

REMARKS BY SENATOR HUBERT H. HUMPHREY
NATIONAL ASSOCIATION OF MARKET DEVELOPERS

Atlanta, Georgia

May 22, 1975

I am delighted to be with you tonight to participate in your association's annual awards banquet. It's a special pleasure for me because your president-elect, Tom Tipton, is a close personal friend who has been of tremendous help to me for years.

I always enjoy visiting Atlanta. Atlanta and the Twin Cities renew my confidence in our nation's ability to create liveable urban environments. In fact, I believe that Atlanta and the Twin Cities are two of the best examples in our nation of what planning ahead and good leadership can do.

There has been a great deal of exchange between our cities over the years. In fact, as I speak to you tonight, the Mayor of this great city and my good friend, Maynard Jackson, is addressing the Urban League in St. Paul. A few months ago I was here to address the Atlanta Urban League. So we do have an exchange program going, and I might add, it hasn't hurt our cities one bit.

In the last several months, I have been actively and intensively involved in studying and analyzing our nation's economic problems, and in trying to develop some reasonable proposals for dealing with them.

Today we are suffering a period of economic hardship more serious than anything our nation has been through since the Great Depression.

In the first quarter of 1975, the real value of the Gross National Product declined by 10 percent.

During the last 12 months, the number of people "officially" unemployed has nearly doubled, rising from 4.5 million last April to 8.2 million last month.

At the same time, America's workers have seen the purchasing power of their take-home pay fall all the way back to its 1964 level.

We now are in the grips of what is by far the most serious recession of the post-war period. But, as bad as its impact has been on the majority of Americans, its impact on minority America has been much greater.

It is as true today as it has been in the past that a recession for white Americans is a depression for black Americans.

Just take a look at some of the "official" employment figures.

-- Unemployment among black Americans now is 14.6 percent, compared to about 8 percent for whites.

-- In the last year, unemployment among black men and women has increased by 55 percent to 1.5 million people.

Joblessness among black teenagers now has reached 41.6 percent, a virtual unemployment epidemic.

Income figures for black Americans would show an erosion in buying power that is as dramatic and frightening as the jobless figures.

But, as always, statistics don't really show the true human costs of this recession -- the broken homes, the lost educational opportunities, the bankrupt businesses, the hunger, the pain of it all.

The recession of 1975 threatens to wipe out many of the hard-won economic gains made in the 1960's by blacks and other minority group Americans.

We must not and we cannot let this happen.

It would be economically, morally and politically unacceptable.

The struggle for economic justice is tough enough when times are good. But when they are bad, special efforts have to be made. Regrettably, we have seen no such initiative on the part of your government.

And unless we act soon, millions of poor blacks and whites will suffer even more poverty. These people will spend the rest of the decade trying to recover what they will lose in this "Great Recession."

In times of high unemployment, the policy of "last hired -- first fired" is applied without hesitation.

Moreover, as you all know so well, minority businesses are forced to close their doors at a frightful pace.

The vast majority of black businesses in this country are small and marginal operations in vulnerable types of enterprises in low income neighborhoods. As a result, they feel the full brunt of an economic recession.

In 1972, according to a Census Bureau Report released last December, there were 195,000 black owned businesses in the U.S. They comprised less than 2 percent of the nation's total concerns. Of the black owned businesses, 94 percent were single proprietorships, 84 percent had annual receipts of just \$13,000, and less than 20 percent had any paid employees. Two thirds of these businesses were concentrated in retail trade and services, such as grocery stores, dry cleaners and barber shops.

When one looks at these characteristics, and compares them with the extremely high level of unemployment and the declining level of income in our minority communities, one gets a glimpse of just how desperate a situation most of our black businessmen face today.

No one can measure exactly how much the recession is hurting black businesses, but there are some hints. A survey recently completed for the Black Economic Research Center concluded that the black business failure rate last year was about 18 percent. This compares with less than 1 percent for small businesses generally. Undoubtedly, the black business failure rate this year will be even worse.

Tight credit and high unemployment have been the most damaging aspects of the recession for black businesses. High interest rates intensify the normal reluctance of most banks to extend credit to small black businesses without proven records. This, in turn, sharply curtails the impact of the Small Business Administration's loan guarantee program on minority enterprises.

