Make New SID full - 1962 Campaign - Mis c.

REPORT

The Fourth Biennial

State-by-State

Study of Smear: 1962





790 Madison Avenue, New York 21, N. Y.

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The State-by-State Study of Smear: 1962

This is the fourth biennial "State-by-State Smear Study" conducted by the Fair Campaign Practices Committee. It covers the campaigns for both Houses of Congress and for state-wide offices in all fifty states in 1962.

Like its predecessors, this report is not intended to excoriate candidates but to identify unfair campaign techniques for the information and protection of voters, reporters, politicians and students of politics. Therefore it does not identify candidates or states by name except where identification is unavoidable.

It is published in the summer of 1964 as a sober reminder of what voters, reporters, politicians and students of politics will confront in the fall of 1964 as they seek to sort facts and arguments from distortion and smear.

How the Study Is Carried Out

The Committee relies most heavily for information on the complaints lodged with it by candidates or their representatives. Each election year, the Committee receives many complaints of violations of the Code of Fair Campaign Practices, which both major parties and most candidates continue to accept as a reasonable standard of the fair and unfair in political campaigns. The Committee is also sent numerous samples of campaign materials, some fair, some unfair, others on the borderline.

Before a complaint is officially considered a violation (and thus included in this study), the alleged violator is invited to reply in complete detail. When a genuine doubt still exists, the Committee checks further with both parties and through various neutral sources. Thus, while the Committee does not try to adjudicate disputes definitively, its evaluation of violations is neither casual nor arbitrary.

In addition to these complaints, a post-election polling of party officials is a major source of information. The Committee asks the state chairman of each party in every state about the tactics used against its major candidates during the preceding campaign. Most state chairman respond candidly (volunteering excesses by their own party is not unknown) and usually provide detailed documentation of what they report.

Finally, the Committee completes its nation-wide picture with insights

and information from cooperating political scientists, reporters, editors, candidates, party officials, and other observers of the political process.

The Committee then considers the fairness of each incident or piece of campaign literature. Based on the Code of Fair Campaign Practices, the following are working criteria of unfair political tactics:

- 1. Anonymity (including telephone and whisper campaigns).
- 2. Bogus organizations or publications.
- 3. Scurrilous attacks on a candidate's personal or family life. (Charges bearing on a candidate's integrity or capacity to fill the job he is seeking are not included, however. As one scholar noted of a candidate in such a case, "He wasn't smeared . . . he was just found out.")
- 4. Outright vilification.
- 5. Lies or substantial distortions.
- 6. Removal of a statement (or photograph) from context so as to reverse or substantially change the significance of the full statement (or picture).
- Attempts to create or exploit doubts about the honesty, loyalty, or patriotism of a candidate without objective evidence.
- 8. Exploitation of racial or religious prejudice.
- 9. False accusations of racial or religious prejudice.

In applying these criteria, the Committee makes a genuine effort to give an alleged violator the benefit of the doubt. It does not want to contribute to curbing the range of legitimate and vigorous public debate. Yet the Committee also believes strongly that if responsible persons enter politics, they have a right to have their efforts judged fairly. Without a doubt, they certainly should be free from irrelevant attacks on their private lives.

This study is by no means exhaustive. Many smears, especially those involving state offices, slip through the net. It is fair to conclude, however, that every smear incident of major significance or serious severity is brought to the Committee's attention, either by its victim or by neutral but concerned observers.

Smear in the 1962 Campaigns

As far as one can determine, the number of smear incidents in 1962 was roughly the same as in the 1960 campaign (considering only the Congressional and state-wide offices). In 1962, 40 candidates in 22 different states were victims of definite violations of the Code of Fair Campaign Practices. In 1960, and not including the Presidency, there were 38 violations of fair standards in 25 states.

In the off-year 1962, however, Congressional candidates often had to stand in for the President, and this surrogate role was not always to their advantage. Congressional elections when there is no Presidential campaign assume importance as an opportunity to express an opinion for or against the President. Unfair campaign tactics in 1962 still reflected the local roots of American politics, but national issues intruded as well. This "stand-in" role seemed especially true for candidates for the House of Representatives. Senators apparently have established their separate identities more clearly, and candidates for state offices, with some important exceptions, were too remote for ready identification with the President.

The two most frequent national "intruders" were policy toward Cuba and position on Medicare. Unfair tactics involving the Cuban question figured strongly in at least eight cases, and distortions of the Medicare issue affected at least ten campaigns, but usually as a minor theme. The potential for inflamatory distortion in the Cuban case is obvious. With Medicare, Democrats often tried their best to read opposition to the Administration's bill as callous disregard for the elderly (almost implying a policy of euthanasia), while Republicans saw support for the Kerr-Mills alternative (granting limited aid to the medically indigent through the states wishing to participate) as flinging oneself into the breach for the old folks.

The "stand-in" aspect of the 1962 campaign is most troubling because it will probably continue and may become even more volatile. Richard E. Neustadt, a very shrewd observer of American politics, has characterized the contemporary challenge to the Presidency as "emergencies in policies with politics as usual." He has also concluded that under present uncertainties and the enormous costs of missteps, the central imperative for a President is to keep tight, personal control over as much of the governmental response to crisis as he can possibly grasp. These two considerations suggest the increasing likelihood of Congressional candidates standing or falling on critical national concerns precisely when their own influence on these issues is drying up. This would seem to put a growing premium on irresponsible posturing and symbolic but insubstantial involvement by these candidates.

Otherwise, the totals for both 1962 and 1960 are substantially better than the record year of 1958, when the Committee compiled 64 violations in 21 states. Half the 1958 total came from California, however. While 1962 in California produced only eight, many observers felt its '62 campaign

fully deserved to be characterized as "another '58." (A scholar's discussion of the California campaign is reprinted hereafter.)

The Committee again found that neither party has cornered the market on sin. The Republicans were smeared in ten states in 1962, and the Democrats in 13. In two cases, opponents smeared each other. Thirty state chairmen reported that the campaign was generally clean, ten more than in 1960.

The most frequent smear category in 1962 was substantial distortion, and most incidents involved multiple violations. (The 1962 numbers are higher because incidents were scored in more than one category. In contrast, the 1960 Smear Study logged each incident only under its one dominant theme.) Favorite smear tunes were as follows:

| 1962 | | 1960 | | | |
|------------------------|----|-----------------------------|----|--|--|
| | | | | | |
| Substantial distortion | 22 | Soft on Communism | 13 | | |
| Soft on Communism | 13 | Substantial distortion | 9 | | |
| Personal vilification | 11 | Appeals to racial prejudice | 3 | | |

Two other findings are worth mention: there were surprisingly few violations involving race in 1962, and "soft on Birchism" appears headed for a long and well-traveled career. Each of these observations deserves brief comment.

