

Nov. 7, 1973

MEMORANDUM

TO: Senator  
FROM: Tim  
RE: Remarks for Urban/Rural Growth Speech

Attached are some remarks for use in your speech Tuesday to the Conference on Community Economic Development of the Council for Urban Economic Development at the Statler Hilton.

Since their objective is to find a common framework for those interested in urban development and those concerned with rural development, I believe remarks on your balanced national growth and development proposal would be most appropriate.

The first several pages of the attached provides a series of questions, some important basic data on the future, and a few new ideas to move you into the substantive discussion.

The remainder of the attachment deals with your proposals and ideas on both rural and urban development and, finally, your outline of the balanced national growth and development proposal. This material has been extracted from speeches on these subjects that you have made recently. If you agree, we will prepare this statement for the Record.

K #1  
DRAFT

How can Minnesota create jobs for its citizens and gain the taxes it needs to function?

What about Duluth or High Point, N.C., or remote villages in New Mexico? Or such inner city areas as Hough in Cleveland, Watts in Los Angeles?

What causes fevered growth in Manhattan and stagnation in Brooklyn; the affluence in Fairfax County, Virginia, and the poverty in the still-scarred riot corridors of the District of Columbia? What should the federal government be doing about it? State and local governments? The private sector?

↳ These are the kinds of tough questions this Conference was called to grapple with. ↳ They are vitally important to our people. ↳ They are difficult and complex with no easy answers.

↳ They involve soul searching trade-offs.

↳ They are questions <sup>if alleviated,</sup> that require a better process of anticipation, analysis, and program action, ~~to be alleviated.~~

↳ By the year 2000, our nation's population will be between 270 and 300 million.

↳ By the year 2000, 80% of our people will live in cities of 50,000 or more.

↳ By the year 2000, per capita income will at least double, it may actually triple.

↳ By the year 2000, over 80% of our people will live on one-sixth of the nation's land in ten urban regions.

*Familial  
stabilization*

↳ This rather basic information forms a dramatic and essential backdrop to any consideration of the future growth and development of our country.

↳ This Conference today demonstrates, ~~beliefs~~, an important new awareness that housing problems, transportation problems, population, <sup>Social</sup> ~~problems~~, environmental problems, <sup>and most</sup> ~~social~~ ~~problems~~, ~~part~~ of the other problems faced by our people, cannot be neatly separated <sup>or compartmentalized or</sup> ~~from each other~~, called urban or rural, and then dealt with effectively in splendid isolation. ~~It is important that the increased awareness is the~~ ~~apparent will to work together to overcome the unfortunate~~ ~~consequences of compartmentalization.~~

↳ I believe that a balanced national growth and development policy provides the framework in which constructive, reinforcing policy can be developed to maximize the positive impact of public policy on the "quality of life" of all Americans.

↳ The questions that we face, given the expected social and economic countours of our nation in the year 2000, are awesome when we look at the inadequacy of our current public policy process.

↳ The United States is in one sense the oldest country in the world -- we were the first nation to enter the 20th

century. Our society has lived the longest with

- high technology
- high mobility, and
- high urbanization.

↳ Despite this historic advantage, we are the last to develop the planning process and techniques required for the smooth adjustment of our people and institutions to these new realities.

↳ Most of the nations of Europe have instituted policies of balanced national growth and development during the last twenty years.

↳ These policies, incorporating population distribution goals, land use objectives, economic growth ~~targets~~ <sup>targets</sup>, and the like, have met with some success already, despite their relatively recent initiations.

↳ During this same period in <sup>our</sup> ~~this~~ country, ~~nothing~~, anything that even sounded like national planning was looked upon with suspicion by a large and vocal segment of our population.

Socialism

↳ But, in recent years, some important progress has been made in making significant component parts of a balanced national growth and development policy. ~~a reality~~.

For Example -

↳ In Title I of the Agriculture Act of 1970, Congress and the President committed themselves to a national policy of

"sound balance between rural and urban America." Congress proclaimed that it "considers this balance so essential to the peace, prosperity, and welfare of all our citizens that the highest priority must be given to the revitalization and development of rural areas."

↳ A similar commitment to the balanced growth and development of rural and urban America was echoed in Title VII of the Housing and Urban Development Act of 1970.

↳ Well, last year we took the first steps in fulfilling this commitment. We passed the Rural Development Act of 1972,

↳ And it is a good piece of legislation. It was signed with all appropriate fanfare.

↳ Now the question is, will it be properly funded?

↳ ~~Ladies and gentlemen,~~ the authorized funding has been cut in half, and certain sections of the bill are not funded at

all. Now you ought to go up to Congress and ask that the full funding for that program be passed by the Congress

↳ I think that's what's needed <sup>at</sup> the beginning, because ~~every~~ <sup>bit</sup> of that funding will add to the well-being of this country. It will not

be wasted. It will help us. (*Delay, Bureaucratic foot dragging.*)

↳ Now, what else is there to rural development? The Rural Development Act of 1972 is not a substitute for all other policy. ~~And I want to get this across here if nothing~~

~~else is said today.~~ It is not a substitute for rural electrification, ~~for example.~~ It is not a substitute for the rural telephone program. It is not a substitute for the rural housing program. It is not a substitute for the rural water and sewer program. It is not a substitute for the Economic Development Administration. It is a supplement. It's an add-on. It's additional.

But what do I see coming out of the counsels of government? Every time a program is canceled out, whatever it may be, they say, look to the Rural Development Act. <sup>well,</sup> I know about the Rural Development Act. It's one thing for the Administration to come to you and say we're not going to give you the money. That's an honest fight. But I don't like them to come and tell me I didn't know what I was doing.

Let me ~~remind~~ remind the President of the United States of what he told the nation ~~last summer~~ when he signed <sup>the Act</sup> the law -- that it was not a substitute, it was a supplement.

It was an add-on.

(Financing)  
Another element in a national ~~and~~ growth and development policy is the need for a source of capital to revitalize rural areas of our country.

The United States has capitalized development financing institutions in Asia, Africa, and Latin America. (While

I am not adverse to providing such assistance to ~~developing~~ <sup>developing</sup> ~~countries~~ <sup>countries</sup>, I think it is time we did the same for our own people. For that reason I have introduced the "National Rural Development Bank Act of 1973."

Such a financial institution, channeling additional capital into rural areas of the United States for non-farm development purposes, is essential to the economic revival of rural America and the future balanced growth and development of our nation.

Rural Bank

Come on!

The National Rural Development Bank Act I have proposed would, among other things:

- ~~create a National Rural Development Bank;~~
- set up a 24-member Board to establish operating policies and procedures;
- authorize the appropriation of up to \$200 million annually for ten years to provide initial capitalization;
- become 100% borrower owned, ultimately, and repay the entire federal participation;
- permit the bank to engage as a partner in equity investments for important rural development projects; and
- create an independent source of capital for the use of small rural financial institutions to promote growth and development in rural America.

↳ We also desperately need to find a better way to finance public projects, In modern America, it is not satisfactory that every mayor and governor must come to Congress every time extra funds are needed for important public works undertakings.

↳ We need, for the financing of many of the public works that are vital to the health of our community, a National Domestic Development Bank, ~~I need your help to get it done.~~  
↳ the average municipal bond in this country is less than 15 years, If we had to build homes with 15 year mortgages, we would be living in teepees or sod huts.

↳ In Sweden and Germany, they have a bank such as I am talking about with loan terms of 100 years. Some have terms for 40 and 50 years. ↳ That's why they finance new cities.  
That's why they finance transit systems.

↳ They put some sensibility into public financing. The need for new schools and new housing and new communities requires some new methods of public financing. ↳ Our country is privately rich but publicly poor. ↳ It is poor because capital is not readily available. We have no program to put capital to work in the public sector.

↳ The National Domestic Development Bank will be a new source of capital for public development, particularly by state

and local government. It will cushion the hardships of a fluctuating credit market. Its purpose is to assure that programs of broad social benefit get appropriate economic support. State and local governments now must undertake better social planning and protect the environment on their own. They get no encouragement from the national Administration.

The National Domestic Development Bank will offer long-term loans at low rates of interest. The bank's regional offices will offer planning and technical assistance. State and local government people will help operate these regional offices.