In the second half of 1974, SBA guarantees to minority owned businesses totalled only \$94.4 million, compared to a \$143.5 million level for the same period in 1973. That's more than a one-third drop in just one year. And I expect that the level in 1975 will show an even further deterioration in the level of assistance to small black businesses.

Of course, the levels of unemployment in the black community today force many black entrepreneurs to worry even more about finding customers than about finding credit.

Rampant joblessness can devastate a black retailer's sales and force him into bankruptcy.

While I'm on this subject, let me say that the Small Business Administration and the Office of Minority Business Enterprise have made a serious mistake by focusing so much of their attention on the start-up of new minority business concerns. The capital needs of minority businesses that have proven themselves over several years are, in many cases, just as great and their crises just as severe, as those faced by minority businesses. Given the limited funds available, these agencies should pay more attention to improving the quality of existing businesses and less to the bureaucratically rewarding game of increasing the quantity of minority businesses being helped.

As a result of this designed minority recession, minority graduate students, being prepared to provide the critical professional leadership needed in the fields of economics, engineering, accounting, marketing, education, law, architecture, medicine, social work and journalism, are being forced to put off their training as the sources of assistance, on which many rely, dry up in the economic drought.

All of us must do a better job in encouraging talented young minority students to enter the fields of business, economics, marketing, accounting and the like. These areas, neglected for years, are absolutely central in advancing our goals for economic justice in America.

We all know too well the terribly discriminatory impact of inflation and recession on the economically weak and the unorganized.

To be poor, black or elderly in America means great deprivation and personal suffering.

Sometimes I feel that most Americans live in some fancy dream world, a permanent "Disneyland." They seem to be unaware of the tremendous suffering and deprivation that exists in their own nation, in their own cities. They don't seem to understand that today's massive unemployment means that thousands of black children are sick, hungry, and poorly clothed right here in America -- now -- today.

I am all for helping the poor and the needy of other nations. I have battled for them all my life. But we must take off the blinders here in America and remember that not only charity, but economic justice, begins at home.

We cannot continue to avoid our responsibility to help these desperate people meet the current crisis.

Tonight I would like to outline just a few of the steps that I believe the federal government can and must take to begin to turn the tide against recession, and assure a strong economic recovery in the months ahead.

First, we must launch a genuine full employment program that will guarantee a job at decent wages to every able bodied American who can work.

This is not a pipedream. A nation which proposes to spend \$100 billion in its military budget should be able to give an equally high priority to providing every American able and willing to work with a decent job.

How much more expensive is it for our nation to have 10 to 12 million of its people jobless, on welfare, food stamps, and unemployment?

We need at least one million public service jobs -- now. And we should add 500,000 additional jobs each time the unemployment rate increases by one-half a percentage point.

Second, the time has come for the government to recognize that our cities are becoming the shame of a great nation. Many have become empty shells where the poor live and the rich and the middle class work and then leave.

Today many of our cities face the prospect of either drastically reducing services or substantially increasing taxes, as a result of this recession.

It would be disastrous economic policy to have state and local tax increases at this time. It would be tragic social policy to cut back on essential public services in the midst of this recession.

Therefore, I have proposed, with Senator Muskie, a program of anti-recession grants for cities and states to help them during this period of fiscal crisis. Only such a program will prevent state and local governments from taking steps that will frustrate federal efforts to restore economic growth and wipe out the effect of the recent tax cut.

Third, the housing sector must be revived by a general loosening of the monetary reins and the release of still impounded housing funds. Nothing can be more inflationary in the long run, and recessionary and destructive in the short run, than the current policy of induced depression in this key industry.

I have introduced legislation to establish a National Housing Bank to make mortgage money available to home buyers at not more than 6 percent interest. I believe this new institution is crucial if we are going to meet our nation's urgent housing needs and at the same time assure some stability in this volatile industry.

Fourth, the current "stagflation" -- caused in part by the energy crisis, food and commodity shortages, supply bottlenecks, and structural barriers in our economy -- has made it painfully clear that economic problems are inter-related and cannot be dealt with in an isolated and uncoordinated way. In addition, these causes clearly have indicated that we must do a much better job of anticipating similar problems before they are upon us as crises.

