

REMARKS BY SENATOR HUBERT H. HUMPHREY

NATIONAL COUNCIL FOR URBAN ECONOMIC DEVELOPMENT

Washington, D. C.

November 25, 1974

Today America is faced with its worst economic crisis since the Depression.

Inflation is soaring at its most rapid peace-time rate in history. Interest rates are breaking records established during the Civil War. The bottom has dropped out of our economy as we plunge into the worst recession in 15 years. And 6 per cent unemployment threatens to explode to well over 7 per cent in 1975.

In our nation's cities, unemployment is up much higher than the national average, with cities like Detroit, San Diego, and Boston facing major employment crises.

The elderly poor in our cities find life nearly impossible to sustain, as the cost to eat and to stay warm goes out of sight.

And those who run our cities find any kind of reasonable planning and budgeting merely paper exercises. Rapid economic deterioration and erratic national policy make these vital processes an intellectual journey to Disneyland.

Today our nation truly is faced with a major economic crisis. It is clear that the "old time economic religion" has failed. What it has done, as it has been applied by the Administration, has been to contribute substantially to the forces leading us simultaneously into a serious recession.

It is time to throw away the "WIN" buttons, face up to the policy failures, and embark on a new course that will restore the basis for optimism among the American people about their economic future.

Some claim that "recession" is the only way to cure inflation. I reject this prescription. We have had this medicine, and the common cold has turned into pneumonia. It is time we tried new medication.

I don't have any instant answer to our problems; they are complex and won't be solved with any quick-fix. But I do have a series of proposals that, I am convinced, can reverse the disastrous economic trends of the past several years. And that is the critical point today -- to begin the reversal of these trends.

I am not so naive as to expect the President, a lifelong economic conservative, to reverse his philosophy, despite the evidence of the failure of the current policies. Therefore, Congress, that unwieldy group of 535 individualists, must assume the responsibility to change our economic approach. Regrettably, Congress is not well organized for this task or experienced at it. But I see no alternative.

I believe that most Americans would give their support to a new, comprehensive set of economic policies for our nation to take up now. As I see it, this Agenda for Economic Action should do the following:

First, come to the aid of the victims of both inflation and the recession that was induced to cure it.

This should include an immediate program of tax relief for low and middle income families. The relief could be completely offset by closing some of the most glaring tax loopholes that protect the wealth of the rich and, particularly, the giant oil companies.

This program also should include a major new initiative to guarantee effectively a job at decent wages to every American who is able and willing to work.

Some will protest that such a program is too costly. But who can calculate the loss in production, income, and tax revenue of six million Americans out of work? And who can calculate the social costs in your cities that result from masses of young people with no money, no job and little prospect of ever making it legitimately in urban America?

Second, we must mount an aggressive program to keep price increases at rates justified by cost and productivity gains.

Such a program should include a tough new anti-trust enforcement program to eliminate the pervasively administered pricing system that pushes prices ever higher. If new laws are needed to control the newer, more subtle price fixing techniques of the modern "robber barons," let's have them.

It also should include a beefed-up role for the Wage-Price Council. At present the Wage-Price Council is all bark and no bite. The Council must have the power to subpoena information and hold public hearings. Above all, when concentrated market power has permitted price gouging, the Council must have the power to order price roll-backs. The Congress must have a stronger and more direct role in wage-price policy, because the nation's workers have no confidence that they will get fair treatment from the Administration.

Third, two critical problem areas have emerged as major causes of inflation -- food and energy. In both these areas, we have found that part of the problem can be directly related to a policy vacuum in the federal government.

We must develop without delay a National Energy Policy emphasizing conservation with mandatory measures included, expanded strict price controls, support for energy saving mass transit research, and world leadership among the oil importing countries in dealing with the OPEC nations.

At the same time, a National Food Policy must be articulated. This policy should be designed to expand production, provide fair and stable incomes to farmers, and assure adequate supplies of food to American consumers at reasonable prices.

This policy would incorporate provisions for a national food reserve program and an emergency export licensing system for agricultural commodities that are determined to be in critically short supply.

I have just returned from the World Food Conference in Rome. And the fact that it is a bit unusual to talk about food problems to urban planners and officials is a symptom of the very serious problems we have in this country in developing a sound national food policy.

Unless you become more knowledgeable about the agricultural system and its impact on your people, things will continue to drift on as they have for years, with agriculture remaining the special concern of those of us from farm states.

