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CAREER CONFERENCE ON MINORITY PERSONNEL SPECIALISTS

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It's a great pleasure to be here with members of the business community who are concerned with expanding opportunities for minority group members in business and industry.

I come to you today as a partner in your important endeavor.

I have always believed that civil rights are meaningless without equal economic and job opportunity rights.

From the two vantage points of the business world and the federal government I see much work that needs to be done.

Expanding business opportunities for minority Americans is a complicated process. The economic and social gaps caused by years of exclusion from what must be called the "white mainstream" are indeed difficult to close. Prejudice and ignorance are still deeply embedded further slowing the progress that must be made to expand minority opportunities.

No law or decree can solve this problem.

Sweeping change cannot come by mandate. It will take the persistence of people such as ourselves and the realization by all that prejudice and economic exclusion are not only morally wrong but bad for business.

I am convinced that a combination of moral and economic imperatives in conjunction with enlightened leadership will do much to fulfill the American promise of economic opportunity for all.

Where are we on the road to this goal?

You and I know that we have just begun what must be a long and difficult journey.

But where are we in very precise terms?

The chief problem for minorities in securing expanded economic opportunities involves entering occupations, professions, and industries where they have been traditionally excluded.

During the 1960's steady progress was made by black Americans as they moved into higher level jobs.

Between 1960 and 1969, black employment in white collar, craft and operative occupations increased 67 percent compared with 22 percent for whites. In 1969 there were one million more blacks employed in these occupations than in labor and service jobs. And during the same period, black employment began to decline in low-paying private household and farm work.

Towards the end of the last decade there were pronounced gains in black employment in the professional and technical occupations which outstripped gains made by whites in these areas.

Unfortunately, the statistics showing progress for black Americans and for Spanish speaking minorities are not able to overshadow some of the real problems minorities still face with employment problems at all levels.

If the 1960's provided a ray of hope for blacks in securing expanded opportunities, the 1970's have already cast a dark shadow over black economic opportunities.

By 1970 a larger share of blacks -- more than 42 percent -- were holding jobs in the lowest skilled categories than were holding such low skilled jobs in 1960. Thus, at the start of this decade there were more blacks at the bottom of the

occupational pyramid than ten years earlier.

And by 1971 minority Americans ran directly into the economic recession that was sweeping the nation. Last year, for the first time in a decade, the number of blacks with jobs was below that for the previous year. This was not the case with whites.

Nearly 23 percent of black jobholders are employed in manufacturing. It is this sector of the economy that was experiencing the most sluggishness. The recession in the manufacturing sector has been especially difficult for expanding black job opportunities.

And in the government sector where blacks are well represented, employment grew more slowly in 1971 than it had in recent years.

Added to the reduction in job opportunities for black Americans at the beginning of this decade was the far-sweeping unemployment experienced by the black community.

We all know that the present unemployment data fail to describe adequately the serious unemployment situation among minority groups. But let me make a few generalizations that point to the critical nature of this problem:

-- The unemployment rate for black teenagers runs from 33 to 50 percent

-- The ratio of black to white adult unemployment has been steadily increasing and now is roughly two times greater than white in many depressed areas

-- in 1971 blacks represented 11 percent of the labor force and accounted for nearly one fifth of the total unemployment.

Statistics will always fail to describe adequately what economic recession means to an already hard-hit economic group -- blocked opportunities, little advancement, layoffs and general hardship are all part of the picture of progress halted by economic recession.

I believe that an important roadblock to expanded opportunities for minority Americans can be removed with economic recovery.

Economic recovery cannot perform miracles. But it can create the climate for greater opportunities.

And the key to recovery is a partnership between the business community and government. Neither can achieve the goal alone -- each needs the other.

Let me outline what is needed from the government's side, especially in the area of creating job opportunities for minority Americans:

-- In any plan for economic recovery, the Congress must retain the investment tax credit which allows for increased plant expansion and more jobs. President Kennedy successfully used this device to cut unemployment. There is much talk that it should be abolished as a part of tax reform efforts. I favor its retention.

