

REMARKS OF SENATOR HUBERT H. HUMPHREY

INTERNATIONAL LADIES' GARMENT WORKERS UNION

Washington, D.C.

January 21, 1976

Today I want to discuss with you the most pressing issue facing this country -- an issue which has been largely ignored by the President and by his Administration -- an issue upon which you and I think very much alike -- and, the issue that brings all of you here to Washington at this time.

That issue is jobs.

There are many economic reasons why we should have a fully employed labor force. But before going into those, I want you to reflect a moment on the last time you met a stranger. The first thing you probably asked was "Where are you from?" The second question was almost certainly "Where do you work?"

These questions, which are repeated hundreds of thousands of times in the United States each day, put in a nutshell why jobs for all must be our first priority. The overwhelming importance we put on work -- on what we do for a living -- underscores the moral, social and economic importance of having a job in America.

The problem of unemployment is extremely severe for young people, for ethnic minorities, and for women. Month after month the statistics show that people in these groups are suffering the most from unemployment. They need special attention to solve their problems.

However, political apologists for Republican economic failures imply from these statistics that unemployment is not that serious for the "average" American. This kind of divisive political rhetoric is bad for the country and must be stopped.

The Congressional Research Service recently prepared an analysis for me of the typical unemployed worker. It clearly shows that the politicians of division are way off base.

In December of 1975, the average unemployed worker was neither a teen-ager nor an older person. He was between 25 and 54 years of age. This worker also was male, and by a margin of nearly 6 to 1 he was white. Moreover, he probably had been out of his factory job for over four months.

Unemployment is a major problem for all Americans -- and it hurts all of us.

The politicians of division also imply that many of the unemployed are chiselers, happy to live in the lap of luxury on unemployment compensation and food stamps. Clearly, they have not talked with the unemployed. I have, and they tell me that it is a great hardship to be out of a job. And both the figures and their actions back them up.

Our typical unemployed worker made \$174 a week before he lost his job. Now he receives an unemployment check, if he gets one, of \$70 a week and food stamps worth about \$20. I would like to see some of these critics try to support their families on \$90 a week.

In spite of all the political propoganda, few Americans really want to live on unemployment compensation.

As Chairman of the Joint Economic Committee, I have held regional hearings in the past few months in major cities throughout the country. What impressed me most in these hearings were not the detailed statistics or sophisticated theories of the economists. The most valuable testimony we received was from individuals not much different from yourselves or your next door neighbors -- people who were thrown out of work by the incredible economic mismanagement of the Nixon-Ford team during the last seven years.

These people told the Committee in no uncertain terms that they want work, not welfare. They want a chance to earn their own way, a chance to build a future for themselves and their children, a chance to regain their self-respect, a chance to hope.

Some say we exaggerate unemployment. They say that the unemployment statistics overstate the true number of unemployed.

Just the opposite is true.

The "official" unemployment rate today is 8.3 percent, or 7.8 million people. But when you include part-time workers who want full time jobs and people who simply have given up looking for work, the real unemployment rate goes to 11.1 percent, or 10.4 million Americans. That's right, we are suffering double-digit unemployment.

The will to work is as strong in America today as it ever has been. I'll give you just one example.

When I was holding our employment hearing in Los Angeles two weeks ago, the city government advertised for one job, an elevator operator. Three hundred people stood in line for hours. A few of them were even hurt in the rush to apply for that one job.

Given these facts, it is incredible that this Administration takes high unemployment so lightly. As you recall, the original Administration justification for allowing unemployment to rise was that it was the only cure for soaring inflation. Of course, that idea now has been largely discredited. It is strange how the fervor with which this Administration furiously attacks inflation vanishes when it comes to unemployment.

The President and his economists tell us that we now are in a recovery period. They tell us that the future is bright. It is true that the Gross National Product rose sharply in the second half of 1975. It was about time. And corporate profits are recovering quite nicely, as you might expect.