The low incidence of race as an issue in 1962 gives no ground for optimism about the elections of the coming four to ten years. In part this low incidence may be attributed to this study's exclusion of primaries, for in the South the meaty issues, racial and others, are traditionally met and resolved in the Democratic primary elections. (This, too, is changing, of course.) Further, by the 1962 elections, stepped-up civil rights pressures were definitely in the offing but they were not yet realized. An enormous amount has been realized since 1962, to give the question of race an immediacy and a potency that even this most inflamatory question has not attained for decades, except sporadically in particular crisis spots. It is certain that candidates' attitudes and postures toward integration will be discussed intensively for years, especially in Southern general and primary elections. Only total absence of realism would permit one to hope that such discussions will be fairer in the South than the poor-to-mediocre record of the Northern states.

The emerging epithet "soft on Birchism," as denoting a member or fellow-traveler of the radical right, seems destined to work much mischief in coming elections. Semantic problems are great. Where is the line between "conservative" (whatever that means, and to whom) and "radical right," or in Clinton Rossiter's phrase, "revolutionary reactionary"? How is the line perceived by liberals, moderates, conservatives, arch-conservatives, and radical rightists?

After smarting for decades at the glib reactionary equation liberal equals socialist equals communist, liberals may be sympathized with when they confront the temptation to lash back with an equally false conservative equals radical right equals fascist. Yet loose labeling of everyone to the right of one's own position in the spectrum as radical rightist can only pollute the political atmosphere until no rational argument can be heard. More than a suggestion of this was demonstrated in 1962, when conservative candidates in a number of instances were described explicitly as "Birchers" or "pro-Birchers" on the basis of nothing more substantial than accusation and association.

The 1962 findings were further discouraging in that a greater proportion of the smears were in open debate and were the work of the candidates themselves or their closest supporters. In 1962, the candidate or his closest supporters figured in 50 per cent of the smear violations. In almost 75 per cent of the cases, the offensive material was openly signed (sometimes by a phony organization) or was stated orally by a candidate or his close supporters. This is counter to the trend of 1960, when more than half the violations could be traced to outside groups with their own axes to grind. In 1962, this extra-party percentage fell to 25 per cent.

EFFECTIVENESS AND SEVERITY OF THE '62 SMEARS

More smears worked and fewer bacfired in 1962 than in 1960. At least ten of the forty appeared to have done their job, while eight hurt their intended beneficiary. The effect of the remaining 22 was uncertain or mixed. These figures compare with past years as follows:

| | 1956 | | 1958 | | 1960 | | 1962 | |
|------------|------|------------|------|-------|------|-------|------|---------|
| Total | 22 | ente la la | 64 | | 16 | (42%) | 8 | (20%) |
| Successful | 15 | (68%) | 15 | (23%) | 4 | (10%) | 10 | (25%) |
| Bacfired | 7 | (32%) | 35 | (55%) | 18 | (48%) | | (55%) |
| Uncertain | 0 | | 14 | (22%) | 38 | 100 | 40 | ******* |

(Part of the decline in backfires may be due to a more skeptical view of classifying incidents: no violation was listed as a backfire unless there was clear evidence that it hurt the candidate it was intended to help. Simply having no effect is not enough to qualify as a backfire, nor is the bare fact that the victim won.

The Committee also evaluated each violation in terms of its severity. A three-gradation scale was devised with "irresponsible," "deliberate," and "intolerable" as categories (in order of increasing severity). In 1962, eight violations, or 20 per cent, were considered *intolerable*. Seventeen were judged deliberate, and the remaining 15 irresponsible.

PREVENTING SMEAR

As the Committee's intelligence resources and working contacts with political pro's in both parties increase, it becomes possible on occasion to learn about an impending smear before it is launched. There have been a number of such instances over the decade since FCPC was founded. Some of these attacks have been nipped in the bud.

In 1962 two smear efforts which would have assumed major proportions were forestalled by early information, negotiation and persuasion. One originated within each party. In one case the first information reached the Committee from a party pro who was concerned almost equally at the wrongness and the backfire potential of the projected attack on a major national figure. The other came to the Committee's attention through a member of an organization whose name and funds would have been used in a distorted attack on several candidates. In each instance the Committee was able to demonstrate the ease with which similar efforts had been made to backfire in other campaigns.

The benefits of such negotiations are two-fold. First, they prevent the cluttering of the political airwaves with extraneous and inflamatory material which distracts serious listeners to serious debate. Second, they strengthen the hand of thoughtful party workers who argue vainly with their colleagues against a fast, glib and alluring proposal to oversimplify now and ask questions later. Their benefits to the party that would have been smeared, or to the party whose smear would have backfired, are impossible to assess, and in a sense, irrelevant. The real beneficiary is the political system.

Another incident moved the Committee to revise and expand its information leaflet for candidates to warn first-time office-seekers against naive or uncritical use of unsubstantiated information or bare statistics that distort facts because, being statistical excerpts, they reveal a picture wholly out of a context which might reverse their apparent meaning.

POSTSCRIPT ON 1963

Three major smear incidents came to light in 1963, and all three seemed to foreshadow 1964. The first arose from an election to fill a Congressional vacancy. Throughout the campaign, the unsuccessful Republican candidate faced a continued Democratic effort to identify him with the John Birch Society by association and repeated accusation, a pattern already familiar and certain to become more so.

The other two violations were part of a gubernatorial campaign in an election that settled on the race issue as its dominant strain. The Democratic candidate was the victim of a spurious campaign newspaper distributed in areas where racial feeling was most intense. The sheet showed a mixed couple, with the caption, "Typical of many similar scenes at the recentrally." The "scare head" was "I WILL SUPPORT NAACP LAWS." The sheet was attributed to CORE, a spurious organization given the same initials as the Congress of Racial Equality. (Despite this, the Democrat won.)

In the final week of that same campaign, Republicans distributed 30-second spot radio announcements that began with President Kennedy saying:

"Good afternoon, ladies and gentlemen. I would say that over the long run, we are going to have a mix. This will be true racially, socially, ethnically, geographically, and that is really, finally, the best way."

Then came a voice urging as follows, "[the Democrat] supports this Kennedy policy. Vote against it. Vote [the Republican]."

The quotation was in fact a greatly distorted excerpt from a Presidential news conference. The tape omitted 22 pages of text between the "Good afternoon, ladies and gentlemen" and the quotation. And the actual quotation was the following (with the words quoted in italics):

QUESTION: Mr. President, a Negro leader who helped organize the March on Washington says that he feels you are greater than Abe Lincoln in the area of civil rights. Apparently a lot of other Negroes support you. The latest poll showed that 95 percent probably would vote for you next year. Now, in your opinion, Mr. President, does this political self-segregation on the part of the Negroes, combined with continued demonstrations in the North, pose any problems for you as far as the electoral vote in the North is concerned next year?

THE PRESIDENT: I understand what you mean, that there is a danger of a division in the party, in the country, upon racial grounds. I would doubt that, I think the American people have been through too much to make that fatal mistake. It is true that a majority of the Negroes have been Democrats, but that has been true since Franklin Roosevelt. Before that a majority of them were Republicans. The Republican Party, I am confident, could get the support of the Negroes, but I think they have to recognize the very difficult problems the Negroes face.