We need effective urban involvement in the formulation of a national food policy. This subject is crucial to city people. Food price inflation has a direct impact on the standard of living of your citizens, the terms of your municipal wage contracts, and the cost of your welfare programs.

You need representation on the Congressional Agriculture Committees that is much more adequate than what you have today. It would be a big improvement if we could simply convince one new urban Congressman to apply for one of the ten vacancies on the House Agriculture Committee.

Fourth, we need to mount an all-out effort to meet the neglected requirements of our nation's cities and to snap our nation out of its recession. A key element in this program should be the creation of a National Domestic Development Bank to spur local economic development efforts.

Many of our cities are aging, and unless they get a capital transfusion, their continued viability is in doubt.

The time has come to implement the National Domestic Development Bank program which I have proposed. This Bank would provide long-term, low-interest rates to stimulate local economic development.

America's cities hold the promise for tremendous productivity gains in the years ahead. In our cities, we have a unique opportunity to fight inflation and recession at the same time.

Idle industrial and commercial property, plant and equipment are a serious problem in most cities. Unemployment and underemployment increasingly plague our urban areas. At the same time, the cost of new construction and equipment is soaring.

The time for a major new local urban development initiative never has been better. A major infusion of capital could put all of these underused resources together. In this way we can create new supplies of goods and service to relieve price pressures and create income and jobs for those suffering from inflation and recession.

We have spent billions of dollars for low interest rate development loans all around the world. It is time we did the same thing for our own people.

Most importantly, we must learn the lessons that the current economic crisis holds out to us. The two most important, as I see them, are the limits of a monolithic, across-the-board economic policy focused on money supply, and the need for more systematic government planning.

Monetary policy has proved to be ineffective in dealing with today's complex inflation. This really should not be very surprising. Most of the assumptions upon which monetary policy is based just are not valid in today's world.

Today, major industries can pass on virtually any interest rate cost to the consumers, as simply one more increment in their administered price.

And if this were not enough to reduce seriously the power of monetary policy, the internationalization of our capital market certainly is. We no longer are talking about a United States problem of inflation. It is crucially important that we understand this is an urgent world problem.

I am not advocating throwing out fiscal and monetary policy, but I am pleading that they be used in a more refined way. We need economic tools that recognize and respond to the special characteristics of various sectors of our economy and unique problems of the various geographic regions of our country.

The second lesson is that we must start to do some national priority setting and some national planning. The federal government, with all of its tremendous influence, at the present time seems to be stumbling around like a blind cyclops creating more confusion and uncertainty in our economy than stability and predictability.

I find it incredible that the federal government, the "true believer" when it comes to forcing others to plan, does very little planning itself. The Department of Housing and Urban Development requires elaborate long-term planning before it will fund any activity in your city. But ask HUD where its own long-term, comprehensive plan is, and you draw a blank.

We are moving abruptly into an era of world resource scarcity, of ever greater complexity and interdependence in world economic and social relations, and of growing demands on government to assume more responsibility for the well-being of its citizens. Therefore, it is essential that we strengthen our ability to set national goals and priorities and to plan and coordinate public and private action to achieve them.

I am convinced that if we are going to begin to anticipate problems and deal with them before they become an energy crisis, a food crisis, an urban crisis, or a transportation crisis, we must seriously consider establishing some unique American form of economic planning organization: an organization that effectively utilizes the capabilities and strengths of local representative government.

Planning in our nation can only be effective if all levels of government and the private sector are intimately involved in it. The philosophy of our people and the traditions in our economic system doom any other approach to certain failure.

I have developed legislation to establish a Balanced National Growth and Development Policy and the government structure that is needed to carry it out. This proposal needs to be carefully studied, analyzed and revised by people like yourselves who have been close to this problem for years.

We cannot continue to mark time. Public confidence in government is at an all-time low. This dissatisfaction goes a lot deeper than Watergate. It goes directly to the public's perception that government cannot deal effectively with the problems that confront our people in the 1970's.

We must "design" our future and not simply resign ourselves to it. We must anticipate change and direct it to the fullest possible benefit of our people.

This is why I believe so strongly that we must create the instruments and processes that are needed to plan and implement a continually evolving policy of balanced national growth and development.