Another problem which needs our tireless cooperation for solution is the renewal process in our cities. The Housing Act of 1949 created the urban renewal program. During the 24 years since the passage of that Act, we have learned a good deal. It is clear that the program has not accomplished all that we hoped for it. On the other hand, it has done simply wonderful things in many cities. In the Twin Cities of Minneapolis and St. Paul the renewal program has had impressive results.

We ~~are~~ still struggle with the problems of how to eliminate slums and how to build new housing for poor people without creating slums in the future. ~~It is a constant problem.~~

One that will not go away if we ignore it.

I favor a new program which gives much more flexibility and authority to the local people. But I do not favor merely another special revenue sharing grant. We can give more money by merely expanding the general revenue sharing program we already have.

Instead of urban renewal agencies as we know them, we need something better: a working partnership of all levels of government and private investment and entrepreneurs. I would create a system of urban area development corporations. ~~Present~~ urban renewal agencies would become quasi-public corporations. The private sector would be involved across whole urban areas.

The operative power for these urban area development corporations must come from state law. The corporations must have the support of the federal government interest subsidies, guarantees, tax incentives and technical assistance. But they will only be effective if state legislatures give corporations the powers which are necessary for rehabilitation and redevelopment work. The power to issue bonds, prepare and execute developments plans, exercise powers of eminent domain to buy and sell property, to rebuild neighborhoods. The bulldozer is not the only instrument that's available. We can rebuild as well as tear down and build anew.

This <sup>Proposed</sup> ~~is~~ legislation is important, good and necessary for America. However, it is far from sufficient to help us cope with the long term balanced growth and development problems which we face.

Problems of:

- population growth and distribution;
  - balanced national growth;
  - protection of our air, water, and land;
  - fuel shortage and energy crises;
  - balanced and efficient transportation for all parts of our nation;
  - responsible use of increasingly scarce land;
  - requirements for feed and fiber at reasonable prices;
- and many others.

↳ The time has come for us to decide as a nation whether we will "design" or "resign" ourselves to our collective future.

↳ That is the basic question underlying decisions we make today, regarding the kind of a nation we want to create or leave for our children.

↳ What we do -- or fail to do -- today clearly commits and fixes future patterns of life in this country as well as on this planet.

↳ In these days of the super specialist, with complexity of unknown dimensions advancing on us relentlessly at every

turn in our daily lives;—

↳ In these times of amazing proximity between people and nations, resulting from revolutions in communication and transportation technology;—

↳ In this age of unbelievably rapid change in virtually every facet of man's existence, from the way he constructs his office buildings to the way his children perceive "right and wrong";—

↳ We need a way for all the "people" of this nation to participate in shaping their own future.

Only through an effective process of this kind can we as a nation anticipate and direct change and consequently, minimize what Alvin Toffler has aptly named "future shock."

↳ For more than two years I have been writing and rewriting my Balanced National Growth and Development proposal.

↳ I consider it to be the single most important piece of legislation of my 25 years of public service. I intend to spend a great deal of my time in the Senate working to see that its principles are adopted.

↳ I believe this legislation goes a long way toward providing the institutional arrangements necessary to the development of a continually evolving balanced national growth and development policy.

↳ This bill provides for the establishment of an Office of Balanced National Growth and Development within the Office of the President to -- develop specific national policies relating to future population growth, settlement, and distribution patterns, economic growth, environmental protection, income distribution, energy and fuels, transportation, education, health care, food and fiber production, employment, housing, recreation and cultural opportunities, communications, land use, welfare, technology assessment and transfer and monetary and fiscal policy.

↳ This new office also will provide the <sup>means</sup> ~~ways~~ to develop these individual national policies in such a way as to reflect the appropriate inter-relationships that obviously exist between and among such policies.

↳ This new office <sup>will</sup> tie together and coordinate the work of the Council of Economic Advisors, the Office of Management and Budget, and the Environmental Quality Council.

↳ This new office will be empowered to bring about more uniform and workable federal assistance programs, to streamline the federal delivery system now involving hundreds of categorical programs that so bewilder and confuse many state and local officials.

↳ The bill also establishes new uniform planning requirements for federal grants-in-aid and transfers to the new

Office the comprehensive planning assistance Program authorized by Section 70] of the Housing Act and administered by HUD.

↳ The bill creates a national system of multi-state regional planning and development commissions, involving both governors and state legislatures, to help link up and facilitate proper coordination among federal, state, and local units of governments. This nationwide regional commission structure would be directly tied to the new office, ~~within the Office of the President~~ <sup>of Growth & Development</sup>, rather than to a Department, and administered by HUD.

In addition, this bill would create a joint congressional committee on balanced growth and development. This committee would be supported by a new congressional office of policy and planning, staffed by professionals and experts on national policy matters.

↳ New requirements pertaining to the location impact of federal facilities, activities and procurement are specified in the bill. We are the only developed nation in the world that totally ignores this critical question in our private and public decision-making.

↳ This bill creates a new national research institution to monitor, measure and forecast developments and happenings in all the major sciences -- soft and hard -- and to report its findings <sup>to the President, Congress and the Public</sup> with possible alternatives that might be pursued.

↳ It also provides for more detailed and continuous

analysis of population and demographic trends, within the U.S. Bureau of Census.

↳ And, finally, it provides for the development of an annual report by the Executive Branch detailing "where we are," and "whither we are tending" in our pursuit of developing and implementing national policies. ↳ That report will be made available to and assessed by Congress and the people of this nation.

↳ It will become a national working document for the entire nation to reflect its concerns and desires concerning national goals, priorities and policies.

↳ I do not view this proposal, ~~which I will introduce within the next week or so,~~ as the perfect piece of legislation. ↳ This is a difficult and complex problem. I have asked many individuals and groups throughout the country for comments and recommendations. ↳ In due course, all of these suggestions will be carefully scrutinized, and changes in my proposal will undoubtedly be made.

I welcome any and all ideas and comments you here today would care to make.

Now, to close on an optimistic note, I believe that I have seen in the last two or three years a rather

startling rise in concern for America's future. I don't know what to attribute it to; I'm sure there are a number of factors at work. However, the public concern is rapidly growing, and with it the interest in "growth" and development policy" on the part of their elected representatives. I am heartened by this development and more convinced than ever that Congress will act, and much sooner than many of the skeptics expect.

*Manuscript*  
*Kelly* ~~Draft~~ *Don't distribute* *1-73*  
125  
73  
Conference on Community Economic Development  
the Congressmen from various parts of the country go for their vested

interest, without unifying the country in a better way. And it's a great pleasure, ladies and gentlemen, for me to introduce to you a man who has high visibility to all of us, the great Senator from the State

of Minn., Humbert Humphrey (applause)

*Charles Tom*

*drop parts in parentheses*

*manor*  
*umphrey*  
-Thank you, very much, Tom; (I was drinking this coffee because I was sit-

ting in the stadium out there in Minneapolis, <sup>or</sup> at Bloomington, Minn., I

should say, on Sunday, watching the Vikings wallop the Cleveland Browns;

and, by the way, we would have taken on both teams last night (I watched

it on television; and picked up a little sore throat, but we picked up

26 pts; and I'll settle for that any time; <sup>now</sup> no, I didn't come over here

to talk about <sup>2 u</sup> professional football because there's no need in that,

we'll see you at the superbowl; and right afterwards, <sup>?</sup> Joe Raffee will

be paying for the party with the Miami Dolphins, in case there's any-

body here from Florida. Now, <sup>going to</sup> I'm gonna talk to you this morning about

some of the matters that are of concern to me; and I hope they are to

you. I don't look upon this session as one for exhortation, but rather,

as <sup>one</sup> hopefully, ~~for~~ for some reasoning, thinking, and possibly looking ahead.

When Tom Kelley told me about what you'd heard thus far, about the ~~New~~

Federalism and about both the reports from OMB, etc., you almost com-

pelled me to throw away my prepared manuscript <sup>and</sup> to launch into a counter-  
 attack, because I want to say very candidly "I don't think there is any  
 new federalism; if there is, I don't think it works." That's my honest  
 judgment. <sup>(approval)</sup> I should say in all <sup>fairness</sup> honesty that every administration has had  
 one orator on federalism; but, I've been a teacher for American Government,  
 both as paid, and non-paid; both professionally and non-professionally;  
 and I don't see anything that is particularly new about federalism.

