humphrey, could I enter
3 a new era here for us?

4 MR. HUMPHREY: I was hoping we would stay with
5 this one.

6 MR. BERGHOLZ: No, I've got another one here
7 for you.

8 MR. HUMPHREY: Thank you.

9 MR. BERGHOLZ: Two of our cities in California,
10 particularly Los Angeles and San Francisco, are currently
11 under court order to restrain their school systems or reach
12 the Supreme Court dicta on integrated schools.

13 Other cities, notably, Pasadena and Berkeley,
14 are now operating under a busing schedule.

15 Obviously, the problem of racially integrated
16 schools is a serious problem in California.

17 Can you tell us, sir, as specifically as
18 possible, what your attitude, what your approach, what your
19 tone will be as president, both in your directions to your
20 Justice Department, and as a moral and executive leader of
21 the country?

22 MR. HUMPHREY: Yes, I believe I can be helpful
23 on that.

24 And I do believe that the president has an
25 obligation to give moral leadership and give political and
26 legislative and executive leadership on this.

27 First of all, I would keep in mind that I do not
28 believe in massive compulsory busing that has as its sole and

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1 primary objective the achievement of a racial balance on a
2 coded system. Not only do I not believe in that, but the
3 court itself does not believe in that.

4 Secondly, I believe that busing is one of
5 several tools that we have that can help improve quality
6 education. Not by how doing. By being able to transport a
7 child from a poor school to a better school, or by being able
8 to have what we call programs where you go from one classroom
9 to another because of the quality of the teaching in those
10 particular classrooms.

11 I think that to have busing to answer the race
12 problems, the race problems of the community, is putting a
13 burden upon children that is far beyond what they ought to
14 take, and I think it will jeopardize education and also the
15 well being and the social well being of the child.

16 MR. BERGHOLZ: That well may be, Senator; but
17 what are you going to tell the parents of, say, a black child
18 who sees white schools that are superior, far superior to what
19 they are getting in their neighborhood?

20 What are you going to tell them? Can they bus?

21 MR. HUMPHREY: I'm going to say two things to
22 them: First of all, I happen to believe in open neighborhoods.
23 I hope that the time will come in this country, and I know it
24 takes time, when we will learn how to live together without
25 prejudice. I know that will take time, but it is a goal we
26 ought to look to.

27 I also believe we should be building schools
28 rather than have people stand around here unemployed, which is

1 an outrage in this country. There are hundreds of thousands
2 of teachers with no jobs today that have been educated in our
3 universities. Let's build good schools for our children.
4 Until we can get those good schools for a black family or
5 Chicano family or whatever family it may be, I want that child
6 to get the experience of a quality education and a good
7 education, and I'm perfectly --

8 MR. BERGHOLZ: If that includes busing?

9 MR. HUMPHREY: Yes, if that includes busing.

10 It may also include redesigning districts. It
11 may include building new schools along particular areas, so
12 as to get a chance to have a better mix.

13 I really think that integrated education in
14 most instances is better. We learn together so that we can
15 live together.

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1 MR. SPIVAK: Mr. Johnson.

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2 MR. JOHNSON: Senator McGovern, I have some
3 questions about Vietnam, and particularly the aftermath of
4 Vietnam.

5 If you are president and you do end the war,
6 as you say, and our presence is withdrawn from there, what
7 steps would you take if the prisoners of war, our prisoners
8 over there, are not released?

9 MR. McGOVERN: Mr. Johnson, the burden of
10 proof is really the other way around. We haven't released
11 any prisoners with the most massive kind of aerial bombard-
12 ment. We didn't get any prisoners released with 500,000
13 American troops there.

14 I think we have to begin with the assumption
15 that the American prisoners are going to be held as long as
16 military activities are in progress.

17 So the time has come now to try something
18 different. I have no inside pipeline to Hanoi. I don't
19 know what they are going to do if we stop the bombing and
20 withdraw our forces.

21 I assume at that point they no longer have
22 any interest in holding American prisoners of war; and I
23 think it is clear now to the wives of these prisoners,
24 dozens of whom have come to me and talked about their support
25 for my candidacy, because they now realize they will never
26 see their husbands again until the war ends.