So in answer to your question, I don't know what 1964 is going to bring. I think a division upon racial lines would be unfortunate, class lines, sectional lines. In fact, Theodore Roosevelt said all this once very well way back. So I would say that over the long run, we are going to have a mix. This will be true racially, socially, ethnically, geographically, and that is really, finally, the best way.

This violation illustrates more than the exploitation of a currently intense conflict. Its sophisticated use of the tape recording of the President's

news conference is an audio forgery. Convincing and seemingly real, this blatant distortion shows the deceit that is possible with contemporary technology. This sort of misrepresentation poses a genuine challenge of adjustment and innovation for lawmakers and enforcement agencies.

It also demonstrates the degree to which communication techniques have outstripped consideration by politicians, press and public of the ethical and moral problems these very techniques raise. Is distortion morally worse when practiced before a nationwide audience than before one crowd around one platform? Is the mechanical oversimplification by distorting a man's statement in his own voice more wrong than a distorted statement attributed to him?

These are questions philosophers must explore. And in considering them politicians must think like philosophers (and the terms are not mutually exclusive). But the press and the pulpit, the teacher and the technician, the viewer and the voter, must explore them, too.

"Unhistory" has been coined to describe events which have been eliminated from recorded history by totalitarian societies, and "unpersons" to describe one-time heroes who, falling afoul of the super-state, have been eliminated from its history.

Unfacts which deceive voters, and unvoters who fail to listen for facts, have combined to undo just governments from the beginnings of society, and Americans would do well to understand the perhaps unlikely possibility confronting them today.

Smear Targets in 1962

Personal Integrity

An incumbent Democratic Congressman from an Eastern state was the victim of a desperate attempt to impugn his integrity. His opponent ran newspaper ads purporting to show (1) earlier charges made against the incumbent, (2) the incumbent's denials of these charges, and (3) the "actual" quotations to "prove" the denial was a lie. In fact, the "supporting" quotations were badly wrenched out of context and selectively edited. (In this case, a vigorous and detailed rebuttal on television by the intended victim effectively blunted the attack and made the opponent look worse.)

Private Life

A long-time and prominent Mid-West Republican Congressman found himself up against rumors of his imminent demise. Anonymous reports circulated to the effect that he was old, tired, anxious to retire, and the victim of various maladies, including cancer. (The Congressman was never able to comes to grips with the furtive rumor campaign. And like many incumbents, he also permitted his legislative duties to curtail his campaigning time. He was defeated.)

A candidate for Governor of an Eastern state charged that his Democratic opponent and his opponent's running-mate enjoyed the support of a local unit of the Communist Party. (The running-mate was simultaneously being excoriated as "just as soft on Red Cuba as he is on Red China.") Called to account for his criticism, the candidate flatly denied saying his opponents were Communists. "All I am pointing out is that they have apparently this support and I'm surprised that they haven't disavowed it." And, of course, no Communists had endorsed him or his running-mate—"We were not the type of candidates which were going to be helpful to the Communist Party." (Non-Helpful won; his running-mate lost.)

Soft on Birchism

A Republican Congressman from an Eastern suburb, noted for his "no-nonsense" conservatism but fair-minded approach, stumped the country on behalf of fellow Republicans. These included one avowed Birch member, of whom the Eastern Congressman said his voting record was important, not his Birch membership. In his own campaign, Democrats called him "the darling of the Birchites," denounced his alleged Birch support, and appealed to Republicans "who could not see their party captured by the Birchites" to defeat him. (The incumbent nevertheless won.)

Anonymity and Intimidation

A Midwestern Democratic challenger gave central importance in his campaign to nuclear weapons and their consequences. He permitted his name to appear as a "peace candidate" in a joint appeal for funds published in a national magazine. The appeal was covered as news by *The Worker*, the Communist Party newspaper, and *The Worker* also urged its readers to support the "peace candidate."

Voters began to get leaflets from a letterhead organization asking, "Do you take orders from the Communist Party? Do you want to be represented by a man the Communists push?" The candidate's close supporters, mostly enthusiastic amateurs, got anonymous cards noting that one "peace candidate" had been connected with Communist-infiltrated labor organizations. The notes ended with the threat, "A GOOD WAY TO WRECK A YOUNG EXECUTIVES [sic] CAREER." (The candidate lost.)

The 'Do-Nothing' Congressman

An Eastern Republican Congressman was severely scored for inactivity by his young opponent. "During ——'s two terms in Congress," campaign literature read, "he submitted 320 bills and resolutions WITH NOT ONE EVER BEING ENACTED (but with most getting maximum publicity coverage)—the worst strikeout record in Congress!"

The novice Democrat either didn't know or kept to himself that

House rules don't permit joint sponsorship, that introducing an identical bill is the equivalent, and that very few Representatives (particularly of the Congressional minority) have "their own" bills passed. More to the point, the incumbent Republican had been given six pens by President Kennedy in recognition of his efforts in support of crucial legislation. Publicizing these Presidential commendations from an opposition President, together with a photo of the smiling Representative and his pens, proved an effective antidote—the Republican won.

Non Sequitur

A veteran conservative Congressman found himself blamed by his young opponent for almost every Communist attainment since the Congressman took office (and some before). In defense the Congressman could offer an apparently unsolicited letter from J. Edgar Hoover, director of the F.B.I. (whose fund requests came before the Congressman's subcommittee) praising him as a most effective anti-Communist. (The veteran won.)

Reverse Smear

The incumbent governor of a Western state, a Democrat and highly favored for re-election, was embarrassed to find flyers impeaching his opponent as an alcoholic. "SHOULD OUR GOVERNOR NEED ALCOHOL TO LEAN ON? Keep a Clear & Sober Voice [in the state capital]." The flyers showed obvious efforts to conceal their origin, and investigation indicates they were the work of an outside group trying to discredit the governor. (The incumbent was re-elected, nevertheless.)

The 1962 Campaign in California

By all odds, the gubernatorial campaign in California was the nation's worst with respect to smear in 1962. This campaign accounted for at least ten separate instances of smear, ranging from the crudest allegations to the most sophisticated and professional campaign material. Professors Totton J. Anderson and Eugene C. Lee, writing in the Western Political Quarterly, felt the 1962 fight made a natural comparison with the very bitter 1958 California gubernatorial campaign.

"In spite of the loud protestations of innocence by Democrats and Republicans alike," the two scholars wrote, "both campaigns were violent, unprincipled, and rank among the most unedifying in the recent history of the state."

Professor Anderson summarized the California conflict very well in a short article on California extremism. Continuing the comparison with 1958, Professor Anderson also suggested a thoughtful analysis of the origin and effectiveness of smears and extremism. The Fair Campaign Practices Committee considers his analysis well worth reprinting here in full.

