

OUTLINE OF REMARKS BY SENATOR HUBERT H. HUMPHREY

UNITED RUBBER WORKERS UNION

Washington, D. C.

April 17, 1975

Today our economy is in the stranglehold of the worst American recession since the Great Depression of the 1930's.

In 1974 U. S. production dropped more than in any year since the late 1940's.

In 1974 the number of people out of work was larger than in any year since 1940.

In 1974 the buying power of most workers' paychecks dropped by over 5 percent, an unprecedented one-year drop in the economic health of our people.

While the Administration's economic gurus predict an end to the recessionary decline in our economy by this fall, even Secretary Simon now admits that the current 8.7 percent unemployment rate will exceed 9 percent later this year.

Unemployment is now certainly the most serious problem and threat to the security, prosperity, and stability of American families.

The official unemployment rate is now 8.7 percent, but the actual rate of unemployment, when part-time workers who want full time work are included and those who have given up looking for jobs are included, is over 13 percent, or roughly 12.5 million Americans.

Unemployment, and the threat of unemployment is, of course, much greater in certain industries and among certain segments of the population. If you are young or black or over 40, a construction worker, or employed by one of the giant auto companies, the chances of your being out of work are three, four, or even five times greater than they are for the average worker.

When we look at rising crime rates, substandard housing, and the problems that this breeds, deteriorating urban areas, the problem of broken homes, the disastrous impact on children's learning that goes with inadequate diet, etc., it becomes very clear that unemployment is the single most important cause of the growth in social problems that we are facing in this country today. Unemployment is not simply an economic problem, it's a human problem.

In the Employment Act of 1946, Congress determined that forevermore it would be the responsibility of the federal government to pursue policies and establish the programs necessary to achieve "maximum production, maximum employment and maximum purchasing power." The current recession is a tragic testimonial to the inability of your government to live up to this weighty responsibility.

For most of the years since the passage of that landmark legislation in 1946, the Executive Branch has, appropriately, provided the leadership in attempting to achieve these goals.

However, the last two Administrations have failed so dismally in their feeble, sporadic and inconsistent attempts to achieve these objectives, that Congress has been forced to fill the breach, the economic leadership vacuum, itself.

Yet, the Congress is not really equipped as an institution to provide the strong, single minded, and effective leadership that the solution to our economic problems requires. Congress is composed of 535 individuals. That sheer number of people automatically poses problems of achieving consensus and mapping a definite course of action.

But these are extraordinary times, and despite the inherent difficulties, Congress must attempt to provide the leadership, as it has on the tax cut that was just passed, at least until November, 1976.

When one considers its limitations, I believe Congress has responded to the economic crisis and the vacuum of leadership in the White House in an exceptional and perhaps unprecedented way.

Since January 15th, when this Congress first convened:

-- We passed a \$23 billion tax cut, much larger and more equitable than that proposed by the White House, and the largest tax cut in history.

-- We repealed the oil depletion allowance, the most glaring tax loophole, despite the protestations from the White House.

-- We prevented the Administration from implementing its terribly destructive and ill-considered program of energy taxes and energy price controls. It would have cost our workers billions.

-- We in Congress put the pressure on Chairman Burns of the Federal Reserve Board to lower interest rates and loosen the reins on credit, in order to increase private investment and begin to get the housing industry back on its feet. And we are going to keep the pressure on the Fed.

-- We prevented a callous reduction in the number of people eligible for food stamps and an increase in their cost.

-- We have seen to it that the Administration's outrageous decision to hold Social Security benefits to a maximum increase of 5 percent was rejected.

These are just a few of the things the Congress has done in its first two months in session. We will do more.

Despite the opposition that we will receive from the White House, the Congress shall pass legislation in the next few months to:

-- increase the number of public service jobs available;

-- extend the period for which the jobless are eligible for unemployment benefits; and

-- increase spending for important public works projects that can provide work for our people.

Congress will also give serious consideration to an emergency program of health insurance for the unemployed, a program of interest rate subsidies so that our people can buy housing and so that our construction workers can get back to work, etc.

Congress will assume the lead in seeing to it that the progress we have made over two decades, in assuring that working Americans receive a greater share of this nation's bounty, including its minority workers, is not permitted to be destroyed by the ineptitude or the timidity of Republican Presidents and their Wall Street advisors.