But the "people recovery " the jobs recovery, is lagging far behind.

Nine months after the start of this so-called "economic recovery," the unemployment rate still is 8.3 percent, a higher rate than at the height of any other recession since World War II.

A policy of high unemployment to fight inflation makes bad sense socially and morally. But it also is bad economics.

During 1975, as many as 20 million workers experienced unemployment at some time. Together with the families of these workers, that makes over 60 million Americans who directly suffered the effects of a high-unemployment economic policy.

What does it mean when the purchasing power of over 60 million people is severely reduced by government policy?

It means that our national income was almost \$200 billion lower in 1975 than it would have been if we had been at full employment. It means that spending by consumers was \$120 billion less than it would have been at full employment. It means that you and your neighbors who have jobs were affected, because of the \$120 billion worth of clothing, automobiles, appliances and furniture that were not purchased.

The President often has said that high unemployment affects only eight percent of the population, but that inflation affects everyone. You and I know better. Clearly one man's spending is another man's job.

Now let us turn to the Federal budget. What effect did a gap of \$200 billion in national income have on the Federal budget?

It lowered Federal tax receipts by \$40 billion for the simple reason that the unemployed don't pay taxes. This tax loss, combined with necessarily higher expenditures for unemployment compensation, welfare and food stamps, created the recession deficit we experienced in 1975.

While we all welcome the signs of a rebound in our economy, the continued strength of recovery remains in doubt.

Consumers still are wary and not ready to increase spending substantially in 1976. And business spending for plant and equipment is expected to rise very slowly, if at all, in 1976. The contribution of these two vital sectors to the continuation of the recovery by no means is assured.

So where can we look for strength in the economy during 1976? Not to the government, if the Administration's new budget is adopted.

If there is a sure fire method for nipping the recovery in the bud, this Administration certainly has hit upon it. Adoption of the President's austerity budget would ensure a continued high level of unemployment, in the neighborhood of eight percent, for at least the next two years.

Moreover, it would cut programs of vital importance to the elderly, the young and to all American workers and their families, in the areas of education, job safety, health care and many others.

Such a politically calculated and socially destructive policy is intolerable. Congress cannot and will not permit this outrage of distorted priorities and confused economics to take place.

We all would like to limit the growth of government spending and reduce waste. But not in those areas where people desperately need help and not if it means adding to unemployment. Our number one concern right now should be to find jobs for the eight million unemployed who are looking for work.

I know that you are here in Washington to protest trade and import policies that rapidly are eliminating jobs in the textile and apparel business. Your industry provides one out of every eight jobs in the manufacturing sector, which is an impressive record.

It makes no sense at all for the Federal government to create jobs with its right hand, and then eliminate other, productive jobs with its left hand. But that is exactly what is happening as a result of some trade policies that may be well-intentioned but which can have catastrophic results in terms of domestic employment. Let's get both hands working together toward the same goal -- jobs for all Americans.

As Chairman of the Congressional Joint Economic Committee, I have taken a very close look at the nation's economy, its rate of recovery, and what government action seems appropriate at this time.

The policies of this Administration make a strong economic recovery in 1976 and 1977 highly uncertain. So Congress must stand ready to take the actions that are necessary to support recovery and keep the unemployment rate moving down, not up.

What are some of the things we should do?

-- By the skin of our teeth, and only after a Presidential veto, we enacted an extension of the 1975 tax cut. But if recovery drags, we well may need additional reductions and we should be prepared to act quickly.

-- We need a more expansionary money and credit policy to support growth. This means we need cooperation from the Federal Reserve Board. Lower interests rates are a must in getting the key sectors of housing and business investment moving ahead.

-- We need programs of public service jobs, emergency public works, and aid to hard-pressed cities, all of which would phase out as unemployment rates drop. And we need to enact legislation that will assure a decent job at good wages for every American who is willing and able to work.

