

BASIC SPEECH
ROUGH DRAFT

When the Republicans first ran for office in 1968, you will recall that they had a program that was positive in the great tradition of the GOP. That is, they complained. And now I think it is only fair to judge those complaints against their achievements.

They denounced welfare without work -- yet they have pushed unemployment to the highest levels in 40 years. *welfare spending*

They denounced budget deficits -- and last year ^{alone} they have us a deficit equal to the total of all deficits under Kennedy and Johnson combined. — *more than equal to all deficits*

They railed about inflation -- but after two terms the cost of living stands at three times the average of the 1960's. *\$4 dollar in 69 with 1960*

They declared war on crime -- and they have given us more illegality than we have seen by any other Administration in American history. *Jobs Housing*

They pledged to end red tape and waste -- yet they spend more today and provide less in return than the government they inherited in 1968.

Casey Stengel could have been summing up the record of the Republican Administration, when he said, "Sometimes it don't always work."

Jimmy Carter and I are not asking to be elected in order to rail and complain and denounce.

We're running for office because we believe in the greatness of American democracy. We want to give our country

a government that is competent. ~~More than that we want to give~~
~~America a government~~ ^{and} that is as good as the people.

If we are given a mandate in this election, we know it will not be a license to do what we please. If elected, we pledge to govern only as the people please, honestly, openly and under the law.

It may seem like a slender pledge, to tell the truth and obey the law.

But most of the trouble we've run into leading up to this election has happened because government has not told the truth and it has not obeyed the law.

Our legal system is based on equal justice for all. The Constitution makes no exceptions for judges, Cabinet officers or even the President and Vice President of the United States.

One of the most tragic scars in the aftermath of Watergate is the perception today of a double standard in our system of justice.

It's not only what they've done. It's what they haven't done as well.

It's an Administration that has stood by despite the flood of disclosures about crimes committed by FBI and CIA officials acting in the name of the American people.

It's Administration that for seven years ignored repeated warnings of massive fraud in our grain inspection system.

It's a President who has silently watched our national reputation smeared with evidence of corporate bribery in Japan, Belgium and other parts of the world.

And nothing is ever done by this Administration to bring those responsible to account unless forced by a public that is sickened and outraged.

How does a parent in America today answer the child who asks whether a burglary is permitted if its done by the FBI. Is bribery condoned if its done to people overseas?

My father taught us that there is never a justification for corruption of any kind. That's what we should be hearing from our government.

When the next Administration takes office we're not going to tolerate lawlessness by anyone in government or out. We will prosecute any federal official who breaks the law.

We pledge an Administration that will clean up the FBI and restore respect for the Bureau as an agency that enforces -- not tramples -- the law.

We pledge to make the CIA an agency that is efficient and effective in providing America with the best intelligence we can collect.

I've spent over a year on the Senate Committee investigating abuses in the CIA and our other intelligence-gathering agencies. And the record shows that despite the expense and the damage to America's name in the world, the black bag jobs, the mail openings and the attempts to intervene in other countries have yielded almost nothing of any concrete value to America's intelligence or our diplomacy.

We can have an FBI that enforces the law and a CIA that provides quality intelligence without more secrecy and illegality than democracy can permit and without more deceit and barbarity than our beliefs will allow.

Our strength has never been in our ability to out-lie, out-cheat, or out-brutalize our rivals. . America has never been any good at those things.

Our success lies in our principles, our honesty, our hard work, our freedom, our efficiency and our compassion. We can produce more, with greater genius and provide more of what this world needs than any one else on earth.

And in 1976 we will give America a government that returns to the things we do best.

Our economy is still the most productive in the world. But we have lost over \$150 billion this year alone in industrial production that can never be recovered. And there is no measure for the suffering of parents without work and income to support their families.

Let's look at what the Republicans have done to our economy.

At the beginning of 1969 when the Johnson Administration ended, we had enjoyed eight years of steady growth and rising employment. Inflation averaged less than three percent. Then the Republicans took over. They gave us inflation at 19-year highs and they doubled the rate of unemployment.

But a strange thing happened as 1972 approached. It might be because that year was a leap year when the tables are sometimes turned.