And despite the President's threat to veto such a measure, we will work to pass, within the next two years, a comprehensive program of national health insurance for all Americans.

This is a priority for virtually all Democrats in the Congress and for many Republicans as well. We will not permit the unfounded objections of the White House to sidetrack this critically important measure.

In conclusion, it is becoming clearer each day that we cannot expect the bold and creative leadership from the White House that is desperately needed to restore our economy to health and to put our people back to work. Today's problems won't be solved by the timid and the fearful.

We must have progressive leadership in the White House to work with a Democratic Congress for the benefit of all working Americans and their families. All of those share the dream of a prosperous America, an America of opportunity for all, a land where social progress and higher standards of living are not vague hopes, but real possibilities. We must bury our differences, concentrate on our common goals and meeting the needs of our people, and forge a coalition of progressive Americans that will put a man in the White House in '76 who can lead us toward their accomplishment.

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WASHINGTON, D. C.

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TODAY OUR ECONOMY IS IN THE STRANGLEHOLD OF THE WORST
AMERICAN RECESSION SINCE THE GREAT DEPRESSION OF THE 1930's.

↳ IN 1974 U. S. PRODUCTION DROPPED MORE THAN IN ANY YEAR
SINCE THE LATE 1940's.

↳ IN 1974 THE NUMBER OF PEOPLE OUT OF WORK WAS LARGER THAN
IN ANY YEAR SINCE 1940.

↳ IN 1974 THE BUYING POWER OF MOST WORKERS' PAYCHECKS
DROPPED BY OVER 5 PERCENT, AN UNPRECEDENTED ONE-YEAR DROP IN
THE ECONOMIC HEALTH OF OUR PEOPLE.

WHILE THE ADMINISTRATION'S ECONOMIC GURUS PREDICT AN END
TO THE RECESSIONARY DECLINE IN OUR ECONOMY BY THIS FALL, EVEN
SECRETARY SIMON NOW ADMITS THAT THE CURRENT 8.7 PERCENT
UNEMPLOYMENT RATE WILL EXCEED 9 PERCENT LATER THIS YEAR.

UNEMPLOYMENT IS NOW CERTAINLY THE MOST SERIOUS PROBLEM AND THREAT TO THE SECURITY, PROSPERITY, AND STABILITY OF AMERICAN FAMILIES.

THE OFFICIAL UNEMPLOYMENT RATE IS NOW 8.7 PERCENT, BUT THE ACTUAL RATE OF UNEMPLOYMENT, WHEN PART-TIME WORKERS WHO WANT FULL TIME WORK ARE INCLUDED, AND THOSE WHO HAVE GIVEN UP LOOKING FOR JOBS ARE INCLUDED, IS OVER 13 PERCENT, OR ROUGHLY 12.5 MILLION AMERICANS.

UNEMPLOYMENT, AND THE THREAT OF UNEMPLOYMENT IS, OF COURSE, MUCH GREATER IN CERTAIN INDUSTRIES AND AMONG CERTAIN SEGMENTS OF THE POPULATION. IF YOU ARE YOUNG OR BLACK OR OVER 40, A CONSTRUCTION WORKER, OR EMPLOYED BY ONE OF THE GIANT AUTO COMPANIES, THE CHANCES OF YOUR BEING OUT OF WORK ARE THREE,

FOUR, OR EVEN FIVE TIMES GREATER THAN THEY ARE FOR THE AVERAGE
WORKER.

WHEN WE LOOK AT RISING CRIME RATES, SUBSTANDARD HOUSING,
AND THE PROBLEMS THAT THIS BREEDS, DETERIORATING URBAN AREAS,
THE PROBLEM OF BROKEN HOMES, THE DISASTROUS IMPACT ON CHILDREN'S
LEARNING THAT GOES WITH INADEQUATE DIET, ETC., IT BECOMES VERY
CLEAR THAT UNEMPLOYMENT IS THE SINGLE MOST IMPORTANT CAUSE OF
THE GROWTH IN SOCIAL PROBLEMS THAT WE ARE FACING IN THIS COUNTRY
TODAY. UNEMPLOYMENT IS NOT SIMPLY AN ECONOMIC PROBLEM, IT'S
A HUMAN PROBLEM.