It is highly unlikely that we will be able to meet our nation's goals of full employment, relative price stability, balanced growth, and economic justice, unless we do a much better job of planning for the wise allocation of our nation's resources.

Yesterday Senator Javits and I introduced the Balanced Growth and Economic Planning Act of 1975.

This legislation is intended to stimulate a national debate on how we can best organize to do a more comprehensive and more rational job of planning to meet the needs of our citizens. It is crucial that our minority community play an active role in the debate on this proposal.

Fifth, the experts all predict that when the recovery begins -- and no one is taking any bets on when that will be -- it will be a long and hard economic period with high levels of unemployment.

To deal with this prospect, a comprehensive program must be devised to preserve the economic gains made by minorities in the past decade.

This is an urgent requirement.

It must include an energized program of survival loans to minority businesses.

It must include an imaginative proposal for assuring that equal opportunity gains of minority workers are not destroyed during recession.

And it must provide expanded support for minority educational institutions and students at a time when the traditional sources of support are stretched to the breaking point.

These are the kinds of initiatives that are essential if we are going to resume our drive toward equal opportunity and economic justice for all Americans. The seriousness of today's problems warrants bold and imaginative solutions. They will not yield to the timid, half-hearted, trickle-down economic measures that are so prominent in Washington today.

If we have the political will, we can achieve our goals for America. We can achieve that dream for America that was held out to each of us by the martyred native son of this great city -- my dear friend, the Reverend Martin Luther King.

#

(first woman President)

✓ Vera Gunn President

✓ Tom Tipton (Pres Elect)

✓ Chuck Smith (Ch. Bd)

✓ Cheryl Barge (convention
coordinator)

REMARKS BY SENATOR HUBERT H. HUMPHREY

NATIONAL ASSOCIATION OF MARKET DEVELOPERS

ATLANTA, GEORGIA

MAY 22, 1975

* George Maskow - V.P. Pillsbury

⊗ Mr. Naylor Fitzhugh

Financial Marketing

Howard Univ

(Morehouse College

among first

students from Atlanta "U"

I AM DELIGHTED TO BE WITH YOU TONIGHT TO PARTICIPATE
IN YOUR ASSOCIATION'S ANNUAL AWARDS BANQUET. ~~IT'S A SPECIAL~~
~~PLEASURE FOR ME BECAUSE~~ YOUR PRESIDENT-ELECT, TOM TIPTON,
IS A CLOSE PERSONAL FRIEND WHO HAS BEEN OF TREMENDOUS HELP
TO ME FOR YEARS.

~~I ALWAYS ENJOY VISITING ATLANTA.~~ ATLANTA AND THE TWIN
Minneapolis & St Paul
CITIES, RENEW MY CONFIDENCE IN OUR NATION'S ABILITY TO CREATE
LIVEABLE URBAN ENVIRONMENTS. ~~IN FACT~~ I BELIEVE THAT ATLANTA
AND THE TWIN CITIES ARE TWO OF THE BEST EXAMPLES IN OUR

NATION OF WHAT PLANNING AHEAD AND GOOD LEADERSHIP CAN DO. *Mayor Maynard Jackson in Minneapolis*

THERE HAS BEEN A GREAT DEAL OF EXCHANGE BETWEEN OUR CITIES
OVER THE YEARS. IN FACT, AS I SPEAK TO YOU TONIGHT, THE MAYOR
OF THIS GREAT CITY AND MY GOOD FRIEND, MAYNARD JACKSON, IS
ADDRESSING THE URBAN LEAGUE IN ST. PAUL.

L A FEW MONTHS AGO I WAS HERE TO ADDRESS THE ATLANTA URBAN

LEAGUE. So we do have an EXCHANGE PROGRAM GOING, AND I MIGHT

ADD, IT HASN'T HURT OUR CITIES ONE BIT.

and I have enjoyed it!

L IN THE LAST SEVERAL MONTHS, I HAVE BEEN ACTIVELY AND

INTENSIVELY INVOLVED IN STUDYING AND ANALYZING OUR NATION'S

ECONOMIC PROBLEMS, AND IN TRYING TO DEVELOP SOME REASONABLE

PROPOSALS FOR DEALING WITH THEM.