Federalism is only operative when that part of the government which is the

<sup>the</sup> federal <sup>sector of government</sup> ~~part of the national part~~ does its part and quits reniging on its  
 promises and its commitments; and that's what counts, <sup>to keep word</sup> so that people

will plan; and when I say "plan", the Office of Management and the Budget

is a very capable and effective office, except that it's the most secre-

tive office in the United States. You don't need to worry about the

Pentagon papers; that was dribble, compared to what goes on over at the

OMB; and I can say that, after having had something to do with the

Bureau of the Budget, <sup>have</sup> I helped prepare <sup>some</sup> the budgets for this government.

As a Vice-Pres of the U. S., I was asked by the President on <sup>occasion</sup> ~~vacation~~

to help coordinate some work in the preparation of budgets. And I want

to tell you that you have less input in that budget as citizens, as pub-

lic officials, than any single action of your government. It's prepared

*Holy unit*

*the*  
in House; it's secret; it comes down to the Congress like it's ~~holding~~

~~it~~, a rediscovered Aegean Sea Scroll, with the Presidential seal on it;

and the private community ~~gets~~ *has* no input ~~from~~ *into* it all. Not a single one

of you have ever been asked 'what should go in that budget'. Not a ~~gov-~~

~~ernment~~, *governor* not a legislative leader, not a mayor, ~~not~~ a city councilman,

not a labor leader, not a business leader not a preacher, not a civic

leader; no one has ever asked out in the country what ought ~~to~~ *been* go in the

budget. That's all prepared in House, by a group of people who live in

Washington, who get a few little communications from out in the country;

and I'll tell you I've been in this government long enough to know that

they don't understand what's going on in this ~~Country~~ *Nation*. I ~~get~~ *journey* around this

Country as an elected public official; and, in my days of public service,

and they're *it will be* 25 yrs. this mo. ~~to day~~ that I ~~had~~ *had* first a chance to start

in what we call federal public service. I was then Senator-elect; and

I came to this city on the 19th day of November, looking for a place to

live; and I've been here every yr. except 2, when I was put out to pasture

for awhile so I could recycle and get back (applause), *Respect* But I want to say

~~to~~ *making* you very candidly that the budget process of this government is one of

its main weaknesses. It becomes a special little province of some people,

who have a passion for animinity; and that's something ~~to~~ *about which we should* be suspicious ~~about~~ 1445

Anyone who is

I can tell you that ~~when you're~~ <sup>we're</sup> anonymous and passionate at the same time. ~~deserve~~ <sup>our</sup> suspicion.

Now, having said all of that, I'm not <sup>implying</sup> saying that these people aren't com-

petent. I am simply saying that they do not understand, they do not have the feel for what's going on; and that's why the priorities of this country get out of balance. That's why there aren't any real priorities.

~~because~~ I'm not about ready to let somebody that's appointed with tenure

on civil service <sup>determine</sup> ~~tell me what my~~ priorities ~~are~~. I'm willing to get <sup>their</sup> ~~his~~

advice. <sup>to</sup> Experts ought <sup>to</sup> be on tap and not on top. Make no mistake about

it. <sup>(applause)</sup> <sup>in order to help solve this situation,</sup> Now, ~~having said all of that,~~ I want to set up some mechanisms of

~~this~~ govt that will start to deal with ~~some~~ long-range planning. I want

to talk about <sup>ways</sup> ~~how~~ we can pull this society of ours together, how we can

phase in the different factors of it. This morning I had a conference <sup>reports</sup> <sup>press</sup>

on a forestry management and environmental protection, <sup>Bill</sup> <sup>we were</sup> ~~just~~ looking at

the whole subject of our <sup>all</sup> ~~whole~~ renewable resources, of our land, ~~and~~ water, ~~and~~ timber,

~~and~~ grassland and rangeland, and how we could work together to get a system

of management; <sup>presently</sup> instead of that, <sup>that water is</sup> we have a bill come in, on cutting, another

~~bill that comes in~~ on roads, and another ~~bill that comes~~ on the elm disease, <sup>bill</sup> <sup>still</sup> <sup>bill</sup> <sup>in</sup>

~~something else that we~~ deal with <sup>and</sup> <sup>these separately</sup> it as if this whole society of ours, this

whole structure, was made up of individual parts totally unrelated to the whole.

or to the totality. (Without having said that for openers, and I hadn't planned on it at all, it's all your fault, <sup>Tom/Now</sup> John, let me get down ~~here~~ to

some of the questions that I've noted ~~down~~ here for ~~you~~, and by the way,

I've come ~~here~~ <sup>today</sup> to talk some sense to you. I think we <sup>all</sup> have to ask, ~~I have~~ <sup>ourselves</sup>

to ask for example, ~~myself~~, <sup>especially</sup> as a U. S. Senator from Minn. ~~right off the bat~~,

"How <sup>do</sup> can we create jobs in Minn for our citizens? How do we gain the

tax revenues <sup>properly?</sup> that our State needs to ~~have~~ to function? What about one

of my favorite cities, Duluth MINN? <sup>Ben</sup> Is ~~Van~~ <sup>Ben</sup> Boo here? ~~Van~~, hello Mr.

~~Mayor~~. How about High Pt., N. C. } or remote villages in N. M. } or

such inter-cities as Huff ~~and~~, Cleveland, and Watts in Los Ange les? What

causes fevered growth in Man ~~Hattan~~ and stagnation in Brooklyn } the afflu-

ence at Fairfax County, Virginia, and the poverty in the still-scarred

riot corridors of the District of Columbia? And, by the way, I might add,

they've been talking about doing something about these riot-torn areas

here for yrs., and not a thing has been done; not one thing here in the

<sup>should</sup> Nation's Capital. What the Federal Government be doing about it? State

and local governments, what should they be doing about it? What is the

role of the private sector? Do we look at them individually, or is there

some way <sup>that</sup> they can be blended together? Now, these are the kinds of ques-

tions, <sup>specific</sup> tough questions that this Congress has been called to <sup>on</sup> ~~grapple~~ <sup>solve</sup> with.

They are vitally important to our people. They are difficult. There are

no easy answers. They're very complex problems, <sup>that</sup> ~~they~~ involve more soul-searching

~~trading~~ trade-offs. These are questions that require ~~a~~ better process

~~and~~ anticipation ~~and~~, analysis and program action. Now, you know all these

old familiar statistics, but we ought <sup>to</sup> keep <sup>them</sup> ~~em~~ in mind, because this is

what we've got to <sup>discuss</sup> talk about. We've got to look down the road, at least

a decade. Dear friends, <sup>had</sup> ~~have~~ we been looking down the rd. we wouldn't

be sitting here today, as I did this morning, and listening to the awful

news about ~~what's happening on~~ <sup>to use</sup> oil embargoes. I don't think anybody in this room

really understands ~~in this room~~ yet what's going to happen to us. <sup>pastly</sup> ~~the effects of this~~ situation

We're going to have to change our life style. ~~make~~ no mistake about it.

We're going to have to tell the automobile industry they can't keep pro-

ducing 400-horse-power cars to travel 10 miles in the city and get an

average 10 miles to the gallon. We're <sup>going to</sup> ~~gonna~~ have to lot of things

~~do~~ differently, here. ~~But~~ We didn't look ahead at what the energy prob-

lems would be. We didn't even look ahead at the capability of the

people of this country to consume ~~the~~ food. We have an energy crisis

in the world today, and it affects us; we have a food crisis in the

world, and it affects other people more than it does us. ~~We~~ just haven't

planned, <sup>We're</sup> ~~in~~ an unplanned society. We live by the grace of God, good luck,

and accidents (applause). And, of course, one of the reasons we've done

this is we have these unlimited resources. It's <sup>of</sup> sort like a person that's

basically healthy in the tender yrs. of life. ~~And~~ when you're in your 30's

gun-ho, <sup>energetic</sup> etc. you don't worry about what you dissipate and what you do. There

comes a time, <sup>however, when time catches up with you, and</sup> and that doesn't mean if you care of yourself, that you can't

~~have a pretty good time when there comes a time, if you take care of yourself.~~

<sup>Most of us</sup> ~~do~~ little planning ahead, but <sup>we</sup> most of us wait till <sup>we</sup> we get the heart attack.