-- We need a major initiative to put the housing industry back on its feet and home ownership back within reach for most families. It requires a temporary interest subsidy, let's have one.

-- We need an anti-inflation program designed to encourage competitive pricing, restore industry to higher levels of production, and provide for reasonable food and energy policies. We can lower costs of production, and prices, if we can get our nation's plants and equipment working again.

-- We need an all-out attack on waste throughout the economy. Significant spending reductions and revenue-raising tax reforms are possible without severely impairing important government services. But this requires great care and not the "magic number" approach of this Administration in setting a Budget spending ceiling.

In short, we need to put people and machines back to work, off the dole and onto the tax rolls, and get our budget back into balance. We don't have a spending deficit, we have a recession deficit.

Today Americans are wondering why the man who holds the highest office in this land doesn't look out across the nation, at the length and breadth of its problems, at its cities in disrepair and its factories idle, at its jobless workers and its desperate young people, and say "There is an enormous job to be done here, one of the biggest jobs we've ever faced. Let's get to work!"

We have had men of vision before -- men who were great leaders because they were good listeners, because they knew that we needed a new sense of hope and a new sense of purpose -- men who knew that the government is the servant of the people rather than their master.

You and I know their names -- Roosevelt, Truman, Kennedy, Johnson.

The Democratic party still embodies that spirit. And it is more important than ever, in this hour of crisis, that we put the party of the people back to work for all the people.

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- Economy - Costs
- Jobs
- Planning - Fed Reserve
- Trade
- minimum wage

REMARKS OF SENATOR HUBERT H. HUMPHREY

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(X) Great - New Deal
(X) Programs
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future

INTERNATIONAL LADIES' GARMENT WORKERS UNION

WASHINGTON, D.C.

JANUARY 21, 1976

^{"Chick"}
Pres. Ad Chaikin

Wilbur Daniels
Exec V.P.
Howard
Melisoni
First V.P.

- Lou Stullberg
- David Dubinsky

Guests Mrs Tyler
Evelyn Babrow

Party
last night

TODAY I WANT TO DISCUSS WITH YOU THE MOST PRESSING ISSUE
FACING THIS COUNTRY -- AN ISSUE WHICH HAS BEEN LARGELY IGNORED
BY THE PRESIDENT AND BY HIS ADMINISTRATION -- AN ISSUE UPON
WHICH YOU AND I THINK VERY MUCH ALIKE -- AND, THE ISSUE THAT
BRINGS ALL OF YOU HERE TO WASHINGTON AT THIS TIME.

THAT ISSUE IS JOBS.

THERE ARE MANY ECONOMIC REASONS WHY WE SHOULD HAVE A FULLY
EMPLOYED LABOR FORCE. BUT BEFORE GOING INTO THOSE, I WANT YOU
TO REFLECT A MOMENT ON THE LAST TIME YOU MET A STRANGER. THE
FIRST THING YOU PROBABLY ASKED WAS "WHERE ARE YOU FROM?"

THE SECOND QUESTION WAS ALMOST CERTAINLY "WHERE DO YOU WORK?"

THESE QUESTION, WHICH ARE REPEATED HUNDREDS OF THOUSANDS OF TIMES IN THE UNITED STATES EACH DAY, PUT IN A NUTSHELL WHY JOBS FOR ALL MUST BE OUR FIRST PRIORITY. THE OVERWHELMING IMPORTANCE WE PUT ON WORK -- ON WHAT WE DO FOR A LIVING -- UNDERSCORES THE MORAL, SOCIAL AND ECONOMIC IMPORTANCE OF HAVING A JOB IN AMERICA.

THE PROBLEM OF UNEMPLOYMENT IS EXTREMELY SEVERE FOR YOUNG PEOPLE, FOR ETHNIC MINORITIES, AND FOR WOMEN. MONTH AFTER MONTH THE STATISTICS SHOW THAT PEOPLE IN THESE GROUPS ARE SUFFERING THE MOST FROM UNEMPLOYMENT. THEY NEED SPECIAL ATTENTION TO SOLVE THEIR PROBLEMS.