 Totton J. Anderson and Eugene C. Lee, "The 1962 Election in California," Western Political Quarterly, 16 (June 1963), 396-420. A history of political extremism in California politics has yet to be written, But certainly the campaigns of 1958 and 1962 would be two high points in such a narrative. The analogy between the two campaigns offers a political analyst a case study of unusul dimensions. Both William Knowland and Richard Nixon were nationally established leaders of the Republican party, long absent from the councils of state politics, who returned to capture the governorship as a springboard to the White House. Both encountered deep schisms and bitter personal animosities within their party, leading to devastating primary battles marked by public recriminations more devastating than charges mustered by the opposition in the general election. Finally, each went down to crashing defeat before an opponent for whom they showed rather thinly disguised contempt, Knowland leading the conservative and Nixon the moderate wing of their party.

In 1958, incumbent Attorney-General Edmund G. Brown ran a "nice guy" campaign, and accepted support from both parties. In 1962, with a professionally led organization behind him, and with Richard Nixon, the Democratic party's "natural enemy," as his opponent, he fought an aggressive campaign against the "soft-on-communism" issue.

The bulk of the extremist literature in the 1958 campaign was directed at Brown. The emotional pitch was maintained at a high level due to the two controversial propositions on the ballot: the right-to-work proposal which inspired employer-employee class warfare and the parochial school tax measure which inflamed the religious bigots. Using the linkage technique, three themes were developed: Brown's alleged association with the underworld; his status as a captive of union labor bosses; and his dominance by the Roman Catholic Church.

Knowland was subjected to at least three uncoordinated and not technically well-mounted extremist attacks: the charge that his father obtained control of the Oakland Tribune unethically; the allegedly communist-inspired charge that he was California's Political Public Enemy No. 1; and a complaint that Brown identified him with a "pro-Fascist lunatic fringe that flourished when Hitler came into power."

In the 1962 campaign the smear literature against Brown followed a readily discernible pattern. The theme was that the California Democratic Council was dominated by its left-wing and that Brown was a captive of the C.D.C. The alleged proof was a series of resolutions presumably passed by the organization in recent years relating to such matters as: abolition of the House Un-American Activities Committee, admission of Red China into the UN, unilateral disarmament, and elimination of loyalty oaths. The propaganda vehicles included the notorious "Little Red Book," California Dynasty of Communism, and a pamphlet Pat

Totton J. Anderson, "Extremism in California Politics: The Brown-Knowland and Brown-Nixon Campaigns Compared," Western Political Quarterly, 16 (June 1963), 371-372. Reprinted by permission.

Brown and the CDC, both with cropped pictures and quotations out of context; and an opinion-poll postcard, plus a candidate questionnaire, with loaded questions. Distribution of all of these was stopped by court order on technical grounds.

The slander campaign against Nixon also followed a discernible pattern. The themes were: (1) that by word and deed he had violated both the spirit and the law of civil liberty, and (2) that he peddled political influence to obtain a \$205,000 loan for his family's business and when his family lied about it, Nixon remained silent. Wide circulation, especially among minority groups, was given to thousands of leaflets alleging violations of civil liberties. One especially notorious example was an extract from a trust deed recording the purchase of a Washington house in 1951 and containing a quotation from a restrictive covenant which had been legally outlawed four years previously. The Hughes loan story was kept alive through smear sheets credited to a group named, "Citizens for Honesty in Politics."

In California politics there are at least seven categories of sources of smear materials: (1) the candidate himself! (2) the official party organization; (3) auxiliaries to the parties; (4) sympathetically affiliated, non-party groups; (5) ad hoc groups constituted for a single campaign; (6) professional political campaign firms; and (7) individuals operating independently.

A few interesting hypotheses may be posited relating to the dynamics of smear literature.

- 1. The sense of responsibility for what is said and done is highest in the deportment of the candidate and decreases in each succeeding lower echelon to the relatively irresponsible behavior of ad boc groups and the "loners."
- 2. The degree of venality in the content of smear literature is greatest in the product of other-directed peripheral groups and individuals.
 - 3. Anonymity is the greatest ally of the political smear artist.
- 4. Parties have little or no control over the activities of self-appointed allies who make common cause with their issues and candidates.
- 5. Neither the Republican nor Democratic parties have a monopoly on political ethics or morality; both are equally culpable in respect to tolerating and using smear literature.
- 6. California regulations, might be improved in three ways: (a) better enforcement of the present full-disclosure laws including insistence on bringing violators to trial; (b) tightening of the libel laws by withdrawing the common granting of conditional privilege during political campaigns and lessening the distinction between political injury and injury to personal reputation in political damage suits; (c) emulation of the British system of electioneering by introducing the principal-agent relationship between candidate, campaign managers, party officials, and even auxiliary groups speaking in the name of the party.
- 7. Despite the excellent program of the Fair Campaign Practices Committees, both state and national, the definition of "smear literature" is in dispute between responsible members of the two major parties.

July January 10, 1963 Schalors

Memo to John Stewart

From Dave) W

This is in regard to the recent meeting we had at which time you asked that I submit to you a couple of matters of primary concern in the area of agriculture. You wanted to have this information in connection with the proposed conference of Midwest Democratic Senators.

The main thing with which they should concern themselves is the wheat referendum which will be held in late May or early June. The outcome of this referendum in my estimation will determine, to a great extent, the direction taken in agricultural legislation in the immediate future. The Senators, I think, should agree on a common method by which they will urge that farmers vote "yes" in the referendum. It is my thought that the subject of the wheat referendum and the importance of it should be included in every speech given by each of these Senators dealing with agriculture from now until the referendum is held. I would suggest that they take the approach being used by Secretary Freeman which ties in the referendum with the entire questions of international wheat sales. I can get you some material on this prior to the meeting.

The second most important thing is the common market itself and the effect that its formation will have on American agriculture. I would think that they would want to consider passing a resolution which would state, in effect, that no concessions will be made at the expense of Agriculture to industry. I can also get you material on this.

The third and final item that I would consider of major importance and in which the Senator has a great deal of interest is the question of strategically located food and fiber to meet possible emergencies, not only those

Memo to John Stewart

From Dave

Page 2

involving conflict, but those brought about by an act of God. As you know, we will be passing legislature on this, but it would be well to get the support of the Senators Midwest colleagues on this project.



Filad

Memo to Senator cc: John S. Dave N. Neal Pat

From: Bill

With your permission, I would like to set up a conference of Senators and their principal assistants for Friday morning, February 1st, at 10:00, to discuss what additional can be done in terms of the Federal Government in distressed areas.

A detailed agenda ought to be worked up, but certainly the following points ought to be discussed:

1) Short-range

- A. A supplemental appropriation for the Accelerated Public Works program of about \$500,000,000.
- B. Extension of the Accelerated Public Works bill, on the grounds that the current authorization will take care of perhaps one-fourth of all the applications current from communities for community projects.