Then we start to <sup>log</sup> ~~log~~ and ~~we~~ take off ~~the~~ weight, <sup>and</sup> and ~~we~~ do all <sup>these</sup> this sort of

things, rather than really do <sup>what</sup> what needs to be done. You know, in this coun-

try of ours, I've always said we've had physiological politics; empty stomach,

full head; full stomach, empty head, <sup>and</sup> and ~~that's~~ fact, <sup>going to</sup> we're not ~~going to~~ appre-

ciate what the crisis is, until we get cold, until industry shuts down. I'm

having a study made right now <sup>so</sup> ~~that~~ is shocking I don't even dare reveal it,

as to what's going to happen in terms of the possibilities this winter, when

~~that~~ heating oil starts running out. Talk about unemployment; talk about

hardship; ~~they~~ <sup>it</sup> could hit us like a ton of bricks. <sup>Here</sup> ~~Then we drew down from~~ The surplus supply

<sup>has fallen from</sup> almost 900 000 000 metric tons <sup>of surplus food in the world,</sup> which was enough to

take care of us for about 8 mos., down to less than 100,000,000 metric tons

<sup>We've</sup> ~~you~~ got 27 days of food <sup>surplus</sup> ~~lost~~ in the world today even with Russia's big crop.

They've been drawing it down, drawing it down, drawing it down, <sup>further and further.</sup> ~~we~~ hear people

say, "We need <sup>a</sup> world food bank." We <sup>we got to</sup> gotta have <sup>adequate</sup> ~~some~~ reserves. I was hold-  
 in hearings on world food bank <sup>the</sup> back in 1956, and the man that was opposing  
 it in '56 was Earl Butz, Ass't. Sec'y. of Agr. He's elevated now, and he's  
 gotten up to be Secy ~~now~~, and he's still opposing it, or at least he hasn't  
 come around yet; but we're working on <sup>him</sup> ~~so~~ I had those hearings <sup>The other day, from</sup> ~~before me~~  
~~the other day~~, May 28, and 29th. 1956. <sup>Hubert</sup> Humbert Humphrey and James Murray of Mont.

author of the World Food Bank Program...didn't get a corporal's guard to help  
 us, so what do you want to talk about a World Food Bank Program for? How

dumb can you get? Today we need it. Three yrs. ago, if you'd gotten up,  
 and said "There's an energy crisis," they would have said, "Look I'll lock

him up," Now, I'm here to tell you, that this is the problem all <sup>through</sup> ~~the~~ the S  
 society of ours, ~~and~~ we waste the tax payer's money. As a member of Con-

gress, I <sup>have</sup> ~~we~~ got to report to the American people that we are wasteful ~~mem-~~  
<sup>public servants</sup> bers of the public service because we refuse to have a government that plans.

Now, you can't do it <sup>In a business,</sup> in your own family...you wouldn't have a manager <sup>employ</sup> ~~in~~  
~~charge of your business~~ that didn't have <sup>plan</sup> some planning at least a few mos.

ahead, or at least a yr. or 2 ahead. ~~You wouldn't have him around~~ <sup>for</sup> 15 minutes,

and, if <sup>it</sup> you were a corporation, the stockholders wouldn't permit it; but, when  
 it comes to running the <sup>govt</sup> ~~country~~, which, by the way, makes every other business

look like it's a peanut stand; <sup>such non-planning is readily excepted.</sup> remember, we're talking about \$300,000,000,000

of the people's money, ~~being used by the government.~~ <sup>Gov't spending</sup> That has a tremendous impact on this economy. ~~It~~ <sup>I</sup> can make or break everybody; and yet, it is an unplanned operation except for two divisions of government, ~~and note these two:~~ the Pentagon and the Highway Trust Fund. The Pentagon, why does the Pentagon get the Lion's share of the budget? Not only because of National Security heat, which we have, but because it plans. When I ran for President in 1968, I told the American people, <sup>but</sup> they didn't listen, ~~but~~ I told them that the next President would have on his desk over \$90,000,000,000 of new weapons systems that he had to decide on in the first two yrs. of

his administration. That had all been in the process of planning in the first 15 yrs. <sup>Through</sup> Highway Trust Fund, <sup>we are</sup> rebuilding Interstate Highways, across this country, <sup>we</sup> why? because we got the money and they're long-term plans.

If you gave the engineers all the money they wanted, they'd pave the whole thing. They got a plan for it. <sup>ive</sup> Now, I mention all of this, because they are just some facts that you and I are still kicking around and don't

believe. ~~And we're~~ <sup>a population</sup> going to be confronted with the possibility of ~~\$270, 260,~~ <sup>280,</sup> anywhere from 260-300 million people in this great Nation of ours, by the year 2000; and, if we're pushing on our resources now, what will it be like then? <sup>?</sup> By the year 2000, 80% of our people will live in cities of 50,000 or more, unless there is a decided pattern of change. By the year

2000, per capita income obviously will more than double; but what will be the rate of inflation? By the yr. 2000 over 80% of our people live on 1/6 of the nation's land in 10 major urban regional areas; and that is an accepted fact. Now, this rather basic information forms an essential backdrop to any consideration of future <sup>growth</sup> and development of our country. This conference today demonstrates an important new awareness that all of these things, Housing, transportation, population, social concerns, environmental problems, and most of the other problems faced by our people, cannot be compartmentalized, cannot be dealt with separately, they have to be <sup>considered</sup> dealt with in terms of their relationship with each other. For example; ~~let's take,~~ I really think I'm somewhat of a knowledgeable man in the area of food; <sup>world</sup> world food production, and domestic food production. This is an area in which I spent a great deal of my time. I've served on the Committee on Agriculture for over 15 years, and I feel that I know something about this. I'm going to be in <sup>Munich</sup> Munich, Germany, this next week, to speak to a world protein conference; <sup>I'll be</sup> later on, in Rome, <sup>at</sup> to the Food and Agriculture Conference. <sup>Talking</sup> Now, you talk about Agriculture, people say "well, we'll open up more acres, we'll tell the farmers to plant more." Let me tell you, we can have a feast and a famine at the same time. <sup>we have</sup> We got food stacked up <sup>right now</sup> right now, out in Iowa, Nebr and Minn. on the ground,

because there's no elevators, no storage, no box cars. Transportation

<sup>an integral</sup> is part of the food industry, ~~storage, credit~~. The other day, here, for

<sup>^</sup> ~~better than a month, we waged a constant struggle here in the government,~~

~~without including any mention of fertilizer.~~ <sup>without fertilizer,</sup> 30,000,000,000% of the entire feed grain crop of this

country is due to fertilizer, and, <sup>real</sup> If our feed grain crop dropped as much

as 10%, there'd be a world catastrophe, believe me, a catastrophe. We are

the reserve food-producing nation of the world, and we have no national

food policy. <sup>The</sup> Interstate Commerce Commission horses around with transpor-

<sup>The</sup> tation. Cost-of-living council fools around with ~~what~~ the problems of

<sup>fertilizer</sup> the food industry. We've got export policies unrelated to the domes-

<sup>However,</sup> tic needs. <sup>We</sup> still do not have a national food policy in this country.

And, by the way, because we haven't had one, prices ~~were~~ for consumers

at home go on up and up, while we export more and more. ~~By the way,~~

when you take a look, you know, <sup>recently the wheat with</sup> somebody described ~~that deal~~ to Russia as

our nutritional yulta. <sup>Look,</sup> we took all the excess that we had, ~~we em-~~

~~ptied the bins,~~ without any regard as to what this would do. <sup>we</sup> emptied

<sup>of wheat</sup> the bins, without any <sup>concern for the effects on</sup> regard to what that would do to the substitute crops

<sup>and</sup> other feed ~~crops,~~ <sup>grains such as</sup> barley, oats, and rye, sorghums and corn, <sup>what were the results?</sup> and we ended up

with a shortage in our own Country and a world-wide shortage, because there

was nobody that planned. We had one idea: get rid of the surplus,

That was the problem; that was the news item. Let me say again, as I'm going to repeat it every time I'm <sup>here</sup> in this city. The press in this city,

the media in this nation, talked about our farmers as if they were enemy

#1. They talked about how they were being subsidized. There wasn't a

reporter in this town ~~who~~ could write a sensible story about agriculture

~~excluding the issue of~~ <sup>receiving</sup> ~~except~~ how much subsidy the farmer s were ~~getting~~; and many of them still

can't write one. Now they're beginning to learn, <sup>finally</sup> ~~and let the farmers sub-~~ ~~sidize everybody else~~ <sup>they're beginning to learn, unless</sup>

~~They realize that~~ <sup>They realize that</sup> ~~the bottom federal subsidy that was paid to the~~ <sup>the farmer</sup>

farmer is pennies compared to what you're paying today at the supermarket.