HOWEVER, POLITICAL APOLOGISTS FOR REPUBLICAN ECONOMIC FAILURES IMPLY FROM THESE STATISTICS THAT UNEMPLOYMENT IS NOT THAT SERIOUS FOR THE "AVERAGE" AMERICAN. THIS KIND OF DIVISIVE POLITICAL RHETORIC IS BAD FOR THE COUNTRY AND MUST BE STOPPED.

THE CONGRESSIONAL RESEARCH SERVICE RECENTLY PREPARED AN ANALYSIS FOR ME OF THE TYPICAL UNEMPLOYED WORKER. IT CLEARLY SHOWS THAT THE POLITICIANS OF DIVISION ARE WAY OFF BASE.

↳ IN DECEMBER OF 1975, THE AVERAGE UNEMPLOYED WORKER WAS NEITHER A TEEN-AGER NOR AN OLDER PERSON. HE WAS BETWEEN 25 AND 54 YEARS OF AGE. THIS WORKER ALSO WAS MALE, AND BY A MARGIN OF NEARLY 6 TO 1 HE WAS WHITE. MOREOVER, HE PROBABLY HAD BEEN OUT OF HIS FACTORY JOB FOR OVER FOUR MONTHS.

UNEMPLOYMENT IS A MAJOR PROBLEM FOR ALL AMERICANS -- AND IT HURTS ALL OF US.

~~THE POLITICIANS OF DIVISION ALSO IMPLY THAT MANY OF THE UNEMPLOYED ARE CHISELERS, HAPPY TO LIVE IN THE LAP OF LUXURY ON UNEMPLOYMENT COMPENSATION AND FOOD STAMPS.~~

L CLEARLY, THEY HAVE NOT TALKED WITH THE UNEMPLOYED. I HAVE,
AND THEY TELL ME THAT IT IS A GREAT HARDSHIP TO BE OUT OF A
JOB. AND BOTH THE FIGURES AND THEIR ACTIONS BACK THEM UP.

L OUR TYPICAL UNEMPLOYED WORKER MADE \$174 A WEEK BEFORE HE
LOST HIS JOB. NOW HE RECEIVES AN UNEMPLOYMENT CHECK, IF HE
GETS ONE, OF \$70 A WEEK AND FOOD STAMPS WORTH ABOUT \$20. I
WOULD LIKE TO SEE SOME OF THESE CRITICS TRY TO SUPPORT THEIR
FAMILIES ON \$90 A WEEK.

L IN SPITE OF ALL THE POLITICAL PROPAGANDA, FEW AMERICANS
REALLY WANT TO LIVE ON UNEMPLOYMENT COMPENSATION.

AS CHAIRMAN OF THE JOINT ECONOMIC COMMITTEE, I HAVE HELD REGIONAL
HEARINGS IN THE PAST FEW MONTHS IN MAJOR CITIES THROUGHOUT THE
COUNTRY. L WHAT IMPRESSED ME MOST IN THESE HEARINGS WERE NOT THE
DETAILED STATISTICS OR SOPHISTICATED THEORIES OF THE ECONOMISTS.

THE MOST VALUABLE TESTIMONY WE RECEIVED WAS FROM INDIVIDUALS
NOT MUCH DIFFERENT FROM YOURSELVES OR YOUR NEXT DOOR NEIGHBORS --
PEOPLE WHO WERE THROWN OUT OF WORK BY THE INCREDIBLE ECONOMIC
MISMANAGEMENT OF THE NIXON-FORD TEAM DURING THE LAST SEVEN YEARS.