(JEC)

L TODAY WE ARE SUFFERING A PERIOD OF ECONOMIC HARDSHIP

MORE SERIOUS THAN ANYTHING OUR NATION HAS BEEN THROUGH SINCE

THE GREAT DEPRESSION

L IN THE FIRST QUARTER OF 1975, THE REAL VALUE OF THE GROSS

NATIONAL PRODUCT DECLINED BY ^{over 11} 11 PERCENT.

L DURING THE LAST 12 MONTHS, THE NUMBER OF PEOPLE "OFFICIALLY"
UNEMPLOYED HAS NEARLY DOUBLED, RISING FROM 4.5 MILLION LAST
APRIL TO 8.2 MILLION LAST MONTH. - fact - 12%

L AT THE SAME TIME, AMERICA'S WORKERS HAVE SEEN THE
PURCHASING POWER OF THEIR TAKE-HOME PAY FALL ALL THE WAY
BACK TO ITS 1964 LEVEL. - work week average 36 hours.

L WE NOW ARE IN THE GRIPS OF WHAT IS BY FAR THE MOST
SERIOUS RECESSION OF THE POST-WAR PERIOD. BUT, AS BAD AS
ITS IMPACT HAS BEEN ON THE MAJORITY OF AMERICANS, ITS IMPACT
~~on black,~~
ON MINORITY AMERICA HAS BEEN MUCH GREATER.

L IT IS AS TRUE TODAY AS IT HAS BEEN IN THE PAST THAT A
RECESSION FOR WHITE AMERICANS IS A DEPRESSION FOR BLACK AMERICANS.

JUST TAKE A LOOK AT SOME OF THE "OFFICIAL" EMPLOYMENT FIGURES. - the Real figures are worse

-- UNEMPLOYMENT AMONG BLACK AMERICANS NOW IS 14.6 PERCENT, COMPARED TO ^{about} 8 PERCENT FOR WHITES.

IN THE LAST YEAR, UNEMPLOYMENT AMONG BLACK MEN AND WOMEN HAS INCREASED BY 55 PERCENT TO 1.5 MILLION PEOPLE.

JOBLESSNESS AMONG BLACK TEENAGERS NOW HAS REACHED 42.7 PERCENT, A VIRTUAL UNEMPLOYMENT EPIDEMIC. (Tragic)

INCOME FIGURES FOR BLACK AMERICANS WOULD SHOW AN EROSION IN BUYING POWER THAT IS AS DRAMATIC AND FRIGHTENING AS THE JOBLESS FIGURES.

BUT, AS ALWAYS, STATISTICS DON'T REALLY SHOW THE TRUE
 HUMAN COSTS OF THIS RECESSION -- THE BROKEN HOMES, THE LOST
 EDUCATIONAL OPPORTUNITIES, THE BANKRUPT BUSINESSES, THE
 HUNGER, THE PAIN OF IT ALL

the poor health
the crime -

THE RECESSION OF 1975 THREATENS TO WIPE OUT MANY OF THE
 HARD-WON ECONOMIC GAINS MADE IN THE 1960'S BY BLACKS AND

OTHER MINORITY GROUP AMERICANS.

*10 million out of poverty
 all lost since 1970*

~~WE MUST NOT AND WE CANNOT LET THIS HAPPEN.~~

all of this is

~~IT WOULD BE~~ ECONOMICALLY, MORALLY AND POLITICALLY

UNACCEPTABLE

you and I know

THE STRUGGLE FOR ECONOMIC JUSTICE IS TOUGH ENOUGH WHEN
 TIMES ARE GOOD. BUT WHEN THEY ARE BAD, SPECIAL EFFORTS HAVE
 TO BE MADE! REGRETTABLY, WE HAVE SEEN NO SUCH INITIATIVE ON
 THE PART OF YOUR GOVERNMENT.

AND UNLESS WE ACT SOON, MILLIONS OF POOR BLACKS AND WHITES WILL SUFFER EVEN MORE POVERTY, THESE PEOPLE WILL SPEND THE REST OF THE DECADE TRYING TO RECOVER WHAT THEY WILL LOSE IN THIS "GREAT RECESSION."

IN TIMES OF HIGH UNEMPLOYMENT, THE POLICY OF "LAST HIRED -- FIRST FIRED" IS APPLIED WITHOUT HESITATION.