<sup>As before</sup> ~~lack of a coordinated food policy is responsible -~~ <sup>because of uncoordinated food policy;</sup> so, again, ~~I come down to what it~~

costs us, <sup>may I say</sup> ~~not to have a plan or a program.~~ So, today, I'm beginning to

say "You're beginning to understand and thank God for this conference. ~~that~~

<sup>It's encouraging to know that</sup> ~~you will~~ <sup>want</sup> have to have programs of policies of balanced national growth and

development. ~~As a matter of public policy,~~ to ~~indicate~~ influence the quality

of life and even ~~our~~ <sup>a</sup> standard of living. Well, now, we generally look upon

ourselves as 'young country'. But the fact is we're really an old country,

in terms of the realities that we face today. We <sup>were</sup> ~~are~~ the first nation,

for example, to enter the 20th century, in terms of what the 20th century

really means: <sup>and many other fields</sup> ~~inscience~~ <sup>that's</sup> ~~and all its effort.~~ <sup>imposed</sup> Other coun-

tries were very late getting into it. Our society has lived the longest

with high technology, with high mobility; the ability to move from one part  
of the country...<sup>to another</sup> remember, the greatest migration of people the world has  
ever known ~~to man~~ took place in this country, your country and my country,  
in the last 30 yrs. 30 some million rural Americans left rural America to  
go to urban America, just like a massive wave of humanity, with no plans  
as to how they were going to be absorbed, with no instruction to them, as  
to what they were going to find; <sup>Many of them</sup> they were much more foreign, <sup>many</sup> of them,  
to the urban society, than if you'd brought somebody <sup>brought</sup> in here from Uganda,  
or from some place in the <sup>Nepal</sup> ~~Pau~~, or some place else that speaks a strange  
language and <sup>has different customs.</sup> a different people. They were Americans; but the American  
that left Appalachia, or the share-crop farmer, in the South, ~~or in the~~  
~~Appalachian area~~; and that went into NY City or Detroit, he was like a  
foreigner; and the people that received him were very foreign too. But  
we do much more for our Cuban refugees, when they <sup>arrive here</sup> come in from <sup>Havana</sup> Cuba,  
~~Havana~~  
Havannah, we have receiving stations for them. We have ways to help  
them get adjusted, we have job placement programs. Thank goodness that  
we do; but <sup>who</sup> that American <sup>who</sup> that is black or white, came out of the deep south <sup>'s</sup>  
<sup>often economy</sup> and went into Detroit, because one of his relatives was <sup>living</sup> ~~up~~ there or because  
he was asked to come up <sup>for</sup> and there was a job, he got nothing, except heartache.

and trouble. <sup>Even</sup> and then we abused him <sup>with</sup> by criticism thereafter saying, well,

all <sup>he</sup> ~~they~~ want is welfare. I just ~~mentioned~~ <sup>mention</sup> we did not do any social <sup>to stress the point that</sup>

planning. <sup>Yes,</sup> we have the highest urbanization of any society, and des-

pite the historic advantage that we've had, we are the last to develop <sup>nation</sup>

the planning process <sup>and</sup> in techniques required for any kind of adjustment <sup>our people to easily adjust</sup>

~~for our people in these constitutions and these new realities.~~ <sup>to new environments + realities</sup> Most of

the nations of Europe have instituted policies to balance national growth, development and planning during the last 20 yrs; and in many

places, they've worked rather well; <sup>The</sup> Scandinavian countries, Germany,

England, and other parts of Europe. We could learn much from them.

During this same period in our own country, anything that even sounded like national planning was looked upon with suspicion and sometimes with

contempt. I want to tell you that if I made the talk 10 <sup>or 20</sup> yrs. ago that

I'm making now ~~or 20 yrs. ago that I'm making now,~~ there would be a great deal going <sup>of whispering on throughout</sup> out thru this audience and other audience, murmurs

saying "He's a socialist, I think he may be a little <sup>Pink</sup> pink, oh, he's most

likely a Communist, <sup>do we hear such utterances.</sup> he's trying to put us into some kind of a strait-jacket, ~~but~~ no longer. ~~For example, what have we seen?~~ We begin to

see, even within the Congress, we ~~begin to see~~ the outlines of a national growth <sup>of flexibility.</sup> in policy. <sup>or in</sup> Title 1 of the National Agriculture Act of

1970, Congress and the President committed themselves to a national policy,

*with a* sound balance between urban and rural America. Let me say, there's no way

you can ~~beat~~ <sup>meet</sup> the urban problems without ~~beating~~ <sup>meeting</sup> the world problems. There's

noway, absolutely no way...(applause) We ~~can~~ <sup>will</sup> spend ourselves into bankruptcy,

trying to take care of urban America, unless we start to do something ~~about it~~,

about modernizing rural America. I don't want to frighten you, but the cost

per capita of municipal services in a city like N Y., ~~and~~ Philadelphia <sup>or</sup> and

Detroit, as compared to a community like Marshall, Minn. or St. Cloud, Minn.

is 7 to 1, ~~seven times as much~~, <sup>S</sup> seven times as much <sup>for</sup> picking up the garbage,

for sanitation, for public protection, for public safety, for public health,

for all the things that are just required for living. And let me quickly

say that all of these things are <sup>a</sup> part of your income. <sup>E</sup> Every American ought

to be entitled to certain basic <sup>good solid</sup> public services, whether he lives in Seattle,

Washington, or Tallahassee, or whether he lives in Cleveland, or ~~lives~~ out

~~here~~ in Appalachia in some little town. He ought to have certain things

that come to him, just like he has a highway that he can drive his car on.

He ought to be able to have good schools, good public health, good public

transportation and certain other municipal or social services that are pro-

vided by the public. That's part of being a citizen of this country, ~~and~~

~~after a while, you build up.~~ <sup>At present</sup> What we have, we have some places that have

fine public services and other places way down in the pit, and there's no way an individual can have ~~have~~ equality of treatment under those conditions. That's why the Court has ruled, <sup>for example,</sup> ~~on the~~ ~~education,~~ that the right to a good education does mean there has to be some equality to education, equality in terms of the input and the expenditures that go to make that education possible. Well, ~~A~~ <sup>that</sup> similar commitment ~~embodied~~ <sup>by the 10 day</sup>

~~with the language~~ and the Agricultural Act of 1970 is rather interesting,

~~but~~ listen to this: "Congress proclaims, it considers this balance so essential to the peace, prosperity and welfare of all of our citizens, that the highest priority must be given to the revitalization <sup>and</sup> the development of rural areas." Now, that's the public policy on the part of the Congress of the United States. That's the law, but you talk about breaking the law, ~~Christ~~, we don't pay any attention to these laws. We have a lot of people over here, that are required to faithfully administer and execute the laws of this country. That's the law; and, I'm here to show you today that that law is being flagrantly violated, most of it by sheer avoidance and contempt. Now, a similar commitment to the balanced growth and development of rural and urban American was echoed <sup>in Title 7</sup> ~~and titled,~~

of the Housing and Urban Development Act of 1970. Well, ~~last~~ <sup>last</sup> yr.

we took the first steps in fulfilling this commitment. We passed the

Rural Development Act of 1972. I fathered that act; I offered it;

I held hearings all across this country, <sup>concerning it</sup> and we passed it, ~~and it's~~ <sup>to I's</sup>

good legislation, <sup>Some ~~it~~ +</sup> called land-mark legislation. ~~But~~ <sup>the</sup> law was

passed and the President signed it. And, <sup>now</sup> by the way, we have to

ask ourselves "what <sup>did they</sup> do about it?" Well, there was a whole yr.

before they even got up here to even ask for any money. ~~nae? they need ???~~ <sup>Delayed.</sup>

They don't pay any attention to <sup>what</sup> ~~want~~ the people's representatives want.

We, up there at high places, we know better, <sup>S</sup> somebody that didn't get

elected and could not get his own mother <sup>to</sup> to vote, he knows better. I

don't have much respect for that. I think you <sup>get</sup> go the feeling as I speak

to you about that. Well, has it been properly funded? Well, <sup>First of all,</sup> the au-

thorized funding has been cut in  $\frac{1}{2}$ , <sup>and</sup> was a yr. late, ~~first of all,~~ <sup>we</sup>

didn't even get the regulations under the Act, for about almost a yr.

You'd think that somehow or another they didn't have time to do this.