IN THE EMPLOYMENT ACT OF 1946, CONGRESS DETERMINED THAT FOREVERMORE IT WOULD THE RESPONSIBILITY OF THE FEDERAL GOVERNMENT TO PURSUE POLICIES AND ESTABLISH THE PROGRAMS NECESSARY TO ACHIEVE "MAXIMUM PRODUCTION, MAXIMUM EMPLOYMENT AND MAXIMUM PURCHASING POWER." THE CURRENT RECESSION IS A TRAGIC TESTIMONIAL TO THE INABILITY OF YOUR GOVERNMENT TO LIVE UP TO THIS WEIGHTY RESPONSIBILITY.

FOR MOST OF THE YEARS SINCE THE PASSAGE OF THAT LANDMARK LEGISLATION IN 1946, THE EXECUTIVE BRANCH HAS, APPROPRIATELY, PROVIDED THE LEADERSHIP IN ATTEMPTING TO ACHIEVE THESE GOALS. HOWEVER, THE LAST TWO ADMINISTRATIONS HAVE FAILED SO DISMALLY IN THEIR FEEBLE, SPORADIC AND INCONSISTENT ATTEMPTS TO ACHIEVE THESE OBJECTIVES, THAT CONGRESS HAS BEEN FORCED TO FILL THE BREACH, THE ECONOMIC LEADERSHIP VACUUM, ITSELF.

YET, THE CONGRESS IS NOT REALLY EQUIPPED AS AN INSTITUTION TO PROVIDE THE STRONG, SINGLE MINDED, AND EFFECTIVE LEADERSHIP THAT THE SOLUTION TO OUR ECONOMIC PROBLEMS REQUIRES. CONGRESS IS COMPOSED OF 535 INDIVIDUALS, THAT SHEER NUMBER OF PEOPLE AUTOMATICALLY POSES PROBLEMS OF ACHIEVING CONSENSUS AND MAPPING A DEFINITE COURSE OF ACTION.

BUT THESE ARE EXTRAORDINARY TIMES, AND DESPITE THE INHERENT DIFFICULTIES, CONGRESS MUST ATTEMPT TO PROVIDE THE LEADERSHIP, AS IT HAS ON THE TAX CUT THAT WAS JUST PASSED, AT LEAST UNTIL NOVEMBER, 1976.

WHEN ONE CONSIDERS ITS LIMITATIONS, I BELIEVE CONGRESS HAS RESPONDED TO THE ECONOMIC CRISIS AND THE VACUUM OF LEADERSHIP IN THE WHITE HOUSE IN AN EXCEPTIONAL AND PERHAPS UNPRECEDENTED WAY.

SINCE JANUARY 15TH, WHEN THIS CONGRESS FIRST CONVENED:

↳ -- WE PASSED A \$23 BILLION TAX CUT, MUCH LARGER AND MORE

EQUITABLE THAN THAT PROPOSED BY THE WHITE HOUSE, AND THE LARGEST

TAX CUT IN HISTORY.

↳ -- WE REPEALED THE OIL DEPLETION ALLOWANCE, THE MOST GLARING

TAX LOOPHOLE, DESPITE THE PROTESTATIONS FROM THE WHITE HOUSE.

↳ -- WE PREVENTED THE ADMINISTRATION FROM IMPLEMENTING ITS

TERRIBLY DESTRUCTIVE AND ILL-CONSIDERED PROGRAM OF ENERGY

TAXES AND ENERGY PRICE CONTROLS. IT WOULD HAVE COST OUR WORKERS

BILLIONS.

↳ -- WE IN CONGRESS PUT THE PRESSURE ON CHAIRMAN BURNS OF

THE FEDERAL RESERVE BOARD TO LOWER INTEREST RATES AND LOOSEN

THE REINS ON CREDIT, IN ORDER TO INCREASE PRIVATE INVESTMENT AND BEGIN TO GET THE HOUSING INDUSTRY BACK ON ITS FEET, AND WE ARE GOING TO KEEP THE PRESSURE ON THE FED.

-- WE PREVENTED A CALLOUS REDUCTION IN THE NUMBER OF PEOPLE ELIGIBLE FOR FOOD STAMPS AND AN INCREASE IN THEIR COST.

-- WE HAVE SEEN TO IT THAT THE ADMINISTRATION'S OUTRAGEOUS DECISION TO HOLD SOCIAL SECURITY BENEFITS TO A MAXIMUM INCREASE OF 5 PERCENT WAS REJECTED.