I urge all of you to join me in bringing this critically important issue before the American people for their consideration. We must make some enlightened changes very soon or throw our entire political economy into even more dangerous waters than it flounders in today.

REMARKS BY SENATOR HUBERT H. HUMPHREY

NATIONAL COUNCIL FOR URBAN ECONOMIC DEVELOPMENT

WASHINGTON, D.C.

NOVEMBER 25, 1974

Gene Foley
Bob Padilla

Ken Fry

TODAY AMERICA IS FACED WITH ITS WORST ECONOMIC CRISIS
SINCE THE DEPRESSION.

INFLATION IS SOARING AT ITS MOST RAPID PEACE-TIME RATE IN
HISTORY. INTEREST RATES ARE BREAKING RECORDS ESTABLISHED DURING
THE CIVIL WAR. THE BOTTOM HAS DROPPED OUT OF OUR ECONOMY AS WE
PLUNGE INTO THE WORST RECESSION IN 15 YEARS. AND 6 PER CENT
UNEMPLOYMENT THREATENS TO EXPLODE TO WELL OVER 7 PER CENT IN 1975.

IN OUR NATION'S CITIES, UNEMPLOYMENT IS UP MUCH HIGHER THAN
THE NATIONAL AVERAGE, WITH CITIES LIKE DETROIT, SAN DIEGO, AND
BOSTON FACING MAJOR EMPLOYMENT CRISES.

THE ELDERLY POOR IN OUR CITIES FIND LIFE NEARLY IMPOSSIBLE
TO SUSTAIN, AS THE COST TO EAT AND TO STAY WARM GOES OUT OF
SIGHT.

L AND THOSE WHO RUN OUR CITIES FIND ^{that} ANY KIND OF REASONABLE
PLANNING AND BUDGETING ^{are} MERELY PAPER EXERCISES, ~~RAPID~~ ECONOMIC
DETERIORATION AND ERRATIC NATIONAL POLICY MAKE THESE VITAL
PROCESSES AN INTELLECTUAL JOURNEY TO DISNEYLAND.

L TODAY OUR NATION TRULY IS FACED WITH A MAJOR ECONOMIC CRISIS.

L IT IS CLEAR THAT THE "OLD TIME ECONOMIC RELIGION" HAS FAILED.

WHAT IT HAS DONE, AS IT HAS BEEN APPLIED BY THE ADMINISTRATION,
HAS BEEN TO CONTRIBUTE SUBSTANTIALLY TO THE FORCES LEADING US
SIMULTANEOUSLY INTO A SERIOUS RECESSION.

IT IS TIME TO THROW AWAY THE "WIN" BUTTONS, FACE UP TO THE
POLICY FAILURES, AND EMBARK ON A NEW COURSE THAT WILL RESTORE THE
BASIS FOR OPTIMISM AMONG THE AMERICAN PEOPLE ABOUT THEIR ECONOMIC
FUTURE.

◀ SOME CLAIM THAT "RECESSION" IS THE ONLY WAY TO CURE INFLATION.

I REJECT THIS PRESCRIPTION. WE HAVE HAD THIS MEDICINE, AND THE COMMON COLD HAS TURNED INTO PNEUMONIA. IT IS TIME WE TRIED NEW MEDICATION.

◀ I DON'T HAVE ANY INSTANT ANSWER TO OUR PROBLEMS; THEY ARE COMPLEX AND WON'T BE SOLVED WITH ANY QUICK-FIX. BUT I DO HAVE A SERIES OF PROPOSALS THAT, I AM CONVINCED, CAN REVERSE THE DISASTROUS ECONOMIC TRENDS OF THE PAST SEVERAL YEARS. AND THAT IS THE CRITICAL POINT TODAY -- TO BEGIN THE REVERSAL OF THESE TRENDS.

I AM NOT SO NAIVE AS TO EXPECT THE PRESIDENT, A LIFELONG ECONOMIC CONSERVATIVE, TO REVERSE HIS PHILOSOPHY, DESPITE THE EVIDENCE OF THE FAILURE OF THE CURRENT POLICIES.

THEREFORE, CONGRESS, THAT UNWIELDY GROUP OF 535 INDIVIDUALISTS,
MUST ASSUME THE RESPONSIBILITY TO CHANGE OUR ECONOMIC APPROACH.