-- With unemployment still at alarming levels, I believe any President -- Democrat or Republican -- should press for passage of a public service employment bill that would provide 1 million jobs now for the very young and the old. Government can be the employer of first opportunity as well as last resort.

-- One of the greatest problems facing minority groups is the lack of training for skilled jobs. The government is the only institution capable of launching a program of job training that can make a dent in the critical shortage of skills among minority groups. This program should include the whole array of pre-job, on-the-job, and between-jobs training and retraining. The government should invest at least \$250 million in this program.

-- I favor the creation of a National Domestic Development Bank which would build public facilities across the nation and finance this development with a capitalization of \$2 billion.

In remedying the situation of a nation privately rich and publicly poor we will create hundreds of thousands of job opportunities. An important adjunct of the National Domestic Development Bank would fund minority enterprise and have a \$1 billion capital fund for this purpose.

If we took these four steps now, I believe we would be well on the way to economic recovery and more job opportunities in the public and private sectors for minority Americans.

Economic recovery should provide the private sector with the impetus to regain the lost progress of the 1960's in expanding job opportunities and increasing the advancement of minority group members within industry.

I believe we should all face an important fact of life in the business experience of most minority group members:

Blacks and Spanish-speaking Americans have not found an equal chance for advancement in the shops and factories of this nation.

Industries with large numbers of black employees are those in which many jobs are routine, unpleasant and call for a great deal of physical exertion and endurance.

I believe most strongly that the business community has an important obligation to eliminate discrimination in its hiring practice, but it must also seek ways to provide meaningful advancement to minority group members within a given industry.

The problems of black executives -- a group which still represents too small a fraction of the non-white labor force -- are symbolic of problems faced by blacks at all levels of industry.

Young black executives complain that they often hold positions outside of the management mainstream.

Blacks are often placed in executive positions where they only deal with blacks. As one observer of this problem noted: "These jobs are black islands in white industry. The executives who occupy them are often well paid, but they have little or no impact on company profits, and little or no prospect of getting onto a track that leads to the top levels of management."

I believe the same phenomenon often occurs in the political world. I can tell you that it can be corrected more easily than you think.

It takes nothing more than the commitment of a corporation's top officers to allow blacks to advance on the basis of merit -- not race.

I am well aware that many corporations are not satisfied with the progress they've made in integrating their management teams. I believe one course of action for them to follow is to work with business schools to insure that recruitment practices for black and minority group degree candidates are expanded. At the same time they must look to the middle management and lower levels of their own companies for potential executive talent.

I understand that the general feeling among many black executives is that a corporation must give a helping hand to minority group members to get in the front door and then give them a genuine chance to advance along the same career lines afforded to whites.

True equality of opportunity must replace the desire to have showcase minority members at various spots in the corporate hierarchy.

I would like to return for a moment to the issue of the economic imperative I mentioned earlier.

I don't think the American business community realizes the disastrous economic consequences of prejudice. Economists tell us that billions of dollars in human and industrial productivity are lost yearly by the denial of equal economic opportunity.

Perhaps if more businessmen recognized this fact, the problems we face in expanding business opportunities would not be as great.

It is clear to me that the American business community holds the key to the realization of true economic opportunities for the American people.

Our free enterprise system has always been one of the most dynamic forces in American life. Today it is motivated not only by the desire to make profits for its shareholders, but to play a socially useful role in American society. To do this it must recognize that it can no longer turn its back on millions of Americans who want to share in both the work and rewards of the system.

Businesses large and small face an enormous task. Government, too, must vigorously join in the effort. The struggle to achieve equal opportunity for self-dignity for all Americans will not be won until we recognize that true economic integration is as important to this nation as the legally mandated integration of the landmark civil rights legislation of the 1960's.

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