THESE ARE JUST A FEW OF THE THINGS THE CONGRESS HAS DONE IN ITS FIRST TWO MONTHS IN SESSION. WE WILL DO MORE.

DESPIITE THE OPPOSITION THAT WE WILL RECEIVE FROM THE WHITE HOUSE, THE CONGRESS SHALL PASS LEGISLATION IN THE NEXT FEW MONTHS TO, *AMONG OTHER THINGS;*

LESS INCREASE THE NUMBER OF PUBLIC SERVICE JOBS AVAILABLE;

-- MOVE AMERICA TOWARD Energy INDEPENDENCE;

~~EXTEND THE PERIOD FOR WHICH THE JOBLESS ARE ELIGIBLE FOR~~

~~UNEMPLOYMENT BENEFITS~~ AND

LESS INCREASE SPENDING FOR IMPORTANT PUBLIC WORKS PROJECTS

THAT CAN PROVIDE WORK FOR OUR PEOPLE.

CONGRESS WILL ALSO GIVE SERIOUS CONSIDERATION TO AN EMERGENCY PROGRAM OF HEALTH INSURANCE FOR THE UNEMPLOYED; A PROGRAM OF INTEREST RATE SUBSIDIES SO THAT OUR PEOPLE CAN BUY HOUSING AND SO THAT OUR CONSTRUCTION WORKERS CAN GET BACK TO WORK, ETC.

Minority workers

CONGRESS WILL ASSUME THE LEAD IN SEEING TO IT THAT THE
PROGRESS WE HAVE MADE OVER TWO DECADES, IN ASSURING THAT
WORKING AMERICANS RECEIVE A GREATER SHARE OF THIS NATION'S
BOUNTY, INCLUDING ITS MINORITY WORKERS, IS NOT PERMITTED TO
BE DESTROYED BY THE INEPTITUDE OR THE TIMIDITY OF REPUBLICAN
PRESIDENTS AND THEIR WALL STREET ADVISORS.

AND, DESPITE THE PRESIDENT'S THREAT TO VETO SUCH A MEASURE,
WE WILL WORK TO PASS, WITHIN THE NEXT TWO YEARS, A COMPREHENSIVE
PROGRAM OF NATIONAL HEALTH INSURANCE FOR ALL AMERICANS.

THIS IS A PRIORITY FOR VIRTUALLY ALL DEMOCRATS IN THE
CONGRESS AND FOR MANY REPUBLICANS AS WELL. WE WILL NOT PERMIT
THE UNFOUNDED OBJECTIONS OF THE WHITE HOUSE TO SIDETRACK THIS
CRITICALLY IMPORTANT MEASURE.

IN CONCLUSION, IT IS BECOMING CLEARER EACH DAY THAT WE CANNOT EXPECT THE BOLD AND CREATIVE LEADERSHIP FROM THE WHITE HOUSE THAT IS DESPERATELY NEEDED TO RESTORE OUR ECONOMY TO HEALTH AND TO PUT OUR PEOPLE BACK TO WORK. TODAY'S PROBLEMS WON'T BE SOLVED BY THE TIMID AND THE FEARFUL.

WE MUST HAVE PROGRESSIVE LEADERSHIP IN THE WHITE HOUSE TO WORK WITH A DEMOCRATIC CONGRESS FOR THE BENEFIT OF ALL WORKING AMERICANS AND THEIR FAMILIES. ALL OF THOSE ^{WHO} SHARE THE DREAM OF A PROSPEROUS AMERICA, AN AMERICA OF OPPORTUNITY FOR ALL, A LAND WHERE SOCIAL PROGRESS AND HIGHER STANDARDS OF LIVING ARE NOT VAGUE HOPES, BUT REAL POSSIBILITIES, ~~WE~~ MUST BURY ^{THEIR} ~~OUR~~ DIFFERENCES.

IT IS TIME TO UNITE. TIME TO
CONCENTRATE ON OUR COMMON GOALS AND ~~SEEKING~~ THE NEEDS OF OUR

PEOPLE, AND FORGE A COALITION OF PROGRESSIVE AMERICANS THAT
WILL PUT A MAN IN THE WHITE HOUSE IN '76 WHO CAN LEAD US TOWARD
THEIR ACCOMPLISHMENT.

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