That means Blacks!

MOREOVER, AS YOU KNOW SO WELL, MINORITY BUSINESSES ARE FORCED TO CLOSE THEIR DOORS AT A FRIGHTFUL PACE.

THE VAST MAJORITY OF BLACK BUSINESSES IN THIS COUNTRY ARE SMALL AND MARGINAL OPERATIONS IN VULNERABLE TYPES OF

ENTERPRISES IN LOW INCOME NEIGHBORHOODS. AS A RESULT, THEY

FEEL THE FULL BRUNT OF AN ECONOMIC RECESSION!

h IN 1972, ACCORDING TO A CENSUS BUREAU REPORT RELEASED LAST
DECEMBER, THERE WERE 195,000 BLACK OWNED BUSINESSES IN THE

U.S. THEY COMPRISED LESS THAN 2 PERCENT OF THE NATION'S TOTAL

CONCERNS OF THE BLACK OWNED BUSINESSES, 94 PERCENT WERE SINGLE

PROPRIETORSHIPS 84 PERCENT HAD ANNUAL RECEIPTS OF JUST

\$13,000, AND LESS THAN 20 PERCENT HAD ANY PAID EMPLOYEES

L TWO THIRDS OF THESE BUSINESSES WERE CONCENTRATED IN RETAIL

TRADE AND SERVICES, SUCH AS GROCERY STORES, DRY CLEANERS AND

BARBER SHOPS.

L WHEN ONE LOOKS AT THESE CHARACTERISTICS, AND COMPARES

THEM WITH THE EXTREMELY HIGH LEVEL OF UNEMPLOYMENT AND THE

DECLINING LEVEL OF INCOME IN OUR MINORITY COMMUNITIES, *you*

Get GETS A GLIMPSE OF JUST HOW DESPERATE A SITUATION MOST OF OUR

minority BLACK BUSINESSMEN FACE TODAY.

No one can measure exactly how much the recession is hurting minority ~~black~~ businesses, but there are some hints. A survey recently completed for the "Black Economic Research Center" concluded that the minority ~~black~~ business failure rate last year was about 18 percent. ~~This compares with less than 1 percent for small businesses generally.~~ Undoubtedly, the black business failure rate this year will be even worse.

High interest
Tight credit and high unemployment have been the most damaging aspects of the recession for black businesses. High interest rates intensify the normal reluctance of most banks to extend credit to small black businesses without proven records. This, in turn, sharply curtails the impact

of the Small Business Administration's loan guarantee program on minority enterprises. (SBA - too little)

IN THE SECOND HALF OF 1974, ^{loan} SBA GUARANTEES TO MINORITY OWNED BUSINESSES TOTALLED ONLY \$94.4 MILLION, COMPARED TO A \$143.5 MILLION LEVEL FOR THE SAME PERIOD IN 1973. THAT'S MORE THAN A ONE-THIRD DROP IN JUST ONE YEAR. AND, I EXPECT THAT THE LEVEL IN 1975 WILL SHOW AN EVEN FURTHER DETERIORATION IN THE LEVEL OF ASSISTANCE TO SMALL BLACK BUSINESSES.

~~LOANS~~ THE LEVELS OF UNEMPLOYMENT IN THE BLACK COMMUNITY TODAY FORCE MANY BLACK ENTREPRENEURS TO WORRY EVEN MORE ABOUT FINDING CUSTOMERS THAN ABOUT FINDING CREDIT.

RAMPANT JOBLESSNESS CAN DEVASTATE A BLACK RETAILER'S SALES AND FORCE HIM INTO BANKRUPTCY.

WHILE I'M ON THIS SUBJECT, LET ME SAY THAT THE SMALL
BUSINESS ADMINISTRATION AND THE OFFICE OF MINORITY BUSINESS
ENTERPRISE HAVE MADE A SERIOUS MISTAKE BY FOCUSING SO MUCH
OF THEIR ATTENTION ON THE START-UP OF NEW MINORITY BUSINESS
CONCERNS. THE CAPITAL NEEDS OF MINORITY BUSINESSES THAT HAVE
PROVEN THEMSELVES OVER SEVERAL YEARS ARE, IN MANY CASES, JUST
AS GREAT AND THEIR CRISES JUST AS SEVERE, AS THOSE FACED BY NEW
MINORITY BUSINESSES. GIVEN THE LIMITED FUNDS AVAILABLE, THESE
AGENCIES SHOULD PAY MORE ATTENTION TO IMPROVING THE QUALITY
OF EXISTING BUSINESSES AND LESS TO THE BUREAUCRATICALLY
REWARDING GAME OF INCREASING THE QUANTITY OF MINORITY BUSINESSES
BEING HELPED.