2) Long-range

- A. Planning for defense spending in distressed areas.
- B. Transportation problems

I would suggest that we get in the Democratic Senators from the states with severe distressed areas, such as Minnesota, Wisconsin, Michigan, West Virginia, and Pennsylvania, and map out a campaign on these items. If you okay this, we will proceed with a formal agenda and a suggested list of Senators for you to invite. The states which have the largest amount of persistent unemployment include Minnesota, Wisconsin, Michigan, Upper New York, much of Pennsylvania, Southern Ohio, West Virginia, Kentucky, Southern Illinois, Eastern Missouri, Eastern Tennessee, North Carolina, Northwestern Georgia,

Eastern Oklahoma, Southern Arkansas, Parta of Louisiana, Western Montana, Washington, a couple of counties in Northern California, Alabama, South Carolina, and two counties in Southwestern Kansas, Maryland, New Jersey, Rhode Island, Massachusetts, Connecticut, and Maine.

These are all under the 51-A for persistent high unemployment.

In addition to these states, most of East Texas, half of New Mexico, Arizona, Utah, Northern Idaho, Hawaii, and Alaska have substantial unemployment under 5-B, designation of recent 6 per cent average.

By and large, the Senators from these states supported the Accelerated Public Works bill, or refrained from voting against it. Exceptions are Proxmire, Dirksen, Dworshak, Goldwater, Jordan of North Carolina, Keating, Lausche, McClellan, Smith of Maine, and Thurmond, and Wiley, who voted against the bill.

The Southern Democrats who voted <u>for</u> the program were Johnston,
Long of Louisiana, Russell of Georgia and Smathers. Three Republicans
for the program were Case, Fong, and Morton of Kentucky. Those
Southern Democrats not voting were Ellender, Eastland, Ervin,
Fulbright, Hill, Sparkman, Stennis, and Talmadge. Republicans not
voting were Kuchel, Capehart, Saltonstall, Allott, Beall, Butler.

[1964]

Background memo:

ILLINOIS OVERALL

September 30 (Wednesday)

General economy: Personal income in Illinois went from \$26.5 billion In 1960 to about \$30 billion last year.

In the same period per capita income rose \$2,636 to almost \$3,000.

The average weekly manufacturing wage rose from \$97.70 in 1960 to \$108.71 last year.

Meanwhile, unemployment dropped from 5.9% to 4.4%.

1963.

The tax cut will save Illinois xexidient residents \$835 million in 1965 over

The tax cut will save residents of the quad city area (Davenport, Rock Island, Moline, E. Moline) \$20 million in 1965 over 1963.

Education: The Democrat Administration pumped \$36 million into Illinois college construction, research and fellowships in FY64, almost as much as the \$37.8 million which the GOP provided in three fiscal years 1958-60.

The Democrat Administration will put \$6.7 million into the Illinois college student loan program in FY65, almost double what the GOP provided in three fiscal years 1958-60.

The Democrat Administration will pipe \$6.4 million into Illinois vocational educations in FY65, more than the GORANGER \$5.6 million which the GOP provided in three fiscal years 1958-60.

Federal public assistance: APW was piped \$23 million into the state to-date. ARA has provided \$2.6 million to-date.

Agriculture: Gross income per farm rose from \$13,500 in 1960 to \$16,300 last year. Net income jumped from \$3,600 to \$4,500.

Government payments to farmers went from \$18 million in 1960 to \$104 million last year.

Agricultural exports went from \$292 million in 1959-60 to \$466 million in 1962-63. As Total U.S. agricultural exports hit; around \$6 billion in FY64. This is important to Illinois farmers, who rely on foreign markets for 15¢ of every dollar they make.

REA: Total electric loans amount to \$148 million to-date, benefitting 156,000 consumers.

19643



OHIO

Defense and Space

ShataxRemonanh
Ohio is that one of the states that come to mind

first when one speaks of "America's industrial might." It has many

facets. Ohio last year produced \$x \$1.3 billion worth of defense

products and did \$113 million worth of work for the national space

program under contracts with NASA. Federal supply Emman contracts

other than military in 1964 totalled \$490 million, compared with

\$234 million in 1960.

Personal Income total for state up from \$22.7 billion in 1960 to \$25.26 billion for 1963, which on per capita basis immin was from \$2,332 in 1960 to \$2,483 in 1963. Manufacturing wages increased from \$104. per week in 1960 to more than \$116 in 1963.

for college construction, research and fellowships Federal Education assistance/in past three years was \$47 million, compared with \$23 mt million the three years before. Student loan programs and college housing programs continue to increase, which, with Ohio's industrial importance is not so much a matter of federal assistance to the state as federal encouragement of the resources on which the nation's industrial strength depends.

Child Welfare
Childwarkfamma activities in the state have increased 195 per cent from
1958 to 1963, with federal funds being used punishmanning extensively for manning
professional education and staff development through the State Department
of Public Welfare. Child day care services are important to industry.

Columbus is Ohio's third city-pop 1960, 171,000 and is m growing faster than any man of them. It is a diversified industrial city, with extensive commercial activity-insurance, wholesaling, finance, conventions, etc. In addition, the educational institutions, of which Ohio State is most important, are significant, as is Battelle Memorial Institute, a non-profit research and development laboratory specializing in metallurgical work, founded by the Batelle family of Columbus. It has made significant contributions to atomic energy development, missiles, and space.

Civic mindedness is one of characteristics of city and extensive downtown improvement is chronic. Has unusual civic center. City has a history of flood problems with the Scioto and Olentangy Rivers and new flood control project has recently been authorized.

DEMOCRATIC NOMINEE FOR CON RESS IS ROBERT L. VAN HEYDE, progressive member of city council running against Sameul L. Devine, somewhat to right of Miller--- more reactionary but also more integrity but heavily indorsed by both G&M.

(Some Toledo data passed to D. William)

Economic diversification is Toledo's proud boast, moreso than any of the 8 metropolit n areas of Ohio, with 2000 plants in trade area. It is big trade area and important port. At Maumee River and himman Lake Erie, it is water transport-minded town. Claims to be world's largest coal shipping port. Is shipping center for coal, iron ore, grain, steel, and world's gen glass center. Michael Owens of Toledo invented the automatic bottle machine which got the business on its way.

Port development preoccupies the city today. City wax purchaseng the Chesapeake and Ohio RR coal hambdling facilities, to add to huge port complex operated by Toledo and Lucas County Port Authority, earliest in Ohio. Mad Anthony Wayne (he wasn't so mad, say the Toledo peole) near built a stockade in 179h mm the site of the city and named it Fort Industry. Today it is the site of a tremendous industrial park, named Fort Industry, being developed by the Toledo Area Development Corporation, chairman Philip Le Boutellier. Federal cooperation in maintenance of water transporation

Name of city was suggested by Washington Irving to his brother who immunity settled there because W. liked the city in Spain and crest of Ferdinand and Isabella is used by Univ. of Toledo, i portant and progressive institution very much a part of the city's economic as well as cultural life.