We saw a conservative Republican President clamp on rigid and often unfair wage and price controls. We saw a conservative Arthur Burns suddenly turn around and ^{massively} pump up the money supply. We saw a rush of election-eve spending. And Mr. Nixon pointed with pride to the sudden upturn in the economy.

But at one minute past midnight ^{on election day} the controls disappeared. The Administration slammed on the brakes and ~~Arthur Burns~~ cranked up interest rates, adding to inflation, choking off economic expansion and crippling the housing ^{construction} industry.

We had double digit inflation and the recession had become a depression. And the only one who might be proud was Herbert Hoover, because for the first time in fifty years another President had made him look good.

Now 1972 was a leap year. And in 1976 it's leap year again. And Mr. Ford, like Mr. Nixon before, points with pride ^{certain} to improvements in the economy.

Well where are we? Unemployment is nearly 8 percent. Ten million Americans are out of work. Inflation this year will still average about 6 percent. And one quarter of our industrial capacity lies idle.

Mr. Ford may be proud. Mr. Simon and Mr. Burns may be proud. But Jimmy Carter is not proud. I am not proud. And most Americans are not proud.

There is a simple calendar for Republican economics. In any election year we know where we stand. November is always the key month and it signals the end of the beginning of the upturn from the downturn. That is one way of saying they will

Page 6

send us right back down that chute again.

This country cannot stand another four years on an economic roller coaster, with the drops deeper, the climbs shorter and the price higher every time.

We pledge to you a government that puts the American people first, not the timing of the next election.

We will fight inflation with tools other than massive and deliberate unemployment, a strategy that has not worked and cannot work.

Instead we will use fiscal policy to put America on the road of steady growth toward full employment ~~by 1980~~. As the economy recovers we will adopt employment and anti-inflation policies that work hand-in-hand, by targeting job creation and worker training programs toward areas in our economy that are below full capacity.

We will strengthen the Council on Wage and Price Stability and we will have a President with the credibility to lead both business and working people in the fight for real, stable and sustained economic growth.

We should make no mistake about what is at stake in this election. The Republicans have asked us to accept high unemployment, cruel inflation, high interest rates, a housing depression and a massive increase in welfare. But above all they have tried to paralyze the momentum for human justice in America.

Their entire tax strategy is based on giving more to those who have. They have asked for a blank check for the oil companies, and \$500 more from each family just to keep our homes warm. They even tried the McGovern plan in reverse, \$1,000 in tax breaks if you're rich enough, and barely \$200 in tax relief for the working poor.

Roosevelt once said that the test of progress is not whether we add more to the abundance of those who have much, it is whether we provide enough for those who have too little.

True? This Administration has asked that Social Security payments be kept below the cost of living, even though millions of older Americans cannot survive on the checks they get now.

They asked for \$1.6 billion in added payments by the old and disabled to obtain the same medical and hospital care they receive today.

Their answer to food stamp abuses was to make everyone needy and non-needy alike pay more or go hungry.

The Republicans, not the Democrats are calling for a different America and we cannot let them succeed. America means human justice and understanding. It means love and helpfulness. America is a country where everyone is promised an equal chance. Ours is a country where government should not only work, but care.

We pledge an Administration that treats the American people not as statistics and paperwork but as families that are entitled to a decent and responsive government.

And in 1976, we will end the deadlock of American democracy, a deadlock that has paralyzed progress in this nation for the last eight years.

A progressive Democratic Congress has been able to prevent the worst, but a negative veto-prone Administration has prevented the best.

In fact we haven't had real government , we've just had impass. And we can't go on like this. We've got to get America moving again. And we pledge an Administration that does its job with efficiency, with courtesy and without waste.

For eight years the Republicans have tried to prove that government can't work. They've proved one thing: that they can't make it work.

7.1 In welfare and medicaid they have permitted massive fraud that is costing HEW millions each year.

7.1 In the Justice Department they have spent nearly \$5 billion ^{police} for/helicopters, fixed wing aircraft and uniforms under the LEAA program. They have even researched how to design more comfortable patrol shoes for policemen. In the meantime, crime is not only soaring in the urban core where it was centered, it is now spreading and growing most rapidly in rural areas and suburbs.