↳ REGRETTABLY, CONGRESS IS NOT WELL ORGANIZED FOR THIS TASK
OR EXPERIENCED AT IT. BUT I SEE NO ALTERNATIVE.

↳ I BELIEVE THAT MOST AMERICANS WOULD GIVE THEIR SUPPORT TO A
NEW, COMPREHENSIVE SET OF ECONOMIC POLICIES FOR OUR NATION TO TAKE
UP NOW. AS I SEE IT, THIS AGENDA FOR ECONOMIC ACTION SHOULD DO
THE FOLLOWING:

FIRST, COME TO THE AID OF THE VICTIMS OF BOTH INFLATION AND
THE RECESSION THAT WAS INDUCED TO CURE IT.

↳ THIS SHOULD INCLUDE AN IMMEDIATE PROGRAM OF TAX RELIEF FOR
LOW AND MIDDLE INCOME FAMILIES.

L THE RELIEF COULD BE ~~COMPLETELY~~ OFFSET BY CLOSING SOME OF THE MOST GLARING TAX LOOPHOLES THAT PROTECT THE WEALTH OF THE RICH AND, PARTICULARLY, THE GIANT OIL COMPANIES.

L THIS PROGRAM ALSO SHOULD INCLUDE A MAJOR NEW INITIATIVE TO GUARANTEE, EFFECTIVELY, A JOB AT DECENT WAGES TO EVERY AMERICAN WHO IS ABLE AND WILLING TO WORK.

L SOME WILL PROTEST THAT SUCH A PROGRAM IS TOO COSTLY. BUT WHO CAN CALCULATE THE LOSS IN PRODUCTION, INCOME, AND TAX REVENUE OF SIX MILLION AMERICANS OUT OF WORK? AND WHO CAN CALCULATE THE SOCIAL COSTS IN YOUR CITIES THAT RESULT FROM MASSES OF YOUNG PEOPLE WITH NO MONEY, NO JOB AND LITTLE PROSPECT OF EVER MAKING IT LEGITIMATELY IN URBAN AMERICA?

4 SECOND, WE MUST MOUNT AN AGGRESSIVE PROGRAM TO KEEP PRICE
INCREASES AT RATES JUSTIFIED BY COST AND PRODUCTIVITY GAINS.

SUCH A PROGRAM SHOULD INCLUDE A TOUGH NEW ANTI-TRUST
ENFORCEMENT PROGRAM TO ELIMINATE THE PERVASIVE ADMINISTERED
PRICING SYSTEM THAT PUSHES PRICES EVER HIGHER. IF NEW LAWS ARE
NEEDED TO CONTROL THE NEWER, MORE SUBTLE PRICE FIXING TECHNIQUES
OF THE MODERN "ROBBER BARONS," LET'S HAVE THEM.

4 IT ALSO SHOULD INCLUDE A BEEFED-UP ROLE FOR THE WAGE-PRICE
COUNCIL. AT PRESENT THE WAGE-PRICE COUNCIL IS ALL BARK AND NO BITE.
THE COUNCIL MUST HAVE THE POWER TO SUBPOENA INFORMATION AND HOLD
PUBLIC HEARINGS. ABOVE ALL, WHEN CONCENTRATED MARKET POWER HAS
PERMITTED PRICE GOUGING, THE COUNCIL MUST HAVE THE POWER TO ORDER
PRICE ROLL-BACKS.

THE CONGRESS MUST HAVE A STRONGER AND MORE DIRECT ROLE IN
WAGE-PRICE POLICY, BECAUSE THE NATION'S WORKERS HAVE NO
CONFIDENCE THAT THEY WILL GET FAIR TREATMENT FROM THE
ADMINISTRATION.

#3 L THIRD, TWO CRITICAL PROBLEM AREAS HAVE EMERGED AS MAJOR

CAUSES OF INFLATION -- FOOD AND ENERGY L IN BOTH THESE AREAS, WE
HAVE FOUND THAT PART OF THE PROBLEM CAN BE DIRECTLY RELATED TO A
POLICY VACUUM IN THE FEDERAL GOVERNMENT.

WE MUST DEVELOP, WITHOUT DELAY, A NATIONAL ENERGY POLICY EMPHASIZING
CONSERVATION WITH MANDATORY MEASURES INCLUDED, EXPANDED STRICT
PRICE CONTROLS, SUPPORT FOR ENERGY SAVING MASS TRANSIT, RESEARCH,
AND WORLD LEADERSHIP AMONG THE OIL IMPORTING COUNTRIES IN DEALING
WITH THE OPEC NATIONS.