↳ THESE PEOPLE TOLD THE COMMITTEE IN NO UNCERTAIN TERMS THAT
THEY WANT WORK, NOT WELFARE. THEY WANT A CHANCE TO EARN THEIR
OWN WAY, A CHANCE TO BUILD A FUTURE FOR THEMSELVES AND THEIR
CHILDREN, A CHANCE TO REGAIN THEIR SELF-RESPECT, A CHANCE TO
HOPE.

↳ SOME SAY WE EXAGGERATE UNEMPLOYMENT. THEY SAY THAT THE
UNEMPLOYMENT STATISTICS OVERSTATE THE TRUE NUMBER OF UNEMPLOYED.
JUST THE OPPOSITE IS TRUE.

THE "OFFICIAL" UNEMPLOYMENT RATE TODAY IS 8.3 PERCENT, OR
7.8 MILLION PEOPLE. BUT WHEN YOU INCLUDE PART-TIME WORKERS WHO
WANT FULL TIME JOBS AND PEOPLE WHO SIMPLY HAVE GIVEN UP LOOKING
FOR WORK, THE REAL UNEMPLOYMENT RATE GOES TO 11.1 PERCENT, OR
10.4 MILLION AMERICANS. THAT'S RIGHT, WE ARE SUFFERING DOUBLE-
DIGIT UNEMPLOYMENT.

THE WILL TO WORK IS AS STRONG IN AMERICA TODAY AS IT EVER
HAS BEEN. I'LL GIVE YOU JUST ONE EXAMPLE.

WHEN I WAS HOLDING OUR EMPLOYMENT HEARING IN LOS ANGELES
TWO WEEKS AGO, THE CITY GOVERNMENT ADVERTISED FOR ONE JOB, AN
ELEVATOR OPERATOR. THREE HUNDRED PEOPLE STOOD IN LINE FOR HOURS.
A FEW OF THEM WERE EVEN HURT IN THE RUSH TO APPLY FOR THAT
ONE JOB.

L'A

Unemp. Cure for Inflation

GIVEN THESE FACTS, IT IS INCREDIBLE THAT THIS ADMINISTRATION
TAKES HIGH UNEMPLOYMENT SO LIGHTLY. AS YOU RECALL, THE ORIGINAL
ADMINISTRATION JUSTIFICATION FOR ALLOWING UNEMPLOYMENT TO RISE
WAS THAT IT WAS THE ONLY CURE FOR SOARING INFLATION. OF COURSE,
THAT IDEA NOW HAS BEEN LARGELY DISCREDITED. IT IS STRANGE HOW
THE FERVOR WITH WHICH THIS ADMINISTRATION FURIOUSLY ATTACKS
INFLATION VANISHES WHEN IT COMES TO UNEMPLOYMENT.

THE PRESIDENT AND HIS ECONOMISTS TELL US THAT WE NOW ARE
IN A RECOVERY PERIOD. THEY TELL US THAT THE FUTURE IS BRIGHT.

IT IS TRUE THAT THE GROSS NATIONAL PRODUCT ROSE SHARPLY IN THE
SECOND HALF OF 1975. IT WAS ABOUT TIME. AND CORPORATE PROFITS
ARE RECOVERING QUITE NICELY, AS YOU MIGHT EXPECT.

BUT THE "PEOPLE RECOVERY," THE JOBS RECOVERY, IS LAGGING
FAR BEHIND.

h NINE MONTHS AFTER THE START OF THIS SO-CALLED "ECONOMIC RECOVERY," THE UNEMPLOYMENT RATE STILL IS 8.3 PERCENT, A HIGHER RATE THAN AT THE HEIGHT OF ANY OTHER RECESSION SINCE WORLD WAR II.

h A POLICY OF HIGH UNEMPLOYMENT TO FIGHT INFLATION MAKES BAD SENSE SOCIALLY AND MORALLY BUT IS ALSO IS BAD ECONOMICS.