"Firsts," chaimed by city are: lst RR west of Alleghenies; lst city to use payroll tax; lst city after psg. of airport act to build airport without federal help; lst city to establish voluntary citizens labor-management relations group to provide mediation service for its trade area; lst Ohio city to establish own port authority-- big supporter St. Lawrence Seaway.

[9643]

ST. LOUIS, MISSOURI, METROPOLITAN AREA

Physical and Demographic Characteristics

Over two million people now reside within the Standard Metropolitan Statistical Area, which includes St. Louis City and St. Louis County and five other counties on both sides of the Mississippi River. About 1,500,000 live in St. Louis County and City.

Dissatisfaction with the county government led St. Louisians to detach their territory from the county in 1876, an event that froze the city's boundaries in perpetuity and placed the growing core of the metropolis in a confining and enduring strait jacket. Five years ago, voters of the city and county decisively defeated a plan to establish a metropolitan government.

Typical of many other northern and Midwestern manufacturing centers, St. Louis has experienced a large in-migration of low-income workers during recent decades. Today approximately 30 percent of its residents are Negro. Outside the city, Negroes make up only a fraction of the population.

St. Louis County does not conform to the common image of suburbia with its white-Protestant-Republican triad. Blue-collar workers, mostly craftsmen, have settled in large numbers in newly developed county communities. Democrats now hold most of the county-wide elective offices. In addition, over 30 percent of county residents are Roman Catholics.

A great many city and county residents are of recent German family origin (24% of city population, 33% of county population).

St. Louis has a fairly diverse range of industries. Largest manufacturing industries are food products, 14%, and transportation equipment, 11%. St. Louis is the second largest trucking center in the U.S.

Employment in the metropolitan area is substantially below levels reached in 1956. However, economic activity in the area has increased for the last three or four years. Manufacturing payrolls rose 3.5% in 1963.

Building Code Reform

As reported in the August 1964 issue of <u>Harper's Magazine</u>, construction activity in the central city has been at an unprecedented level since 1961, when an eight-year local effort resulted in approval by the Board of Aldermen of a modern building code. Excessive building costs under an antiquated code had cost the city enormously up to that time in failure to attract new industry, residential and other development. Mayor Ray Tucker, both major newspapers, and other civic leadership supported this reform, as did the AFL-CIO and some craft unions. This has helped in redevelopment activity. Housing construction costs have been reduced by about 15 percent.

ST. LOUIS, MISSOURI, METROPOLITAN AREA

The programs of the Housing and Home Finance Agency are being utilized to a high degree in the City of St. Louis and the surrounding areas. The housing and related facilities problems are great in St. Louis City where many low and lower income households have, since World War II, replaced many middle and upper income households who have moved to the suburbs. The area had a population in excess of 2,000,000 and continues to grow, while St. Louis City lost over 100,000 population 1950 to 1960. St. Louis City continues its population decline and its current population is estimated at 740,000.

Accompanying this reasonably typical population growth and decline pattern for the area has been an awakening of the people of St. Louis City to their problems and a realization that they need and, in fact, must have broad scale community improvement efforts. This awakening and realization are shared by the Mayor, Aldermen, Chamber of Commerce, and the balance of the "power structure" with a large majority of the people of St. Louis City.

The problems of blight and decay are much less pronounced in most of the balance of the surrounding suburbs. Renewal and prevention actions are generally applied to pockets of slums outside St. Louis City. The programs for community improvement are generally not nearly so well supported by the people outside St. Louis City as within the City.

The programs of the Public Housing Administration, Urban Renewal Administration, and Federal Housing Administration work hand in hand in the St. Louis area. Charles L. Farris is Executive Director of the Housing Authority and Land Clearance for Redevelopment Authority of the City of St. Louis. In addition to its historical function of providing housing for lowest income families, low-rent public housing fully supports the relocation efforts of the local urban renewal agency.

The Housing Authority and Land Clearance for Redevelopment

Authority of St. Louis City is a strong and well supported institution in

St. Louis. It has almost total public support. The Housing Authority and

Land Clearance for Redevelopment Authority is a local institution. Its

programs are programs of the City of St. Louis. The federal government

does help, but the activities are locally controlled and oriented.

Federal Housing Administration cooperates fully with St. Louis and the immediate areas in improvement efforts. FHA comes strongly under the public eye in St. Louis. Redevelopment of Memorial Plaza,

Mill Creek, and Mansion House are partial responsibilities of the Federal Housing Administration-Federal National Mortgage Association. FHA insured the completed Memorial Plaza, will likely insure Mansion House, and has insured part of the residential redevelopment of Mill Creek. FHA declined to insure 600 units of housing for a redeveloper in Mill Creek; rather it agreed to insure a part of the total with the balance to be insured later as the market could accept the units.

The Community Facilities Administration has made college housing loans in St. Louis and cleared urban renewal land has been made available to a local university. Under the Community Facilities program seven colleges and three hospitals have been aided. These include:

St. Louis University
Parks College of Aeronautical Technology
Webster College
Washington University (five units)
Merryville College of the Sacred Heart
Font Bonne College
St. Louis College of Pharmacy

St. Lukes Hospital
The Jewish Hospital of St. Louis
St. John's Hospital.

The Metropolitan St. Louis Sewer District has recently made an advance for planning sewer extensions. CFA has previously made advances for metropolitan sewer planning in the St. Louis area. Water and sewer grants approved by the CFA in the St. Louis area total \$342,454.

The climate in the City of St. Louis is most conducive to the full acceptance of all agency programs. St. Louis City indeed has a program for community improvement and the federal housing aids could well have been tailored just for this City.

St. Louis City has carried out, and is carrying out, a multitude of neighborhood renewal programs using code enforcement. In the poorest areas where substantial clearance of dilapidated housing is required or where a land use change is necessary, the City is using federal assistance.

A few years ago, the City, with Voluntary Home Mortgage Credit

Program help, organized a group of mortgage bankers to provide mortgage money

for families who could not obtain mortgage credit through usual channels.

Downtown St. Louis, Inc., was founded in 1958 to help renew and revitalize the Central Business District area.

The Civic Center Redevelopment Corporation is clearing an area near the river front in Downtown St. Louis on which will be built an \$89 million stadium and Civic Center complex. The Gateway Arch project symbolizes a new urban renewal project that will occupy a blighted 82 acre section inland from the riverfront part. This will finally solve the perennial St. Louis waterfront problem. The Memorial Plaza Apartments, Mansion House (with Federal Housing Administration aid), and Mill Creek will support and be supported by the Civic Center Complex.

Special Areas

- A. Civic Leaders in Development and Redevelopment
 - 1. Mayor Raymond R. Tucker.
 - Charles L. Farris, Executive Director LCRA and HA. He is a strong positive civic leader.
 - Sidney Maestre, First Chairman of Board, Downtown St. Louis,
 Inc.; Mercantile Trust Company.
 - James P. Hickok, Chairman of Board, First National Bank in St. Louis.
 - Clarence M. Turley, Sr., has been chairman Mayor's Committee on finance; leasing and rental consultant.
 - 6. Many scores of others.