L AT THE SAME TIME, A NATIONAL FOOD POLICY MUST BE ARTICULATED.

THIS POLICY SHOULD BE DESIGNED TO EXPAND PRODUCTION, PROVIDE FAIR
AND STABLE INCOMES TO FARMERS, AND ASSURE ADEQUATE SUPPLIES OF
FOOD TO AMERICAN CONSUMERS AT REASONABLE PRICES.

L THIS POLICY WOULD INCORPORATE PROVISIONS FOR A NATIONAL FOOD
RESERVE PROGRAM AND AN EMERGENCY EXPORT LICENSING SYSTEM FOR
AGRICULTURAL COMMODITIES THAT ARE DETERMINED TO BE IN CRITICALLY
SHORT SUPPLY.

L I HAVE JUST RETURNED FROM THE WORLD FOOD CONFERENCE IN ROME,
AND THE FACT THAT IT IS A BIT UNUSUAL TO TALK ABOUT FOOD PROBLEMS
TO URBAN PLANNERS AND OFFICIALS IS A SYMPTOM OF THE VERY SERIOUS
PROBLEMS WE HAVE IN THIS COUNTRY IN DEVELOPING A SOUND NATIONAL
FOOD POLICY.

all of us
UNLESS ~~YOU~~ BECOME MORE KNOWLEDGEABLE ABOUT THE AGRICULTURAL
SYSTEM AND ITS IMPACT ON YOUR PEOPLE, THINGS WILL CONTINUE
TO DRIFT ON AS THEY HAVE FOR YEARS, WITH AGRICULTURE REMAINING
THE SPECIAL CONCERN OF THOSE OF US FROM FARM STATES.

↳ WE NEED EFFECTIVE URBAN INVOLVEMENT IN THE FORMULATION OF A
NATIONAL FOOD POLICY. ↳ THIS SUBJECT IS CRUCIAL TO CITY PEOPLE. ↳ FOOD
PRICE INFLATION HAS A DIRECT IMPACT ON THE STANDARD OF LIVING OF
YOUR CITIZENS, THE TERMS OF YOUR MUNICIPAL WAGE CONTRACTS, AND THE
COST OF YOUR WELFARE PROGRAMS.

↳ YOU NEED REPRESENTATION ON THE CONGRESSIONAL AGRICULTURE
COMMITTEES THAT IS MUCH MORE ADEQUATE THAN WHAT YOU HAVE TODAY.
IT WOULD BE A BIG IMPROVEMENT IF WE COULD SIMPLY CONVINCING
ONE NEW URBAN CONGRESSMAN TO APPLY FOR ONE OF THE TEN VACANCIES
ON THE HOUSE AGRICULTURE COMMITTEE.

FOURTH, WE NEED TO MOUNT AN ALL-OUT EFFORT TO MEET THE
NEGLECTED REQUIREMENTS OF OUR NATION'S CITIES AND TO SNAP OUR
NATION OUT OF ITS RECESSION. A KEY ELEMENT IN THIS PROGRAM SHOULD
 BE THE CREATION OF A NATIONAL DOMESTIC DEVELOPMENT BANK TO SPUR
LOCAL ECONOMIC DEVELOPMENT EFFORTS.

MANY OF OUR CITIES ARE AGING, AND UNLESS THEY GET A CAPITAL
TRANSFUSION, THEIR CONTINUED VIABILITY IS IN DOUBT.

THE TIME HAS COME TO IMPLEMENT THE NATIONAL DOMESTIC DEVELOP-
 MENT BANK PROGRAM WHICH I HAVE PROPOSED, THIS BANK WOULD PROVIDE
LONG-TERM, LOW-INTEREST RATE^{loans} TO STIMULATE LOCAL ECONOMIC
DEVELOPMENT.

*Impounded Housing Funds
235-236*

Housing - credit allocation

Rent subsidies

7.5 Billion

2.5 Billion used released Increased Mfg money

AMERICA'S CITIES HOLD THE PROMISE FOR TREMENDOUS PRODUCTIVITY
GAINS IN THE YEARS AHEAD. IN OUR CITIES, WE HAVE A UNIQUE
OPPORTUNITY TO FIGHT INFLATION AND RECESSION AT THE SAME TIME.