7.1 They have not monitored, they have not audited and they have not evey produced a coherent crime prevention plan. And today, with millions invested, they have no better idea than we had in 1968 of what works and what doesn't against crime.

Programatic reforms can help. We will simplify the maze of existing agencies and grant programs. We will enforce laws against fraud and abuse of government funds. We will implement "zero base" budget review of government spending, with careful evaluation and hard nosed decisions on which programs are no longer needed.

But the light of full public knowledge is the best way to make sure government works. And we will open up all of those closed doors in those Departments, we'll open up the windows and we'll let the sun shine in.

We don't pretend that every problem in America can be easily or immediately solved. We do not ask to govern because we are sure of all the answers. But we ask to govern because we are able to look at our problems with fresh eyes. We are a new generation of leadership. We are strong. We are experienced and we're ready.

And we will give America leadership that is united in spirit and in purpose.

Someone once said that the Republican Party is the only party on earth where everyone feels like a minority member. They love to divide, because that's how they get elected. They have called for a Southern strategy, a Northern strategy, and every every form of division invented, except the one thing we need: a strategy for a United States of America.

They have thrown up a wall between Capitol Hill and the White House. They have built barriers between our cities, our suburbs and our farms. They have tried to isolate us by geography, by age, by race and by income.

And we will begin the next Administration by pulling down all of the walls they have built to fragment our country.

We pledge a government that respects working people, farmers and business alike. *children - young*

We pledge a government that knows America needs the experience and wisdom of people long after they reach 65.

We pledge a government that puts no child before another but gives each a chance to share in the best of American life.

We pledge a government committed to healing the wounds that have kept our nation so sorely and tragically divided.

The union of the 13 colonies, from Georgia to Massachusetts was based not on jealousy, fear or convenience. America was founded by a people who pledged their lives and sacred honor for a united purpose.

That purpose is we the people today, ^{that we might} ~~who~~ live in freedom, in decency and justice.

In 1976 we pledge to you a government that reaffirms the strength and spirit of our great country, by providing simple justice to the American people.

SPEECH SEGMENT ON MORALITY AND TRUST

This past decade has been a difficult one for Americans. We have seen our leadership challenged around the world; our economy falter twice within seven years; and our commitment to social justice delayed.

Each of these setbacks has been traumatic. But none has been as traumatic to the confidence of the American people as the loss of faith and trust in government we have seen in recent years. We have had a President who gave us lies instead of leadership; an Attorney General who thwarted justice instead of assuring it; a Vice President who questioned others' patriotism while betraying our nation's most sacred principles himself.

The American people have had enough. They want a new accounting from their government. They want leaders who obey the law, who tell the truth, who make the difficult decisions, who are not afraid of admitting a mistake. Above all, they want leaders they can trust, who recognize that morality in government must accompany innovative programs and policies if the people's faith is to be restored.

I believe, with Harry Truman, that "there is far more good than evil in men and that it is the business of government to make the good prevail."

I believe there can only be one standard of justice in this country, whether for the President of the United States or the teen-ager arrested for a street crime.

I believe that the most serious problems we have faced in recent years have resulted from a simple failure to obey the law, to honor the public trust, and to inform the American people about the vital decisions of government.

If this has been the history of the past eight years, it need not be the future for the next four.

We need a President who is strong, but who uses this strength within the law, respecting the Congress and trusting the ultimate good judgment of the American people.

We need a President who can lead this nation, but not dictate to it; a President who can open up the hidden processes of government so the people can have renewed faith in the fairness of government decisions.

This is what a Carter Administration will do. We will do this by placing responsibility for running the Federal government back into the Cabinet departments, where it belongs, and out of the White House staff, where too many decisions have been made by people not accountable to the Congress or the people.

We will bring responsiveness back into government by recommending that this Administration's Cabinet officers appear regularly before the whole Senate--on television and radio--to answer questions and defend their policies and actions.

We will bring a working partnership back into Washington by dealing with the Congress not as a bitter enemy, but as a respected equal in the process of governing. There will be differences between the President and the Congress on specific issues, but they will be handled in a way that brings considered action instead of continued stalemate.

All of these changes will be important. But more basic than any of them is my confidence in Jimmy Carter's view of the Presidency. A Carter Presidency will be committed to restoring the trust of the American people in an office worthy of our respect.