B. Problems

- 1. Low-rent public housing in St. Louis City is partially concentrated in an apartment towers complex. St. Louis has 6,776 units of Public Housing completed and 2,313 under construction. National pressure groups have used low-rent housing in St. Louis as the "whipping boy" of their pressure efforts. The Housing Authority and the City have carried on extensive public relations campaigns over the last several years to erase the image of public housing in St. Louis as being in an area of high crime rate. They have shown that the rate of juvenile delinquency and other crimes are some 40 percent lower in the public housing high-rise area than in the total City. TV, radio, and newspapers have cooperated in this campaign. Public housing (high-rise) still has a certain negative tint to it in St. Louis.
- 2. Cleared Land: In Kosciusko and Mill Creek, less than 10 percent of the cleared land has been redeveloped. About 60 percent of Mill Creek has been committed and 38 percent of Kosciusko has been committed. But the land that has not been built on has "grown up in weeds" and is located so as to be in prominent public view.

Mill Creek has not been redeveloped because the market for new, moderate rent, town apartments has been about saturated for the last few years. For example, Memorial Plaza has 77 percent occupancy after two or so years experience. The Grand Towers in Mill Creek, and Archer Apartments in Mill Creek, have recently or will soon come on the market and are not all satisfactorily occupied yet. But total clearance of Mill Creek was necessary before any new apartments, commercial or industrial establishments could be built in the area.

Mill Creek was, perhaps, the worst slum and area of filth in the St. Louis Area. The Land Clearance for Redevelopment Authority has gone on television and radio and successfully defended the action taken to clear both Mill Creek and Kosciusko before the land to be cleared was sold.

Kosciusko is an industrial and commercial area containing much prime land. Industrial expansions and relocation are slow to come about and require much planning time and capital expenditures. It is possible that Kosciusko could have been staged more to meet effective market demands for land. But the prospects for full and successful completion of this project are now good. During the early activities of this project, the economy of St. Louis was sagging—particularly manufacturing activities.

3. Jefferson Barracks--St. Louis County.

After having funds advanced by the Public Housing Administration, the St. Louis County Housing Authority was forced to abandon the foundation to a low-rent project in the Jefferson Barracks area. Legal action culminating in a referendum blocked completion. Some

citizens said Jefferson Barracks area should be a park; that there were no schools, etc. The feeling was that County residents did not want low-income families, including low-income Negro families, living in the area.

Under FHA Section 221(d)(3)-Middle Income Housing, the

Jefferson Barracks project is now nearing completion (304 units).

All but 30 are completed and occupied and a waiting list assures about 100 percent occupancy upon completion.

- 4. Outstanding accomplishments.
 - a. Busch Memorial Stadium and the Civic Center are perhaps the greatest recent accomplishments concerning community improvement in St. Louis. This non-federal project is leading the way for Central Business District and adjacent area rejuvenation.
 - b. Mill Creek Valley. The clearance of this slum area and its partial renewal are visible to all people of the St. Louis area. In addition to its real accomplishments, it is showing the people what can be done. This is predominantly an Urban Renewal Administration-Federal Housing Administration Section 220 project.
 - c. The many neighborhood code enforcement projects (not assisted) are very important, but do not show much visible progress.
 - d. The Kinloch Urban Renewal Project promises to substantially improve the living conditions of the people of this small St. Louis County Negro community.

C. The over-all approach. St. Louis City has applied for a Community Renewal Program grant.

Several years ago (1957), a metropolitan transportation study was made (St. Louis City and County).

St. Louis has a Metropolitan sewer district.

St. Louis County reports that it makes repeated efforts to unify the efforts of the County with the 96 municipalities; that all are very cooperative on all matters in which no community funds are involved; but that agreement is seldom possible on common improvement problems involving other than County expenditures.

The Housing and Home Finance Agency programs are fully unified in the City of St. Louis, not so much as a result of agency coordination as a result of city activity and the nature of the problems. In general, outside St. Louis City, agency programs are sporadically used.

[1964]

Missouri

Military prime contract awards to establishments in Missouri in Fiscal Year 1964 increased to a record level of \$1,349,000,000, according to data on contract awards by state, just released.

This was almost double the Fiscal Year 1963 total of \$686,000,000 and was 4 times the Fiscal Year 1960 total of \$337,000,000.

The increase was due almost entirely to contracts with the McDonnell Aircraft Corporation in St. Louis, which obtained more than \$1 billion in prime contracts, principally for assembly of various models of the F-4 aircraft for Navy and Air Force. A very substantial proportion of the prime contract funds for this aircraft is subcontracted to other firms.

Complete statistics on all military contracts in St. Louis in Fiscal Year 1964 are not yet available. In Fiscal Year 1963, firms in the city other than McDonnell Aircraft Corporation obtained a total of \$75 million in military prime contracts. Emerson Electric Manufacturing Co.,

American Air Filter Co., ACF Industries and Universal Match Corp. were among the largest defense suppliers.

Sile-lowa

CEHUMPHREY-DC ANYONE THERE IN ATLANTA?

HUMPHREY-DC ANYONE THERE IN ATLANTA?\

CEHUMPHREY-DC

ANYONE THERE IN ATLANTA?
ANHWER PLEASE....
\\7.04436 ADVANCE HQT.ATLANTA GA

OK FOR LIONEL HOROWITZ, ASST. TO BOB JENSEN.

FROM JOHN STEWART

SPEECH GUIDELINES FOR GLASCOW, MONT. AND DAVENPORT IOWA

GLASCOW: TOWN HIGHLY RESPONSIVE TO UNITED NATIONS. PROCLAIMED LOCAL UN DAY WHEN TWO GOVERNORS REFUSED TO PROCLAIM STATE-WIDE UN DAY. CONGRATULATIONS TO LOCAL PEOPLE IN ORDER.

BIRCHER MOVT. BEGINNING IN GLASCOW. BUT NOT LOOKED UPON WITH MUCH FAVOR BYMOST PEOPLE. SO SOME CRITICISM OF EXTREMISTS IN ORDER.

TAX CUT VERY FAVORABLE -- SHOULD CONTRAST WITH GOLDWATER FIVE-BY-FIVE TAX CUT PROPOSAL. SEE FLINT MICHIGAN SPEECH FOR FIGURES.

KENNEDY IS REVERED IN GLASCOW. ALSO CHET HUNTLEY BORN 25 MILES AWAY IN TOWN OF SACO. MONT.

STRESS ALSO GOLDWATER OPPOSITION TO RECLAMATION PROJECTS IN WEST, WITH CENTRAL ARIZONA BEING THE SOLE EXCEPTION. SOME MATERIAL ON THIS PREPARED FOR SEATTLE-TACOMA AIRPORT ALSO.