*But what is needed,
is more capital -*

manufactured in Washington

AS A RESULT OF THIS DESIGNED ~~RECESSION~~ RECESSION, MINORITY
 GRADUATE STUDENTS, BEING PREPARED TO PROVIDE THE CRITICAL
 PROFESSIONAL LEADERSHIP NEEDED IN THE FIELDS OF ECONOMICS,
 ENGINEERING, ACCOUNTING, MARKETING, EDUCATION, LAW, ARCHITECTURE,
 MEDICINE, SOCIAL WORK AND JOURNALISM, ARE BEING FORCED TO PUT
 OFF THEIR TRAINING AS THE SOURCES OF ASSISTANCE, ON WHICH MANY
 RELY, DRY UP IN THE ECONOMIC DROUGHT.

ALL OF US MUST DO A BETTER JOB IN ENCOURAGING TALENTED
 YOUNG MINORITY STUDENTS TO ENTER THE FIELDS OF BUSINESS,
 ECONOMICS, MARKETING, ACCOUNTING AND THE LIKE THESE AREAS,

*Training
 Educ
 Mr. Fitzhugh*

NEGLECTED FOR YEARS, ARE ABSOLUTELY CENTRAL IN ADVANCING OUR
 GOALS FOR ECONOMIC JUSTICE IN AMERICA.

(Piece of the action)

~~h~~

WE ALL KNOW TOO WELL THE TERRIBLY DISCRIMINATORY IMPACT
OF INFLATION AND RECESSION ON THE ECONOMICALLY WEAK AND THE
UNORGANIZED.

TO BE POOR, BLACK OR ELDERLY IN AMERICA MEANS GREAT
DEPRIVATION AND PERSONAL SUFFERING.

SOMETIMES I FEEL THAT ^{too many} ~~most~~ AMERICANS LIVE IN SOME
FANCY DREAM WORLD, A PERMANENT "DISNEYLAND." THEY SEEM TO
BE UNAWARE OF THE TREMENDOUS SUFFERING AND DEPRIVATION THAT
EXISTS IN THEIR OWN NATION; IN THEIR OWN CITIES. THEY DON'T
SEEM TO UNDERSTAND THAT TODAY'S MASSIVE UNEMPLOYMENT MEANS
THAT THOUSANDS OF BLACK CHILDREN ARE SICK, HUNGRY, AND
POORLY CLOTHED RIGHT HERE IN AMERICA -- NOW -- TODAY.

L I AM ALL FOR HELPING THE POOR AND THE NEEDY OF OTHER
NATIONS. L I HAVE BATTLED FOR THEM ALL MY LIFE BUT WE MUST
TAKE OFF THE BLINDERS HERE IN AMERICA AND REMEMBER THAT NOT
ONLY CHARITY, BUT ECONOMIC JUSTICE, BEGINS AT HOME. !

L WE CANNOT CONTINUE TO AVOID OUR RESPONSIBILITY TO HELP
our own
~~THESE DESPERATE~~ PEOPLE MEET THE CURRENT CRISIS.

L TONIGHT I WOULD LIKE TO OUTLINE JUST A FEW OF THE STEPS
THAT I BELIEVE THE *four* ~~FEDERAL~~ GOVERNMENT CAN AND MUST TAKE TO
BEGIN TO TURN THE TIDE AGAINST RECESSION, AND ASSURE A STRONG
ECONOMIC RECOVERY IN THE MONTHS AHEAD.

↳ FIRST, WE MUST LAUNCH A GENUINE FULL EMPLOYMENT PROGRAM
THAT WILL GUARANTEE A JOB AT DECENT WAGES TO EVERY ABLE
BODIED AMERICAN WHO CAN WORK.