h DURING 1975, AS MANY AS 20 MILLION WORKERS EXPERIENCED UNEMPLOYMENT AT SOME TIME. TOGETHER WITH THE FAMILIES OF THESE WORKERS, THAT MAKES OVER 60 MILLION AMERICANS WHO DIRECTLY SUFFERED THE EFFECTS OF A HIGH-UNEMPLOYMENT ECONOMIC POLICY,

h WHAT DOES IT MEAN WHEN THE PURCHASING POWER OF OVER 60 MILLION PEOPLE IS SEVERELY REDUCED BY GOVERNMENT POLICY?

h IT MEANS THAT OUR NATIONAL INCOME WAS ALMOST \$200 BILLION LOWER IN 1975 THAN IT WOULD HAVE BEEN IF WE HAD BEEN AT FULL EMPLOYMENT.

1974-75 \$300
By 1984 1.5 Billion

It MEANS THAT SPENDING BY CONSUMERS WAS \$120 BILLION LESS THAN

IT WOULD HAVE BEEN AT FULL EMPLOYMENT. It MEANS THAT YOU AND

YOUR NEIGHBORS WHO HAVE JOBS WERE AFFECTED, BECAUSE OF THE \$120

BILLION WORTH OF CLOTHING, AUTOMOBILES, APPLIANCES AND FURNITURE

THAT WERE NOT PURCHASED.

Cost \$7000 Per Person

~~The PRESIDENT OFTEN HAS SAID THAT HIGH UNEMPLOYMENT AFFECTS ONLY EIGHT PERCENT OF THE POPULATION, BUT THAT INFLATION AFFECTS~~

~~EVERYONE. YOU AND I KNOW BETTER. CLEARLY ONE MAN'S SPENDING IS~~

~~ANOTHER MAN'S JOB.~~

Now LET US TURN TO THE FEDERAL BUDGET. WHAT EFFECT DID A GAP

OF \$200 BILLION IN NATIONAL INCOME HAVE ON THE FEDERAL BUDGET?

IT LOWERED FEDERAL TAX RECEIPTS BY \$40 BILLION FOR THE SIMPLE

REASON THAT THE UNEMPLOYED DON'T PAY TAXES. THIS TAX LOSS, COMBINED

WITH NECESSARILY HIGHER EXPENDITURES FOR UNEMPLOYMENT COMPENSATION,

WELFARE AND FOOD STAMPS, CREATED THE RECESSION DEFICIT WE

EXPERIENCED IN 1975.

WHILE WE ALL WELCOME THE SIGNS OF A REBOUND IN OUR ECONOMY, THE CONTINUED STRENGTH OF RECOVERY REMAINS IN DOUBT,

CONSUMERS STILL ARE WARY AND NOT READY TO INCREASE SPENDING SUBSTANTIALLY IN 1976. AND BUSINESS SPENDING FOR PLANT AND EQUIPMENT IS EXPECTED TO RISE VERY SLOWLY, IF AT ALL, IN 1976. THE CONTRIBUTION OF THESE TWO VITAL SECTORS TO THE CONTINUATION OF THE RECOVERY BY NO MEANS IS ASSURED,

SO WHERE CAN WE LOOK FOR STRENGTH IN THE ECONOMY DURING 1976?

NOT TO THE GOVERNMENT, IF THE ADMINISTRATION'S NEW BUDGET IS
ADOPTED.

IF THERE IS A SURE FIRE METHOD FOR NIPPING THE RECOVERY IN THE
BUD, THIS ADMINISTRATION CERTAINLY HAS HIT UPON IT,

ADOPTION OF THE PRESIDENT'S ~~AUSTERITY~~ BUDGET WOULD ENSURE A CONTINUED HIGH LEVEL OF UNEMPLOYMENT, IN THE NEIGHBORHOOD OF EIGHT PERCENT, FOR AT LEAST THE NEXT TWO YEARS.

MOREOVER, IT WOULD CUT PROGRAMS OF VITAL IMPORTANCE TO THE ELDERLY, THE YOUNG AND TO ALL AMERICAN WORKERS AND THEIR FAMILIES, IN THE AREAS OF EDUCATION, JOB SAFETY, HEALTH CARE AND MANY OTHERS.