They <sup>have</sup> got time to do what they wanted ~~to~~ <sup>to do</sup>. Think that over for a minute,

~~C~~ertain sections of this bill are not funded at all, <sup>S</sup> so I want you that

are interested in rural development to take a look at that Act as a

bureaucratic <sup>which</sup> delay is unpardonable. Senator Clark of Iowa is now

chairman of the sub-committee on Rural Development. I gave up that

sub-committee this year, so I could move over to what we call Foreign  
Agriculture Policy because I believed there was ~~some~~ great need here

*I wanted*  
and to give some attention to it. But I am a ranking member on that

sub-committee on Rural Development; that's one of my children; and I'm *not*

*going to*  
~~gonna~~ let somebody kick it around; so, if there's anybody here from the

Department of Agriculture, let him *get* ~~give~~ the signal, right now. Now, what

else is there to do with rural development? Well, first it's not a sub-  
of all,

stitute for weather policy: every time we came up against anything this

year when impoundment of funds took place, ~~right away~~ the administration

*immediately*  
would say, "Well, you get that out of general revenue-sharing. ~~Now~~, I

am the co-author of general revenue-sharing, with Howard Baker of Tenn;

*Republican* *when the Pres. signed the bill*  
~~my part isn't major. What did the President say when he signed it?~~ He

said, "It's new revenue, new national income, it is not to supplant; it

is a supplement: that's what they said in '72, before the election; now,

we come down to ~~find out~~ what happens to general revenue-sharing; it's

supposed to take care of everything; it's sort of just like Ward's liniment,

we used to have that in Humphrey's Drugstore, take care of everything from

*?*  
cancer to chill blades, you know, just put it on. Well, it doesn't take care

of everything. It's important, and it's very good legislation; and thank

1670 goodness that we have it, but the same thing is true of the RDA. When they tried to cancel out RDA, Rural Electrification also said "Go to the Rural Development Act;" and they woke up to find out they didn't even have the rules and regulations promulgated for the Rural Deve Act, had to back up a little bit, found that the RDA<sup>out</sup> wouldn't take care of it. The RD Act is not a substitute for the ~~RD~~<sup>RD</sup> Program, it's not a substitute for REA, it's not a substitute for Rural Water and Sewer Program, it's not a substitute for rural economic administration, it is an add-on, it is like taking vitamins. Vitamins is not a substitute for a good breakfast; vitamins just help in case you don't get a good breakfast. Rural Development is an add-on.

Now, let me remind those in authority in this country that we expect some action. Another element in the national growth and development policy is the need for ~~our~~<sup>or</sup> new source, ~~or for our source~~<sup>or</sup> of capital to vitalize rural areas. Now, ~~we~~<sup>days</sup> have a bank for everybody. We ~~got~~<sup>have</sup> an African Development Bank, we ~~got~~<sup>have</sup> an Asian Development Bank, we have an Inter-American Development Bank, we have a World Bank, we have a Central-American Development Bank; but we don't have in th United States of America a Rural Devel opment Bank; and, therefore, everybody waits <sup>around</sup> awhile to see what ~~everyone~~ the federal government is going to do; what the budget will be; what the Congress

will do. I suggest that the way to start to finance some of these non-farm, non-agriculture developments that are needed in rural America, for the smaller towns is ~~that we~~ <sup>to</sup> put it ~~up~~ on banking principals, ~~and~~

We did this with a federal land bank for our farmers; and the Federal Land Bank has been a great success. We did this with the Reconstruction Finance Corporation for our Business . It was a magnificent success

~~through~~ <sup>through</sup> perilous times. We 've done this ~~with~~ <sup>from</sup> our cooperatives, with ~~our~~ <sup>the</sup>

Cooperative Development Bank. We've done this in many different sources

of revenue for ~~the~~ public purposes in this country; and I want to advocate to you that you support our proposal, <sup>the</sup> a proposal which I have offered for a national Rural Development Bank. It's known as the National

Act  
Rural Development Bank of 1973. Now, why do we separate out the rural?

because I've been here a long time enough to know, ~~When the big boys~~

<sup>I remember when</sup> ~~come down, and I was mayor of Minneapolis, when we came into the city,~~

we had a city atty of planning people, we had people , we had a budget.

But when the folks came in from Kokado, Minnesota, they don't have all

that. You've got to give some special consideration to people in small

towns in rural America. Otherwise, they get elbowed out, shoved out; and

I want to make sure they are not pushed out but they are brought in. Now,

having said that, I'm not going to take your time to tell you all the

details of this <sup>bank</sup> ~~bag~~. It's <sup>receives finances</sup> got ~~capital~~ at the rate of \$200,000,000 a yr.

For ten years, to provide for its initial capitalization, It'll be ~~bor-~~  
<sup>borrower owned</sup>  
 rowed or owned, as each loan is made, a certain percentage is paid back

to the bank. Just like in the farmers, <sup>the</sup> federal land bank, you permit

as in  
 the bank to engage in a partner and equity investments, to create an inde-

pendent source of capital for the use of rural financial institutions.

so  
 We've worked it out that the Independent Bankers' Association and the  
 American Bankers Association could work with us. We also need to find

a better way of financing the larger projects in our country. And,

therefore, I have proposed a National Domestic Development Bank

to help the bigger cities, to help the bigger programs, at state and

county levels in public programs. This country is privately rich and

publicly poor. I go back to what I said a while ago, if you're a fac-

tory worker working in Seattle, Wash.; or, if you're a corporate offi-

cer working in Seattle, Wash., and your company moves you; or you're

compelled to change your job and have to move into a small town in Mo.,

you ought to be able to have certain basic minimum services that are there,

because you are a citizen of the United States of America. You ought not

to have to be down-graded and de-graded by the lack of adequate public facilities and public services simply because in this great nation of ours, you are transferred from one part to another due to no fault of your own. That's what I mean about ~~some best?~~ equal opportunity. 1715

Now, I mentioned a while ago, about other countries; in Sweden and Germany, they have a National Development Bank ~~in these countries~~, such as I'm talking about, with loans of 100 years, at low rates of interest; 50 and 40 yrs. <sup>at</sup> ~~and~~ 2% interest, so that you can develop your community,

so that you don't have to wait and <sup>write</sup> ~~invite~~-your Congressman, <sup>asking if</sup> 'did you <sup>you received</sup> ~~get~~ some

money for the water and sewer program; did you get some money for this

<sup>or</sup> ~~and~~ that? 'Go to the bank and borrow it under long-term loans with low-

rates of interest, subsidized if you please; interest, that's the sub sidy,

that would be the only subsidy that the government would need to meet; and,

I might suggest, that if we did that, we'd have a much more solid structure

in our country today for the domestic needs of our society. A bank would

have regional offices, it would offer planning and technical assistance,

<sup>govt.</sup> if state and local people would help operate these regional offices. Now,

another problem which needs our tireless cooperation or solution is the renewal

process in our cities. The Housing Act of 1949 creatd an urban renewal program.

during the 24 yrs. since the passage of that Act, we've learned much.

It is clear that the program has not accomplished all that we'd hoped for.

On the other hand, it has done simply wonderful things in many cities; now,

I might refer to the Twin Cities of Minneapolis and St. Paul, where I've

seen their renewal program make very impressive results. We still strug-

gle with the problems, how to eliminate slums and how to build new housing

for poor people, without creating slums in the future? Now, let me just

<sup>it</sup> get in quickly: we've got to quit talking about ~~just-raising~~ building

just residential areas as if they're just a place to sleep. Neighborhoods

have to be vital, viable areas unto themselves, where you have the things

that are needed ~~there~~ to maintain life; the church, the hospital, the dr.,

the schools, the supermarkets, the filling stations, the bank and every-

thing else. We have let the automobile guide our life. The people that

work down town and in big cities, today, Chicago, Minneapolis, Cleveland,

all live 40 miles out of town; that is, the white-collar, upper-income,

middle-income people, ~~they~~ live out in the country, <sup>T</sup> the people that work

outside of town, because the new factories are being placed outside of

~~the city~~ town, now, for reasons of taxes, or whatever else it may be, ~~people that~~ are

the factory workers, <sup>that</sup> ~~they~~ live in the city. So, you <sup>have</sup> ~~got~~ a constant problem