This trust must be earned; it will not be given blindly. But I am confident we will earn this trust, and that we will restore American government to the same high standards of decency and common sense consistently shown by the American people themselves.

Roger Colloff
8/5/76

D R A F T

LEAP-YEAR ECONOMICS

As you know, 1976 is a leap year. Leap years come only every four years, and they have always been a special time. February gets an extra day. Tradition has it that shy young ladies are encouraged to take the lead. We hold national elections.

(QUOTE?)

And something else happens in leap years. Under Republican Presidents, leap years have come to be the high point of a 4-year economic roller coaster.

At the beginning of 1969 when the Johnson Administration ended, we had enjoyed eight years of steady growth and rising employment, with inflation averaging less than 3%. We had cut the unemployment rate of the Eisenhower years in half, and lifted ____ million Americans out of poverty.

The next two years saw inflation hit 19-year highs. As the Administration sought to fight inflation with planned recession, unemployment soared to nearly 5% in 1969 and nearly 6% in 1970. The poverty rolls grew, and as they grew welfare costs rose. Budget deficits climbed.

But leap year was coming. And so, amazingly, we saw a conservative Republican President clamp on rigid, inflexible and often unfair wage and price controls. We saw Arthur Burns and a

conservative Federal Reserve pump up the money supply. We saw a gush of Federal spending.

And by the time leap year came around, Mr. Nixon was saying with pride that unemployment and inflation were down. They were down. Yet our economy was far from performing at its peak. Unemployment was two full percentage points higher than in 1968 -- and a 1968 dollar was worth only ____¢. But Americans hoped and believed the roller coaster ride was finished.

Then leap year was over. You know who won the election.

And what happened next? Those strict wage and price controls disappeared one night. The Administration slammed on the fiscal brakes and Arthur Burns cranked up interest rates, choking economic expansion, increasing inflation, and crippling the housing industry.

We were back on the roller coaster, on our way to another recession.

And when the Arab oil boycott and a worldwide food shortage took the Administration by surprise, that recession turned into a full-fledged depression, the worst in 40 years. The damage to our people, to our economy, and to our stature in the world has been truly a tragedy of nightmare proportions.

Now it's leap year again. And Mr. Ford points to improvements in the economy, as he recently said, with pride. Well, where are we? Unemployment is nearly 8%. Twenty million Americans, _____ of our work force, will be out of work a week or more this year. Last month there were virtually no new housing starts. Inflation this year will average around 6% -- and a 1968 dollar is now worth about 60 cents. A fourth of our industrial capacity lies fallow. Mr. Ford may be proud. Mr. Simon and Mr. Burns may be proud. But Jimmy Carter is not proud. I am not proud. Most Americans are not proud.

This country cannot stand another four years on this economic roller coaster, with the drops deeper and the climbs shorter and the price higher every time. Now it is leap year once again. And we ask your help. With your help, we will get this country off the roller coaster and on the path of steady and balanced growth once again.

Thomas Jefferson once said, "the care of human life and happiness, and not their destruction, is the first and only legitimate object of good government."

• We pledge to you a compassionate government working in that spirit of Jefferson. We recognize that working American men and women are this nation's greatest resource. We will look at the needs of our country, not the timing of our election. And we will

not sacrifice your security on the altar of outworn economic theories.

• We pledge to you a competent government. We will not fight inflation with unemployment and recession ... that policy cannot work ... and it has not worked.

Instead, we will establish fiscal policies of steady growth toward full employment by 1980. We will assure an independent but cooperative credit policy by providing for the appointment of a new Chairman of the Federal Reserve Board to serve a 4-year term, as does the President.

As the economy recovers, we will target our growth policies to create jobs and train workers for slack areas in our economy, so that efforts to fight unemployment do not detract from efforts to fight inflation.

We will work at home and abroad to build defenses against inflationary shocks to our economy, and to anticipate and prevent bottlenecks as our industry recovers its health. We will strengthen the Council on Wage and Price stability, and we will have a President who is not afraid to lead business and labor and all Americans toward restraint.