↳ THIS IS NOT A PIPE DREAM. ↳ A NATION WHICH PROPOSES TO
SPEND \$100 BILLION IN ITS MILITARY BUDGET SHOULD BE ABLE
TO GIVE AN EQUALLY HIGH PRIORITY TO PROVIDING EVERY AMERICAN
ABLE AND WILLING TO WORK WITH A DECENT JOB.

↳ HOW MUCH MORE EXPENSIVE IS IT FOR OUR NATION TO HAVE
10 TO 12 MILLION OF ITS PEOPLE JOBLESS, ON WELFARE, FOOD

STAMPS, AND UNEMPLOYMENT *compensation - doing*
nothing, building nothing, producing
nothing, consuming too little,
and not paying income taxes.

Jobs -15-

①

WE NEED AT LEAST ^{TWO} MILLION PUBLIC SERVICE JOBS -- NOW.

Public works — Railroads,
AND WE SHOULD ADD 500,000 ADDITIONAL JOBS EACH TIME THE
Roads, Schools, Streets, Parks
UNEMPLOYMENT RATE INCREASES BY ONE-HALF A PERCENTAGE POINT.

②

SECOND, THE TIME HAS COME FOR THE GOVERNMENT TO RECOGNIZE
^{many of} THAT OUR CITIES ARE BECOMING THE SHAME OF A GREAT NATION. MANY

HAVE BECOME EMPTY SHELLS WHERE THE POOR LIVE AND THE RICH
AND THE MIDDLE CLASS WORK AND THEN LEAVE.

TODAY MANY OF OUR CITIES FACE THE PROSPECT OF EITHER
DRASTICALLY REDUCING SERVICES OR SUBSTANTIALLY INCREASING
TAXES, AS A RESULT OF THIS RECESSION.

IT WOULD BE DISASTROUS ECONOMIC POLICY TO HAVE STATE AND
LOCAL TAX INCREASES AT THIS TIME. IT WOULD BE TRAGIC SOCIAL
POLICY TO CUT BACK ON ESSENTIAL PUBLIC SERVICES IN THE MIDST
OF THIS RECESSION.

THEREFORE, I HAVE PROPOSED, WITH SENATOR MUSKIE, A PROGRAM OF ANTI-RECESSION GRANTS FOR CITIES AND STATES TO HELP THEM DURING THIS PERIOD OF FISCAL CRISIS, ONLY SUCH A PROGRAM WILL PREVENT STATE AND LOCAL GOVERNMENTS FROM TAKING STEPS THAT WILL FRUSTRATE FEDERAL EFFORTS TO RESTORE ECONOMIC GROWTH AND WIPE OUT THE EFFECT OF THE RECENT TAX CUT.

Housing

construction

THIRD, THE HOUSING ~~SECTOR~~ MUST BE REVIVED BY A GENERAL

LOOSENING OF THE MONETARY REINS AND THE RELEASE OF STILL

IMPOUNDED HOUSING FUNDS, NOTHING CAN BE MORE INFLATIONARY IN

THE LONG RUN, AND RECESSIONARY AND DESTRUCTIVE IN THE SHORT

RUN, THAN THE CURRENT POLICY OF INDUCED DEPRESSION IN THIS

KEY INDUSTRY.

Housing Bank

-17-

Ex-M. Bantz

I HAVE INTRODUCED LEGISLATION TO ESTABLISH A NATIONAL HOUSING BANK TO MAKE MORTGAGE MONEY AVAILABLE TO HOME BUYERS AT NOT MORE THAN 6 PERCENT INTEREST. I BELIEVE THIS NEW INSTITUTION IS CRUCIAL IF WE ARE GOING TO MEET OUR NATION'S URGENT HOUSING NEEDS AND AT THE SAME TIME ASSURE SOME STABILITY IN THIS VOLATILE INDUSTRY,

4/ FOURTH, THE CURRENT "STAGFLATION" -- CAUSED IN PART BY THE ENERGY CRISIS, FOOD AND COMMODITY SHORTAGES, SUPPLY BOTTLENECKS, AND STRUCTURAL BARRIERS IN OUR ECONOMY -- HAS MADE IT PAINFULLY CLEAR THAT ECONOMIC PROBLEMS ARE INTER-RELATED AND CANNOT BE DEALT WITH IN AN ISOLATED AND UNCOORDINATED WAY. IN ADDITION, THESE CAUSES CLEARLY HAVE INDICATED THAT WE MUST DO A MUCH BETTER JOB OF ANTICIPATING SIMILAR PROBLEMS BEFORE THEY ARE UPON US AS CRISES.