27 So we have to take whatever risk is involved
28 now on the side of peace. We have taken all these risks on

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1 the side of war, and it has accomplished two things: It has
2 killed more of our people, and the other side has taken more
3 of our prisoners.

4 Let's try now to see if ending the war isn't
5 also the way to end the imprisonment of our soldiers.

6 MR. JOHNSON: In other words, you really don't
7 know what you would do?

8 MR. McGOVERN: There is not an awful lot we
9 can do, other than take our case to the international
10 community, unless we want to go over there and obliterate
11 North Vietnam, which would kill all of our prisoners.

12 MR. JOHNSON: What sort of obligation do you
13 think that this country has to the people, assuming the war
14 ends, and so forth?

15 We have been there all these years, and the
16 country is ravaged. There are destitute people.

17 Forget how we got into the war. What is the
18 obligation of the American people and the American people
19 to that country?

20 MR. McGOVERN: I think the obligation is at
21 least as great as it was to Germany or Japan at the end of
22 World War II.

23 Here were two countries that actually attacked
24 us; and yet when the war was over, we saw that it was in our
25 national interest to see that the suffering and the chaos was
26 ended as quickly as possible, and we extended a helping hand.

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1 I would hope, in concert with
2 other countries, that we would join in an effort to rebuild
3 the devastated areas of Southeast Asia once the war comes
4 to an end.

5 MR. JOHNSON: Would you maintain any --

6 MR. SPIVAK: Mr. Novak.

7 MR. NOVAK: Senator Humphrey, Senator
8 McGovern's defense budget against large, constant defense
9 spending has been a matter of public record for some months,
10 yet in this long campaign I can find nothing that you said
11 about the subject until you set foot in California for this
12 primary, in a state where there is heavy defense spending.

13 Can I ask you why you haven't brought the
14 matter up until now?

15 MR. HUMPHREY: Well, I would say, Mr. Novak,
16 that is not quite an accurate evaluation of my performance
17 thus far. But, you are entitled to your opinion.

18 I have been the staunchest advocate of mutual
19 arms reduction of any man in the Congress of the United States,
20 and I take a back seat for no one.

21 MR. NOVAK: Beg pardon.

22 MR. HUMPHREY: Well, that's the way you start
23 to cut arms, and that's the way you start to cut budgets.

24 The antiballistic missile program itself was
25 a 24 billion dollar program, had the administration's
26 programming through --

27 MR. NOVAK: That isn't the question I asked,
28 sir.

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MR. HUMPHREY: I gather it was.

MR. NOVAK: You misunderstood, sir.

I asked whether, why it was that during this entire year you did not criticize Senator McGovern's defense cut budget until you stepped into the State, onto the soil of the State for an important primary, where defense spending is a very big factor in the economy.

MR. HUMPHREY: Mr. Novak, it really wasn't until about California that very many people were taking either Senator McGovern or myself very seriously about what we were saying.

I think that's an unfortunate factual statement, but it is a fact.

What I mean by this is simply that until it had narrowed down to a couple of men, both of whom have points of view on critical issues, very little had been said.

Now, it is a fact, also, that Senator McGovern's point of view became somewhat of interest to the public when he started to rise in what we call the public opinion polls. Particularly, after the West Virginia and the Ohio primaries.

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1 Now, we are at a point where we are discussing
2 three very vital issues: defense, welfare and taxes. I
3 think those issues need airing, and they need full and
4 complete ventilation and discussion. And I am fully prepared
5 to give that kind of an airing to them. That's what the
6 purpose of this program is right here.

7 MR. SPIVAK: Mr. Pettit.

8 MR. PETTIT: Senator McGovern, could we come
9 back to busing for a moment?

10 You heard what Senator Humphrey said. Do you
11 see any essential difference in his views from your views?

12 MR. McGOVERN: In the way Senator Humphrey
13 described it today, we're very close together on the busing
14 issue.

15 I see busing simply as one tool that can be
16 used to bring about quality education. I fully support the
17 Supreme Court decision. I think we've got to go beyond that
18 to try to break down the walls of segregation all across this
19 country. Busing is one tool that can help accomplish that.

20 MR. SPIVAK: Gentlemen, I'm sorry to interrupt
21 you, but we have only four minutes left, and I would like to
22 divide this time equally between our two guests.