None of this will be easy. But after long study, both Governor Carter and I are convinced that next leap year our Administration can submit to the Congress a balanced budget, based on full employment and a healthy private economy, with inflation reduced below a 4% ceiling.

We are committed to those goals. We believe they are honest and achievable goals. We ask for your help.

COMPETENCE IN GOVERNMENT

In the past 8 years, driven by inflation and recession, the Federal budget has grown from less than \$200 billion to more than \$400 billion. No American should be ashamed to ask whether we are receiving a dollar's value in return for each tax dollar we send to Washington. And I do not believe we are.

For eight years our government has been run by an Administration that fundamentally believes government can't do its job. (QUOTE) And if those who run our government think it can't work ... then it won't.

Consider just a few examples.

- Nothing is more important to our country than our national defense. Nothing is more depressing than recent reports of high military and civilian officials in the Pentagon on all-expense-paid hunting trips financed by the Defense contractors with whom they deal on our behalf. And as recent studies by Senator Chiles have shown, some Pentagon procurement policies have been riddled not just with cost overruns, but with downright fraud and corruption.

- Welfare, medicaid and Medicare fraud cost the Department of HEW millions each year. Although most nursing homes are well run, studies by the Senate Aging Committee have found widespread unsafe and unsanitary and illegal conditions in federally-funded nursing homes. Yet the Department's programs against fraud and abuse have been rightly characterized as token at best.

- Two years ago, the Administration asked Congress for the right to replace all aid for lower income housing with the new Section 8 rental housing program. It took 8 months to start the program ... and while the goal was 400,000 new units by June 1975, less than 3,000 had even been started 7 months later. And fraud and abuse in housing programs have led to billions in losses.

- We have poured over \$3.5 billion through the Justice Department's LEAA program in efforts to help improve local law enforcement. Yet there have been 7 Attorney Generals and 5 Administrators of the LEAA program in the past 8 years, crime has risen 16%, and the program's administration has few defenders.

- In the area of social services, I fought, with the support of Governor Carter and other governors, for consolidation of grant authorities and against regulations which put State and local governments in a straitjacket. We finally passed our bill, convinced the President to sign it ... and then found HEW issuing many of the same restrictive regulations we'd set out to fight.

- A few years ago, at the request of the Administration, we consolidated the programs of aid to the aged, blind and disabled into a new program, SSI. They told us there would be six million recipients. Well, somehow they have lost about three million of those people. And there has been great difficulty getting checks to those who have made it into the program.

- And any lawyer, or businessman, or ordinary citizen who has dealt with a government agency has found himself bogged down in a sea of forms ... and phone calls that sometimes don't get returned ... and letters that answer the wrong question.

Now no one can promise to solve all these problems. But there is much we can do.

- First of all, we can establish once and for all that even the hint of impropriety by a government official will no longer be tolerated. We will enforce the rules against conflict of interest. (Note potential Caddell problem.)

- Second, we can examine and simplify the maze of existing agencies and grant programs, so that citizens and government officials on the state and local level know where to look for help and where to take their problems and concerns. We will have government reorganization.

- Third, we can enforce the laws against fraud and abuse of government programs -- not just against welfare recipients but against Defense contractors and consulting firms and all those who deal with the government.

- Fourth, we can implement so-called "zero-based" review of government programs. We can ask the same tough questions of each existing program that we do of proposed new programs -- has it worked? Is it still needed? Should changes be made? We will

ask those questions. We will see that the sun sets on programs that have outlived their usefulness or that never worked.

And, finally, we can provide leadership that knows a simple lesson: In this country Presidents and Cabinet officers and agency heads and even caseworkers are not kings. The people do not serve the government here ... government serves the people. Civil servants are dedicated men and women who want to do a good job, to help people and to earn their respect. A President and Vice President who visited with ordinary people working in agencies, who read some complaints and followed through on them, who led a government that rewarded hard work and innovative ideas could help restore the morale of our civil service, *and their respect for those they serve.* ~~a~~ That is perhaps the most important task of all -- and with your help we will do it.

President Ford says that he is pleased with the economic record, and that he intends to run on it. Well, that's one of the few things this man has said which I have been glad to hear. I'm glad because I sure intend to run against it.

If the President is proud of the economic record, these are the things that he must be proud of.