IT IS HIGHLY UNLIKELY THAT WE WILL BE ABLE TO MEET OUR
NATION'S GOALS OF FULL EMPLOYMENT, ~~RELATIVE~~ PRICE STABILITY,
BALANCED GROWTH, AND ECONOMIC JUSTICE, UNLESS WE DO A MUCH
BETTER JOB OF PLANNING FOR THE ^{Proper} ~~THE~~ ALLOCATION OF OUR NATION'S
RESOURCES.

YESTERDAY SENATOR JAVITS AND I INTRODUCED THE BALANCED
GROWTH AND ECONOMIC PLANNING ACT OF 1975.

THIS LEGISLATION IS INTENDED TO STIMULATE A NATIONAL
DEBATE ON HOW WE CAN BEST ORGANIZE TO DO A MORE COMPREHENSIVE
AND MORE RATIONAL JOB OF PLANNING TO MEET THE NEEDS OF OUR
CITIZENS. IT IS CRUCIAL THAT OUR MINORITY COMMUNITY PLAY
AN ACTIVE ROLE IN THE DEBATE ON THIS PROPOSAL.

Fed Reserve -

-19-

b

FIFTH,

THE EXPERTS ALL PREDICT THAT WHEN THE RECOVERY

BEGINS -- AND NO ONE IS TAKING ANY BETS ON WHEN THAT WILL BE

-- IT WILL BE A LONG AND HARD ECONOMIC PERIOD WITH HIGH

LEVELS OF UNEMPLOYMENT.

~~Fed Reserve Policy~~

TO DEAL WITH THIS PROSPECT, A COMPREHENSIVE PROGRAM
MUST BE DEvised TO PRESERVE THE ECONOMIC GAINS MADE BY
MINORITIES IN THE PAST DECADE,

THIS IS AN URGENT REQUIREMENT,

IT MUST INCLUDE AN ENERGIZED PROGRAM OF SURVIVAL LOANS
TO MINORITY BUSINESSES,

IT MUST INCLUDE AN IMAGINATIVE PROPOSAL FOR ASSURING
THAT EQUAL OPPORTUNITY GAINS OF MINORITY WORKERS ARE NOT
DESTROYED DURING RECESSION,

~~AND IT MUST PROVIDE EXPANDED SUPPORT FOR MINORITY
EDUCATIONAL INSTITUTIONS AND STUDENTS AT A TIME WHEN THE
TRADITIONAL SOURCES OF SUPPORT ARE STRETCHED TO THE BREAKING POINT.~~

∟ THESE ARE THE KINDS OF INITIATIVES THAT ARE ESSENTIAL IF
WE ARE GOING TO RESUME OUR DRIVE TOWARD EQUAL OPPORTUNITY AND
ECONOMIC JUSTICE FOR ALL AMERICANS. THE SERIOUSNESS OF TODAY'S
PROBLEMS WARRANTS BOLD AND IMAGINATIVE SOLUTIONS. THEY WILL
NOT YIELD TO THE TIMID, HALF-HEARTED, TRICKLE-DOWN ECONOMIC
MEASURES THAT ARE SO PROMINENT IN WASHINGTON TODAY.

∟ IF WE HAVE THE POLITICAL WILL, WE CAN ACHIEVE OUR GOALS
FOR AMERICA. WE CAN ACHIEVE THAT DREAM FOR AMERICA THAT WAS
HELD OUT TO EACH OF US BY THE MARTYRED NATIVE SON OF THIS
GREAT CITY -- MY ~~DEAR~~ FRIEND, THE REVEREND MARTIN LUTHER KING.



Minnesota Historical Society

Copyright in this digital version belongs to the Minnesota Historical Society and its content may not be copied without the copyright holder's express written permission. Users may print, download, link to, or email content, however, for individual use.

To request permission for commercial or educational use, please contact the Minnesota Historical Society.



www.mnhs.org