of cross-communication. I go back to my own city of Minneapolis, ~~with most~~

~~again~~, most of the people at work in the IDS Bldg., the Northwestern  
 National Bank, etc.; they're out there, they're living out Lake Minno-  
 tonka, Arnold(?), they're living out on the end of the suburbs; they  
 drive on into the city; the folks that are working out in the plants  
 and around, in the suburbs, they're living in the core city; and we've  
 got a crazy pattern of transportation that is driving us up a tree. Now,  
 many of you have been to the European countries; and what are we finding?  
 Or in Japan...not that all these countries have everything that I like;  
 but they've got some things at work. They have their factories reason-  
 ably close to the people; the jobs and the people are brought together;  
 the schools and the people are brought together; we've got everything  
 mixed up here with buses <sup>and our</sup> and cars <sup>system</sup> transportation; we haul people around  
 as if they're commodities when we ought to have it so that we ought to  
 have communities of Americans living near their work, communities that  
 are alive. Now if you <sup>live in</sup> the core of the central city, fine, well and good,  
~~if you do,~~ like the downtown of Manhattan; but everyone of the communi-  
 ties around there ought to be able to survive almost unto themselves  
 as sensible, viable units. I've looked upon our great metropolitan area

like a wheel with the spokes going on out to villages and towns and other communities, with the center services, yes, at the heart of the hub, but with people being able to make a living close by, and not having to run across this country as if they're chasing dreams, or caught up in a fantastic nightmare. Now, let me just say a word again about this renewal; I happen to think there's something we can do to help these urban renewal agencies and to make them better: I would like to create a new system of urban area development corporations, <sup>The</sup> present urban renewal agency <sup>ies</sup> would become quasi-public corporations, <sup>T</sup> the private sector would be involved across the whole urban area, <sup>T</sup> the operative power for these urban area development corporations must come from state law; corporations must have the support of the federal government, intra-subsidies, guarantees, taxes incentives, and technical assistance; but they will <sup>be</sup> only effective if their legislatures give the corporations the powers which are necessary for the rehabilitation and redevelopment work -- the power to issue bonds, to prepare and execute development plans, to exercise powers of eminent domain, to buy up and sell property, rebuild neighborhoods; the bulldozer is only one instrument that's available. We can rebuild as well as tear down. And we have

just taken whole neighborhoods in this country and uprooted them, as if there was nothing there at all. I want to tell you, dear friends, that some people <sup>try</sup> tried to live near their loved ones, even if they're buried.

People do not like to leave their old church and their old cemetery and their old school, etc. They like to have things fixed up; and our whole tax system denies people that chance. ~~Every time that out in my part of~~

~~the woods out there in the world, if you go around and fix up your little~~  
~~house, let's say you're a low-income worker, well, say you're a \$0,000 or~~  
 8,000 a year; by the way most people <sup>do</sup> are; they're not all these big shots.

Most people <sup>For Example,</sup> ~~in this country~~ have an income under \$14,000 a year, <sup>you earn an income of</sup> (about 70%

~~of the people in this country.)~~ So, that's what we're talking about; now, <sup>people like this</sup> when they go out there and fix up their home <sup>or</sup> and put on a new porch or they installate or they put on new storm windows, or they put on new siding, or

they add a family room; and, most likely, if they're like our folks are,

by they do this pretty much for themselves, maybe hire one skilled worker to go to work with them; <sup>what</sup> What happens? The tax assessor comes through

with an "aha, aha," "You've been fixing up, huh?" "Well, we're gonna in-

crease the value of your property on the assessment roll and you're ~~gon-~~ <sup>going</sup>

<sup>to</sup> get taxed." Now, however, if you're a manager of a plant and you're <sup>an</sup> owner of a big industry and you fix it all up, and you put on a new section, and you buy new machinery; <sup>well, then, the tax assessor comes around</sup> and you fix up and say "aha, we'll give you 7½ % 1786 (depletion of) investment tax credit." Now, is that fair? And, I submit to you, as local government people ~~that are here~~; why, in the name of common sense, don't you do something about it? Why don't state legislators and city councils and county commissions say to the people out there: Listen, if you have a home, that's on our tax rolls today, and it's under \$50,000 evaluation or \$30,000 pick your figure, and you want to fix it up, instead of your getting taxed more, we're <sup>going to</sup> ~~gonna~~ give you tax credit, <sup>and people</sup> you'd start to fix up whole neighborhoods; <sup>now,</sup> give ~~somebody~~ the incentive. Instead of that, we say to the contractor, "If you buy three bull dozers, to tear the whole place down, tear up all the trees, we'll give you investment tax credit." There are ways that we can do <sup>these</sup> things; <sup>most</sup> and we need to; there's no way that public resources alone can do this job. The reason that I talk about the urban development corporation is that it blends in private capital, private resourcefulness with public policy, with public institutions. Now, finally I want to just conclude on the note of what I call a balanced national growth and development program, to deal with the

problems of population growth and distribution, balanced national growth, protection of our air, water and land, fuel shortage, energy crises, balanced efficient transportation for all parts of the country, responsible use of our scarce land, requirements for food and fiber, at reasonable ~~problem,~~ at prices and many other things. The time has come for us to decide as a nation whether we will design our future or resign ourselves to whatever happens. That's what it's all about. Do we have the intellectual capabilities and willingness and commitment to design the future that we want; or, are we just going to resign ourselves to accidental development? Now, this is the basic question underlying every decision we make today, regarding the kind of a nation we want to create or leave for our children. ~~What~~ what we do, or what we fail to do today commits and fixes the future pattern of life in this country, as well as on this planet?

In these days of the super-specialists, with the complexity of unknown dimensions, advancing on us relentlessly; in these times of amazing proximity between people and nations, resulting from evolutions, and communications and transportation technology; in this age of unbelievably rapid change in virtually every facet of man's existence, we need a way for all of the people in this nation to participate in shaping their future. And

only <sup>through</sup> ~~thru~~ an effective process of this kind can we as a nation even hope to participate and direct change, and consequently, minimize what Alvin Popler has aptly named, "future shock." For more than two years, I have been working on and writing and rewriting a bill known as "national growth and development." I consider it to be the single most important piece of legislation I've put my hand to. I intend to spend a great deal of time in the Senate, working to see that the principles are adopted. Now, we have circulated this proposal to thousands of people in the last two years; and we've received all kinds of constructive comments which we have placed in to the legislation. This legislation will be introduced near the end of this first session or the beginning of the next session. This bill provides for the establishment of an office for balanced national growth and development within the office of the President to do the following things: develop specific national policy relating to future population growth, settlement and distribution patterns, economic growth, environmental protection, income distribution, energy and fuels, transportation, education, health care, food and fiber production, employment, housing, recreational, and cultural opportunities, communications, land use, welfare, technology assessment, transfer and monetary and fiscal policy. This new office will

also provide the means for developing these individual national policies, in such a way as to reflect the appropriate inter-relationships. This new office will tie together and coordinate the work of the Council of Economic Advisors, the Office of Management and Budget, and Environmental Quality Consul. Now, they are separate ~~today~~, as if they were independent members of the United Nations. That's right! Dear friends, listen, ~~I have heard~~, *from my experience* as a coordinating officer for your cabinet at another time in this government; ~~and~~ I want to tell you that every Cabinet officer looks upon his budget as if he had a special property; and, it is almost impossible to get these people to work together unless the President himself has the time to be there and hammer them into position, ~~because~~ every jurisdiction in the government is obviously jealous of its own rights, they all have fights for their budget; and they don't want anybody tampering with it. Let me give you an example: I was Chairman of the President's Youth Opportunity Employment Commission in the Johnson Administration. You remember the riots and all the troubles we had. We did something. We tried to provide jobs for disadvantaged youth in the country, both ~~thru~~ *through* government and in private sources. I had no budget. The President said to me, "Humbert, we're going to have to get 1 million jobs for young

people between the ages of 15 and 20, disadvantaged, unemployed young people  
 at a minimum; and we did. We did it 2 years in a row (and one other year  
 at 800,000.) We got it done, no budget, not one dime. And, I said, "Mr.  
 President, where am I <sup>going to</sup> ~~gonna~~ get the money and the first staff? I can't  
 do this alone, this is a big country." He said, "You go <sup>to</sup> by Departments,  
 and just ask each to divvy up a little." So I did. Well, I <sup>want to</sup> ~~wanna~~ tell you  
 something, I'd have had to have been Jesse James to get any money from any  
 of <sup>them</sup> them. They wouldn't do a thing; and I went back to the President, and  
 I said, "Mr. President, these are all wonderful people, and these Secre-  
 taries, your appointees, are fine, but they won't give me a dime." And,  
 he said, "Well, just a minute." So, we had a Wednesday Cabinet meeting;  
 and the Cabinet meeting came, and he said, "I thought you understood that  
 I sent the Vice-President around to ask you to cooperate on the Youth  
 Opportunity Employment Program." And he said "Now, that there's no mis-  
 take about it, when he comes around, he speaks for me. I want you to share,  
 and he has it worked out on a schedule that I have approved what that is  
 you share." You'd be surprised what happened the next time I went around.  
 I found out there's some laws about the Vice-Presidency: you have no power,  
 you have a lotta responsibility; and the only power you get is what the