Unemployment--I take it that he's proud of unemployment. At the beginning of 1969, when the Johnson Administration ended, Unemployment stood at 3.4 percent of the American Labor Force. The nation had enjoyed 8 years of rising employment. We had put 11 million additional Americans to work, and we had cut the unemployment rate in half from the legacy of the previous Administration.

And what is the Nixon-Ford record? What is Ford now proud to run on? Is he proud that by the end of 1970 the unemployment rate had already gone over 6 percent? Is he proud that at the end of 1974 the unemployment rate had gone over 7 percent? Proud that at the end of 1975 unemployment was over 8 percent--having reached almost 9 percent? I can't believe it.

Inflation--perhaps that's what he's proud of. After all, inflation was one of the most damaging aspects of the 1968 campaign.

But these are the facts. From 1960 through 1965 consumer prices never rose more than two percent per year--and in the three following war years it climbed to just

over 4½ percent. Inflation, then, was a problem, but nothing compared to recent years.

What is the recent record -- on which Ford wants to run? Is it the 9 percent increase in consumer prices in 1973? The 12 percent increase in 1974? The 7 percent increase in 1975 -- dropping all the way down to 6 percent in 1976? Is this the record Ford wants to run on? I wish him God's speed!

(NOTE: WPI INCREASES: 6% in 1972. 15% in 1973
21% in 1974)

Perhaps it's deficits. Maybe he is proud of the Republican record on deficits. But the facts are these. While there were Democratic deficits--they were puny in comparison to the Republican deficits. In the fiscal year that has just ended, the Ford federal deficit was more than all the past deficits of the Kennedy and Johnson years put together! More deficit in one year than in eight years. Is that the record Ford feels will win him votes? It just can't be!

Investment--is it investment that will cause Ford's chest to swell with pride? Here again I certainly can't see it. In 1968 fixed investment made up 14½ percent of our gross national product. That was real capital formation. By 1975 fixed investment made up only 10 percent of actual gross national product and only 8 percent of our potential. Surely this decline is a disgrace.

Government spending--Are the Republicans at least holding down government spending? No! The truth is that because of the recession we've had higher expenditures for unemployment compensation, higher expenditures for food stamps, higher expenditures for welfare and on and on.... Infact, in the last year federal expenditures were \$22 billion higher than would have been necessary had people simply been allowed to go back to work.

Interest Rates? Same story. They've been higher in each of the last three years than at any time during the Kennedy and Johnson years.

Housing Construction? In 1975 we fulfilled only half our nation's housing goals. And today unemployment in the construction industry is stuck at 17 percent.

Real Incomes? The value of the dollar? What is it that this man is proud of? I can't find a single thing. The record, is higher unemployment, higher inflation, higher deficits, higher interest rates, -- lower real incomes, lower investment rates, lower profits, lower housing starts.

The record is one of plain failure--infact complete failure. And any President with a sense of this nation's capabilities would feel shame, not pride, over this record.

What is the source of these failures? Why have things gone so badly?

I believe that the deepest flaw in recent economic policy has been the wild swings--the inconsistencies--the unreasoned desperation of the last eight years.

Incomes Policies--We had a President who initially claimed devotion to the free market. He wanted nothing to do with wage or price guidelines. No jaw-boning for him. Then when things became desperate, he clamped on the most rigid economic controls--a wage and price freeze. Then phases One, Two, Three and Four rushed by in a blur--with Presidential support one minute and Presidential abandonment the next.

Monetary Policy--Incredibly unstable. First tight money. Then loose money. Then tight money again. All done to excess. The result has been a disaster for our nation's home builders, for our small businessmen, for everybody who has had to go to the credit markets. Turmoil and confusion became the norm.

Tax Policy. President Ford has pursued an unbelievably inconsistent tax policy. Soon after he took office in 1974, with the evidence of a severe recession becoming clearer every day, President Ford proposed a tax increase of \$5 billion. Then he turned around and proposed a timid tax cut. Finally, Congress was forced to take the fiscal bull by the horns, and cut taxes substantially--so that we could begin to pull out of the deepest recession since the Great Depression. Had we had a more farsighted, competent President, there would have been no need for the recession to have become the disaster that beset us.



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