SUCH A POLITICALLY CALCULATED AND SOCIALLY DESTRUCTIVE POLICY IS INTOLERABLE. CONGRESS CANNOT AND WILL NOT PERMIT THIS OUTRAGE OF DISTORTED PRIORITIES AND CONFUSED ECONOMICS TO TAKE PLACE.

WE ALL WOULD LIKE TO LIMIT THE GROWTH OF GOVERNMENT SPENDING AND REDUCE WASTE. BUT NOT IN THOSE AREAS WHERE PEOPLE DESPERATELY NEED HELP AND NOT IF IT MEANS ADDING TO UNEMPLOYMENT. OUR NUMBER ONE CONCERN RIGHT NOW SHOULD BE TO FIND JOBS FOR THE EIGHT MILLION UNEMPLOYED WHO ARE LOOKING FOR WORK.

Trade

-12-

h I KNOW THAT YOU ARE HERE IN WASHINGTON TO PROTEST TRADE
AND IMPORT POLICIES THAT RAPIDLY ARE ELIMINATING JOBS IN THE
TEXTILE AND APPAREL BUSINESS. YOUR INDUSTRY PROVIDES ONE OUT
OF EVERY EIGHT JOBS IN THE MANUFACTURING SECTOR, WHICH IS AN
IMPRESSIVE RECORD.

h IT MAKES NO SENSE AT ALL FOR THE FEDERAL GOVERNMENT TO CREATE
JOBS WITH ITS RIGHT HAND, AND THEN ELIMINATE OTHER, PRODUCTIVE
JOBS WITH ITS LEFT HAND. BUT THAT IS EXACTLY WHAT IS HAPPENING
AS A RESULT OF SOME TRADE POLICIES THAT MAY BE WELL-INTENTIONED
BUT WHICH CAN HAVE CATASTROPHIC RESULTS IN TERMS OF DOMESTIC
EMPLOYMENT. LET'S GET BOTH HANDS WORKING TOGETHER TOWARD THE
SAME GOAL -- JOBS FOR ALL AMERICANS.

~~Trade Negotiations~~
(Trade Tariffs Regulations.)

Item 807
Tariff code -
a Rip off

AS CHAIRMAN OF THE CONGRESSIONAL JOINT ECONOMIC COMMITTEE, I HAVE TAKEN A VERY CLOSE LOOK AT THE NATION'S ECONOMY, ITS RATE OF RECOVERY, AND WHAT GOVERNMENT ACTION SEEMS APPROPRIATE AT THIS TIME.

THE POLICIES OF THIS ADMINISTRATION MAKE A STRONG ECONOMIC RECOVERY IN 1976 AND 1977 HIGHLY UNCERTAIN. SO CONGRESS MUST STAND READY TO TAKE THE ACTIONS THAT ARE NECESSARY TO SUPPORT RECOVERY AND KEEP THE UNEMPLOYMENT RATE MOVING DOWN, NOT UP.

WHAT ARE SOME OF THE THINGS WE SHOULD DO?

T. F. West - BY THE SKIN OF OUR TEETH, AND ONLY AFTER A PRESIDENTIAL VETO, WE ENACTED AN EXTENSION OF THE 1975 TAX CUT. BUT IF RECOVERY DRAGS, WE WELL MAY NEED ADDITIONAL REDUCTIONS AND WE SHOULD BE PREPARED TO ACT QUICKLY.

Fed Reserve

-- WE NEED A MORE EXPANSIONARY MONEY AND CREDIT POLICY TO
SUPPORT GROWTH. THIS MEANS WE NEED COOPERATION FROM THE FEDERAL
RESERVE BOARD. LOWER INTERESTS RATES ARE A MUST IN GETTING
THE KEY SECTORS OF HOUSING AND BUSINESS INVESTMENT MOVING AHEAD.