President gives you. And he who giveth can take it away. And you must never forget it. Well, (applause..) now, here you have 3 marvelous agencies of government, very capable agencies; the Council of Economic Advisors, Office of Management and Budget, and Environmental Quality Council. Now, I serve on the Joint Economic Committee, which is the major coordinating committee of economic policy in the Congress; and I'm here to tell you that when these three offices come in, they do not come in with any one policy. They come in, speaking for themselves. It's wrong. Now, I have a lot of material here on this particular bill, and I 'm not going to go in <sup>to</sup> all the details, I want you to know it has an office in the Executive Branch, <sup>comprised of</sup> competent technical people. I it will have a joint committee at the Congressional level, with proper staffing, I it will also be based upon regional commissions of planning, so that we can bring in the state and local government, so that we will finally be able to have some coordination of policy. new requirements, for example, pertaining to the location impact of federal facilities, activities and procurement are specified in the bill. Why should we put all the federal activity, for example, in the Washington area? or the major share of it? We're having a running battle right now on the part that relates to this. a matter of life There's no reason at all with the closed-circuit television, with the kinds

of communications that we have today, that you can't have a huge federal installation <sup>placed</sup> to put in a community of 50,000, or 100,000, or 25,000 -- way out where? I don't know where, anyplace. Why not? People will follow the job. Huntsville, Alabama, was a sleepy little town of 20,000 people 15 years and 20 years ago. Then, came TVA; and then came the George Marshall Space Center. And Huntsville, Alabama, today, is one of the most enterprising, thriving, forward-looking progressive cities in the United States of America, with hospitals, with symphony orchestras, with cultural activities, with a branch in the University of Alabama, with 165 PhD's added to their payroll. Why? Because the government of the United States located a facility there; and some people have got the idea that ~~we still have~~ to have... that we're still running the pony express around the environs of Washington, D. C., that you've got to have all of your federal facilities <sup>right here</sup> for the year, not at all. Now, we have put some away. We've got, for example, social security over to Baltimore, 40 miles. We've advanced 40 miles. We've made some progress; we have an insurance office up in Philadelphia; we're getting a little bit, <sup>more liberal,</sup> but we still have people <sup>who</sup> to feel that it's dangerous to get on the other side of the Appalachias. I want to let you in on it: there are railroads there, there are airports there; and, may I

say, the natives are not rebelling. Our Indian people are being very

cooperative, even <sup>though</sup> they're often abused. I it's safe country; and when

the federal facilities are placed around, I might suggest that's a good

<sup>possibility</sup> place. Well, this is a working document that I have hopefully prepared,

and I want your cooperation on it. If this assembly would like copies of

that document, we'd be glad to provide them. Now, let me just wind it up

with these words: we can do in this country what we want to do, if we

remember what it's all about. The Preamble to the Constitution of the

United States states the case. It says, "We, the People, of these United

States, in order to form a more perfect union, to assure domestic tran-

quillity, to establish justice, to provide for the common defense, and

to promote the general welfare and secure the blessings of liberty, for

ourselves and our posterity, do hereby ordain and establish this Consti-

tution." <sup>The founders</sup> They didn't say, "We, the Bureau of the Budget," they didn't

say, "We, the Council of Economic Advisors," they didn't say "We, the

Environmental Quality Council." They didn't say, "We the Democrats, the

Republicans," or "We, the President," or "We, this or that," It says just

three precious words: "We, the People." And I suggest to you that if

we would remember those words, we wouldn't be <sup>experiencing</sup> having Watergate; we wouldn't

1908 be having the problems that we are having today, <sup>started</sup> when we began to think

that somehow or other, when you get power, that you also get knowledge.

Let me assure that's not what happens: knowledge is supposed to bring power.

Power does not bring knowledge. (applause) We, the People. I know it sounds

like preaching, but we've got to get back to some fundamentals in this nation

of ours. And, We the People, this is our government; and this is a govern-

ment of limited powers, the power rests in the sovereignty of the People;

that's what the great tenth amendment to the Constitution says, "The States

and the People thereof. Now, if that's what the Tenth Amendment says, then

that's the great federal principle. It tells us something, doesn't it?

That there ought to be cooperation at the federal, state, local and pri-

vate level; and, if we're going to assure domestic tranquillity, if we're

going to establish justice, if we're going to provide for the common de-

fense, if we're going to promote the general welfare and secure the bles-

sings of liberty; if we're going to do these things, we're going to have

to think it out. We can't just ~~let it~~ hope that it's going to happen.

If we have battle plans for our Army, and we do; if we have Defense plans

for our country in case we're invaded, and we do; don't you think it's

a good idea, that we might have a Growth and Development Program for our

<sup>don't let things happen</sup>  
 nation, so that we just ~~didn't let it happen~~ on the basis of some indi-  
 vidual act, that somebody might feel that the moment is right? The Con-  
 gress, the State Legislatures, the Governors, the President, the Offices  
 of Government the great private initiative of this country, must be hon-  
 est, in public institutions, in public policy, so that we have a sense of  
 direction, not to put us in strict and ~~in concrete, not to put us into~~  
 formal structures, but to give us some guidelines, some perspective; <sup>As</sup> and  
<sup>I</sup> I leave you ~~and~~ ask you this: what do you think the plans of this coun-  
 try for our health, <sup>are</sup> in the next ten years? You got any idea, <sup>Have</sup> if you have,  
 see me, will you please. What are the plans of this country, for the  
 education for our youngsters for the next ten years? What are the trans-  
 portation plans for this nation, for the next ten years? We can't even  
 decide what we want to do <sup>/</sup> with Penn Central tomorrow, much less in the next  
 ten years. <sup>need develop farm</sup> What about the ~~farm to market~~ roads that are going to take the  
 food from the countryside and bring it into the cities, because what good  
 does it do to have the food out in the countryside and no road to get it  
 into the elevator or ~~into~~ the city. What are we going to do in this country  
 in terms of population distribution? Are you going to let it be that 80%  
 of the people in this land live in cities of 50,000 or more? Is that the

way you want America? Is there anything we can do ~~about it~~ to change that?

Is it desirable to change it? <sup>T</sup> These are questions that we have to ask ourselves: do you really believe that we should ~~ask ourselves~~ let our cities just grow and grow as they are? <sup>Do</sup> You have any answers to that problem?

Or, is <sup>I</sup> there some way to do better? think there is; and I call upon you; you are the government; you're as much government or more than I am.

Frankly, 3/4 or 75% of all the decisions that affect peoples' lives take place in the local areas. ~~And~~ we've got to have people at local levels of government who are speaking to those at the national levels, and working with us and we with them in what I would call a positive type of effective federalism. so that we get the best of the thinking of all of us.

Thank you very much. (applause)

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*Kelly* --Thank you, Senator, so much. Just want to make one comment and one announcement, and then we will break. Senator, you've suggested an answer here with this bill; and I think all of us will want to get copies of it and look at it, because we're struggling for answers; and you propose something where we might find one; and maybe there's another answer I could suggest, perhaps it's more desired than an answer; but the y seem to be having trouble with the hearing and investigation, etc. I just wish tomorrow that maybe we could address you

as Mr. Vice-President again. Well, the next Vice-President may not be there too long: that's what I had in mind, Senator. We're gonna break. And the announcement that I want to make is that the optional session on the defense base closings will be held in the Ohio Room at 2:30; the Board of Directors will begin lunch in 10 minutes in the California Room; and I would like to come forward and see me after we break: Mayor Polker, Mayor Maloney; Ron Kisiak, Jerry Bush, Barbara Norak, and Don Risk: if they would see me when we break, I'd appreciate it. Thank you very much; it's a free afternoon and evening. We start again tomorrow morning.



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