23 We'll come to you to finish off, Senator
24 McGovern, but first, Senator Humphrey.

25 We'll go right down the line. Mr. Novak.

26 MR. NOVAK: Senator Humphrey, I would like to
27 continue on that defense question.

28 You are proposing a \$10 billion defense cut off

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1 the present budget. But, with inflation, and with the rise
2 in military salaries, that would leave the defense spending
3 precisely where it is today. So, you are proposing no cut
4 today; isn't that right?

5 MR. HUMPHREY: No. I would say that the
6 Brookings Institution report took into consideration factors
7 of pay, factors of inflation; the \$12 billion cut, which they
8 justify as eliminating waste and obsolete weapon systems,
9 and I come back again: The most sensible way to reduce defense
10 expenditures is through mutually agreed upon arms cuts, and
11 that includes troops in Europe, that includes also looking over,
12 by the way, all of our overseas bases, to see how many of those
13 that we no longer need.

14 I'm for eliminating waste, but I want to say,
15 once again, that the President of the United States has no
16 greater responsibility than to take care of the security of
17 this country.

18 MR. NOVAK: Senator, your past record on
19 Vietnam has become an issue in this primary campaign, and I
20 want to quote you something you said in June of 1968.

21 You said there was no conflict of conscience
22 on Vietnam. You said, "No man agrees with the President on
23 every detail, but I have supported this policy enthusiastically."

24 Were you not telling the truth then?
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1 MR. HUMPHREY: Yes, I was. You know, I don't
 2 mind being wrong, but I do not want to be a hypocrite. And
 3 I'm not. I did support President Johnson's policy because I
 4 thought he wanted peace. And I was the one that spoke up in
 5 that administration to end the bombing of the north; to have
 6 phase withdrawal of our forces; to seek a cease fire.

7 And might I suggest right here that I think the
 8 time is at hand for the president of the United States to ask
 9 the Secretary General of the United Nations to call North and
 10 South Vietnam before the Security Council of the United Nations
 11 and have President Nixon meet with them.

12 If he can go to Russia, if he can go to Peking,
 13 then why can't we have a meeting in the Security Council of
 14 the United Nations, or under the auspices --

15 MR. SPIVAK: Excuse me, Senator, your two
 16 minutes are up, and now we must go to Senator McGovern. Now a
 17 question for Senator McGovern. Mr. Bergholz:

18 MR. BERGHOLZ: Senator, this campaign rapidly
 19 coming to a conclusion has been in large part an attempt by
 20 Senator Humphrey and his supporters to portray you as a man
 21 who is perhaps too liberal, too extreme, too radical, whatever
 22 term, to entrust to the presidency.

23 I am curious, sir, if that is the case, how in
 24 good conscience can politicians, after the primary, then get
 25 together and say, "Well, gee whiz, we didn't mean it. We are
 26 all good friends and we will support each other."

27 MR. MCGOVERN: Well, Mr. Bergholz, let me speak
 28 to the charge about radicalism rather than to try to go into

1 what is going to happen after the convention.

2 Let me say that I come from the State of South
3 Dakota where there are two to one Republican odds against me.
4 I have been elected four times in that state.

5 Ordinarily, we don't send wild-eyed radicals
6 to the United States Senate from South Dakota, and I think
7 that the proposals that I have made in this campaign, while
8 they do represent a break with the past, I think that's what
9 the American people want.

10 If I were to describe the central issue in this
11 campaign, I wouldn't say it was the dollar figure on any one
12 program. I would say that it is the new politics, the new
13 proposals against the old.

14 But everything I have tried to propose in the
15 way of fundamental tax reform, in the way of fundamental
16 alternative military budget, in scrapping our present welfare
17 mess and starting with something new, these things have been
18 attacked as radical. I don't think they are radical at all.

19 I think they only seem radical to people who
20 are so wedded to the past, so caught up in the old assumptions,
21 that they can't break loose from those things that not only
22 brought us Vietnam, but brought us an unjust tax structure,
23 brought us into a welfare mess that doesn't work, and the time
24 has come for a new leadership that is willing to look to the
25 future and to look to some new solutions.

26 MR. SPIVAK: I'm sorry to interrupt, but our
27 time is up. Thank you, Senator McGovern and Senator Humphrey,
28 for being with us tonight on Meet the Press.

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I will tell you about another special edition
of Meet the Press after this message.

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