IDLE INDUSTRIAL AND COMMERCIAL PROPERTY, PLANT AND EQUIPMENT
ARE A SERIOUS PROBLEM IN MOST CITIES. UNEMPLOYMENT AND UNDEREMPLOY-
MENT INCREASINGLY PLAGUE OUR URBAN AREAS. AT THE SAME TIME, THE
COST OF NEW CONSTRUCTION AND EQUIPMENT IS SOARING.

THE TIME FOR A MAJOR NEW LOCAL URBAN DEVELOPMENT INITIATIVE
NEVER HAS BEEN BETTER. A MAJOR INFUSION OF CAPITAL COULD PUT
ALL OF THESE UNDERUSED RESOURCES TOGETHER. IN THIS WAY WE CAN
CREATE NEW SUPPLIES OF GOODS AND SERVICE TO RELIEVE PRICE PRESSURES
AND CREATE INCOME AND JOBS FOR THOSE SUFFERING FROM INFLATION AND
RECESSION.

L WE HAVE SPENT BILLIONS OF DOLLARS FOR LOW INTEREST RATE
DEVELOPMENT LOANS ALL AROUND THE WORLD. IT IS TIME WE DID THE
SAME THING FOR OUR OWN PEOPLE.

(X) L MOST IMPORTANTLY, WE MUST LEARN THE LESSONS THAT THE CURRENT
ECONOMIC CRISIS HOLDS OUT TO US, THE TWO MOST IMPORTANT, AS I SEE
THEM, ARE THE LIMITS OF A MONOLITHIC, ACROSS-THE-BOARD ECONOMIC
POLICY FOCUSED ON MONEY SUPPLY, AND THE NEED FOR MORE SYSTEMATIC
GOVERNMENT PLANNING.

L MONETARY POLICY HAS PROVED TO BE INEFFECTIVE IN DEALING WITH
TODAY'S COMPLEX INFLATION. THIS REALLY SHOULD NOT BE VERY
SURPRISING, MOST OF THE ASSUMPTIONS UPON WHICH MONETARY POLICY
IS BASED JUST ARE NOT VALID IN TODAY'S WORLD.

↳ TODAY, MAJOR INDUSTRIES CAN PASS ON VIRTUALLY ANY INTEREST
RATE COST TO THE CONSUMERS, AS SIMPLY ONE MORE INCREMENT IN THEIR
ADMINISTERED PRICE.

↳ AND IF THIS WERE NOT ENOUGH TO ~~REDUCE SERIOUSLY~~ ^{limit the effectiveness} ~~THE POWER~~
OF MONETARY POLICY, THE INTERNATIONALIZATION OF OUR CAPITAL MARKET
CERTAINLY IS. WE NO LONGER ARE TALKING ABOUT A UNITED STATES
PROBLEM OF INFLATION. IT IS CRUCIALLY IMPORTANT THAT WE UNDER-
STAND THIS IS AN URGENT WORLD PROBLEM.

↳ I AM NOT ADVOCATING THROWING OUT FISCAL AND MONETARY POLICY,
BUT I AM PLEADING THAT THEY BE USED IN A MORE REFINED WAY. WE
NEED ECONOMIC TOOLS THAT RECOGNIZE AND RESPOND TO THE SPECIAL
CHARACTERISTICS OF VARIOUS SECTORS OF OUR ECONOMY AND UNIQUE
PROBLEMS OF THE VARIOUS GEOGRAPHIC REGIONS OF OUR COUNTRY.

THE SECOND LESSON IS THAT WE MUST START TO DO SOME NATIONAL
PRIORITY SETTING AND SOME NATIONAL PLANNING. THE FEDERAL GOVERN-
MENT, WITH ALL OF ITS TREMENDOUS INFLUENCE, AT THE PRESENT TIME
SEEMS TO BE STUMBLING AROUND LIKE A BLIND CYCLOPS CREATING MORE
CONFUSION AND UNCERTAINTY IN OUR ECONOMY THAN STABILITY AND
PREDICTABILITY.