*Public
Service
Jobs*

-- WE NEED PROGRAMS OF PUBLIC SERVICE JOBS, EMERGENCY PUBLIC
WORKS, AND AID TO HARD-PRESSED CITIES, ALL OF WHICH WOULD PHASE
OUT AS UNEMPLOYMENT RATES DROP, AND WE NEED TO ENACT LEGISLATION
THAT WILL ASSURE A DECENT JOB AT GOOD WAGES FOR EVERY AMERICAN
WHO IS WILLING AND ABLE TO WORK.

Hollman

-- WE NEED A MAJOR INITIATIVE TO PUT THE HOUSING INDUSTRY BACK
ON ITS FEET AND HOME OWNERSHIP BACK WITHIN REACH FOR MOST FAMILIES.
IF IT REQUIRES A TEMPORARY INTEREST SUBSIDY, LET'S HAVE ONE.

Competition

-- WE NEED AN ANTI-INFLATION PROGRAM DESIGNED TO ENCOURAGE
COMPETITIVE PRICING, RESTORE INDUSTRY TO HIGHER LEVELS OF
PRODUCTION, AND PROVIDE FOR REASONABLE FOOD AND ENERGY POLICIES.
WE CAN LOWER COSTS OF PRODUCTION, AND PRICES, IF WE CAN GET OUR
NATION'S PLANTS AND EQUIPMENT WORKING AGAIN.

Waste

-- WE NEED AN ALL-OUT ATTACK ON WASTE THROUGHOUT THE ECONOMY,
SIGNIFICANT SPENDING REDUCTIONS AND REVENUE-RAISING TAX REFORMS
ARE POSSIBLE WITHOUT SEVERELY IMPAIRING IMPORTANT GOVERNMENT
SERVICES. BUT THIS REQUIRES GREAT CARE AND NOT THE "MAGIC NUMBER"
APPROACH OF THIS ADMINISTRATION IN SETTING A BUDGET SPENDING CEILING.

IN SHORT, WE NEED TO PUT PEOPLE AND MACHINES BACK TO WORK,
OFF THE DOLE AND ONTO THE TAX ROLLS, AND GET OUR BUDGET BACK INTO
BALANCE. WE DON'T HAVE A SPENDING DEFICIT, WE HAVE A RECESSION
DEFICIT.

TODAY AMERICANS ARE WONDERING WHY THE MAN WHO HOLDS THE HIGHEST OFFICE IN THIS LAND DOESN'T LOOK OUT ACROSS THE NATION, AT THE LENGTH AND BREADTH OF ITS PROBLEMS, AT ITS CITIES IN DISREPAIR AND ITS FACTORIES IDLE, AT ITS JOBLESS WORKERS AND ITS DESPERATE YOUNG PEOPLE, AND SAY "THERE IS AN ENORMOUS JOB TO BE DONE HERE, ONE OF THE BIGGEST JOBS WE'VE EVER FACED. LET'S GET TO WORK!"

WE HAVE HAD MEN OF VISION BEFORE -- MEN WHO WERE GREAT LEADERS BECAUSE THEY WERE GOOD LISTENERS, BECAUSE THEY KNEW THAT WE NEEDED A NEW SENSE OF HOPE AND A NEW SENSE OF PURPOSE -- MEN WHO KNEW THAT THE GOVERNMENT IS THE SERVANT OF THE PEOPLE RATHER THAN THEIR MASTER.

YOU AND I KNOW THEIR NAMES -- ROOSEVELT, TRUMAN, KENNEDY, JOHNSON.

THE DEMOCRATIC PARTY STILL EMBODIES THAT SPIRIT, AND IT IS
MORE IMPORTANT THAN EVER, IN THIS HOUR OF CRISIS, THAT WE PUT
THE PARTY OF THE PEOPLE BACK TO WORK FOR ALL THE PEOPLE.

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