I FIND IT INCREDIBLE THAT THE FEDERAL GOVERNMENT, THE "TRUE
BELIEVER" WHEN IT COMES TO FORCING OTHERS TO PLAN, DOES VERY LITTLE
PLANNING ITSELF. THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
REQUIRES ELABORATE LONG-TERM PLANNING BEFORE IT WILL FUND ANY
ACTIVITY IN YOUR CITY. BUT ASK HUD WHERE ITS OWN LONG-TERM,
COMPREHENSIVE PLAN IS, AND YOU DRAW A BLANK.

L WE ARE MOVING ~~ABRUPTLY~~ INTO AN ERA OF WORLD RESOURCE
SCARCITY, OF EVER GREATER COMPLEXITY AND INTERDEPENDENCE IN WORLD
ECONOMIC AND SOCIAL RELATIONS, AND OF GROWING DEMANDS ON GOVERNMENT
TO ASSUME MORE RESPONSIBILITY FOR THE WELL-BEING OF ITS CITIZENS.

L THEREFORE, IT IS ESSENTIAL THAT WE STRENGTHEN OUR ABILITY TO SET
NATIONAL GOALS AND PRIORITIES AND TO PLAN AND COORDINATE PUBLIC
AND PRIVATE ACTION TO ACHIEVE THEM.

L I AM CONVINCED THAT IF WE ARE GOING TO BEGIN TO ANTICIPATE
PROBLEMS AND DEAL WITH THEM BEFORE THEY BECOME AN ENERGY CRISIS,
A FOOD CRISIS, AN URBAN CRISIS, OR A TRANSPORTATION CRISIS, WE MUST
SERIOUSLY CONSIDER ESTABLISHING SOME UNIQUE AMERICAN FORM OF
ECONOMIC PLANNING ORGANIZATION: AN ORGANIZATION THAT EFFECTIVELY

both Federal and

UTILIZES THE CAPABILITIES AND STRENGTHS OF LOCAL REPRESENTATIVE
GOVERNMENT.

PLANNING IN OUR NATION CAN ONLY BE EFFECTIVE IF ALL LEVELS
OF GOVERNMENT AND THE PRIVATE SECTOR ARE INTIMATELY INVOLVED

IN IT. THE PHILOSOPHY OF OUR PEOPLE AND THE TRADITIONS IN OUR
ECONOMIC SYSTEM DOOM ANY OTHER APPROACH TO CERTAIN FAILURE.

I HAVE DEVELOPED LEGISLATION TO ESTABLISH A BALANCED NATIONAL
GROWTH AND DEVELOPMENT POLICY AND THE GOVERNMENT STRUCTURE THAT
IS NEEDED TO CARRY IT OUT. THIS PROPOSAL NEEDS TO BE CAREFULLY
STUDIED, ANALYZED AND REVISED BY PEOPLE LIKE YOURSELVES WHO HAVE
BEEN CLOSE TO THIS PROBLEM FOR YEARS.

↳ WE CANNOT CONTINUE TO MARK TIME. PUBLIC CONFIDENCE IN
GOVERNMENT IS AT AN ALL-TIME LOW. THIS DISSATISFACTION GOES A LOT
DEEPER THAN WATERGATE. IT GOES DIRECTLY TO THE PUBLIC'S PERCEPTION
THAT GOVERNMENT CANNOT DEAL EFFECTIVELY WITH THE PROBLEMS THAT
CONFRONT OUR PEOPLE IN THE 1970's.

↳ WE MUST "DESIGN" OUR FUTURE AND NOT SIMPLY RESIGN OURSELVES
TO IT. WE MUST ANTICIPATE CHANGE AND DIRECT IT TO THE FULLEST
POSSIBLE BENEFIT OF OUR PEOPLE.

↳ THIS IS WHY I BELIEVE SO STRONGLY THAT WE MUST CREATE THE
INSTRUMENTS AND PROCESSES THAT ARE NEEDED TO PLAN AND IMPLEMENT
A CONTINUALLY EVOLVING POLICY OF BALANCED NATIONAL GROWTH AND
DEVELOPMENT.

I URGE ALL OF YOU TO JOIN ME IN BRINGING THIS CRITICALLY
IMPORTANT ISSUE BEFORE THE AMERICAN PEOPLE FOR THEIR CONSIDERATION.
WE MUST MAKE SOME ENLIGHTENED CHANGES VERY SOON OR THROW OUR
ENTIRE POLITICAL ECONOMY INTO EVEN MORE DANGEROUS WATERS THAN IT
FLOUNDERS IN TODAY.

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