DAVENPORT: ITEMS FOR SPECIAL EMPHASIS ALTHOUGH ALREADE IN PREPARED REMARKS; REGISTRATION IS VITAL, CLOSES OCT. 3L IXXXX OCT 31 IN IOWA. GET-OUT-THE-VOTE DRIVE IS VITAL. APATHY IS THE ENEMY. THEN STRESS HHH OPPOSITION TO SEC. L4-BXXXX 14-B OF TAFT-HARTLEY. HHH IS SPONSOR OF LEGISLATION WHICH WOULD REPEAL L4XXX14-B. IOWA RIGHT TO WORK LAW IS PARTICULARLY BAD.

SPECIAL COMMENDATION SHOULD GO TO TWO CONGRESSIONAL CANDIDATES JOHN SCHMIDHAUSER AND JOHN CULVER IN 1ST AND 2ND CONG. DISTS. MUCH LABOR MONEY HELPING THESE TWO CANDIDATES.

ANY QUESTIONS SO FAR ON THIS....MORE INFO ON ANOTHER SUBJECT TO FOLLOW?

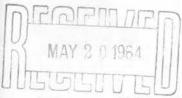
5 THANKS

HERE WE GO AGAIN BOYS .. .

FROM HARRY W. FLANNERY



May 1964



As you will note, you are quoted at some length in the attached article.

With the Code of Ethics now proposed for the Senate, this becomes quite timely.

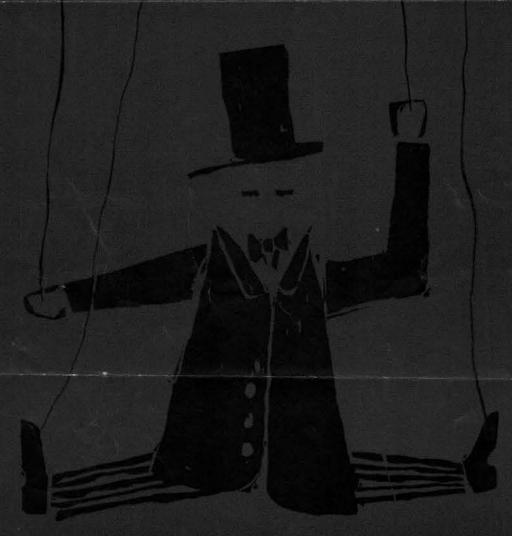
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AVENCE MARIA



POLITICAL INFLUENCE



(WHAT DO POLITICIANS SAY ABOUT IT?)



AN IMAGINARY conversation between chancery officials of the Archdiocese of Washington:

"Whew! That was a close one."

"Sure was. Like having a time bomb ticking in the basement."

"Remember how everybody went on Red Alert down here when the news broke? Lynda Bird didn't know what she was doing to our ulcers when she announced her engagement to a Catholic."

The more mature cleric puffs thoughtfully on his cigar (without inhaling) and smiles a smile which—on a lessdignified personage-might be described as crafty.

"Maybe we hit the panic button too soon," he said. "After all, as long as we handled it right we should have been able to keep it in the lap of the Military Ordinariate."

"Or Texas. We could have started a rumor that no one could throw a first-class Texas wedding in Washington. How could you barbecue a dozen steers in the White House rose garden?"

The cigar glowed. From behind a cloud of smoke: "Shades of Maria Monk! Can't you just imagine what would have happened to all this ecumenical handshaking when the President's daughter was faced with the promise to provide a Catholic education for the children."

The younger monsignor, who looked like an altar bov. said: "One of the bright boys downstairs suggested an elopement to Boston. Cardinal Cushing is already on record against the signing of the promises."

"Would have been a dirty trick. He's having trouble enough trying to find out just where he stands on the Birch Society."

"However it turned out, the Bureau of Information would have been under pressure to produce some of the best 'this doesn't mean . . .' explanations it has turned out in years."

"What if it turns out she just changed her mind-for another Catholic?"

The cloud of smoke disappeared in a burst of violent coughing. When the coughing finally ended a weak voice mumbled: "I hope that ticking I hear is coming from your noisy watch."

John Reedy, CSL

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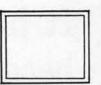
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POLITICAL INFLUENCE:

BY HARRY W. FLANNERY

VIEWS OF THE POLITICIANS





Three hundred years before Bobby Baker, Samuel Pepys, appointed clerk of the acts in the British Navy office, was offered 1,000 pounds for the post.

The famed diarist reported that the offer "made my mouth water, but yet I dare not take it till I speak with my Lord to have his consent."

Pepys' Lord and patron, the Earl of Sandwich, advised his protégé that "it was not the salary of any place that did make a man rich, but the opportunity of getting money which he has in the place."

It should be noted that Pepys was penniless when he took the post in 1660; but six years later, on a salary never more than 360 pounds a year, he was worth 6,200 pounds.

By the standards of the time Pepys was an exemplary public servant. He worked long hours and hard. He was efficient and loyal in the discharge of his duties.

Since that time the standards for public

officers have changed, but occasional practice has not. The change has been gradual. At the time the United States won its independence, corruption was still so general that John Adams, the nation's second President, asserted that government can be held together only by "the cohesive power of public plunder."

Daniel Webster was the revered leader of the Northern Whigs, the great orator of the Senate, and Secretary of State in the Cabinets of William Henry Harrison and John Tyler. Of him, Senator Paul Douglas of Illinois wrote:

"Carlyle once said that no man could be as great as Daniel Webster seemed to be. Nor in fact was Webster!"

Webster was the defender, on the floor of the Senate, of the Second Bank of the United States, which was seeking a renewal of its charter, opposed by President Andrew Jackson. As the bank struggle reached its climax in 1832, Webster wrote Nicholas "It has become almost a truism today to equate politics with corruption."



Biddle, the president of the bank, reminding him that "my retainer has not been renewed, or refreshed as usual. If it be wished that my relation to the bank should be continued it may be well to send me the usual retainers."

Senator Douglas, one of the most active fighters for political morality today, reports that when Nicholas Biddle in 1837 listed "the loans" made by the bank, there was not only the name of Daniel Webster, but that sturdy defender of Jacksonian democracy, Henry Clay; the founder of the Whig Party, John C. Calhoun; numerous Cabinet officers; three Vice Presidents of the United States, and several of the leading editors of the country.

Since that time, to list but a few, there have been Boss Tweed and others of Tammany Hall, Pendergast, Hague, Crump, Curley, Kelly and Nash, Fall, and in more recent years, Sherman Adams, T. Lamar Caudle, Matthew Connelly, Congressmen Johnson of Maryland and Bovkin of Alabama, Richard Mack, Andrew May, J. Parnell Thomas. There have been deep freezes and mink coats, vicuna coats and stereo sets, vacations in Florida, junkets overseas, relatives on payrolls who weren't even in Washington, huge loans made without security, town houses for girl friends and their guests, and no one may ever know what else.

"It has become almost a truism today to equate politics with corruption," remarked Senator Hubert Humphrey of Minnesota. He quoted a National Opinion Research Center survey "that five out of every seven Americans believed it impossible for a professional politician to be honest, and only 18 per cent were willing to let their sons enter political careers."

It is lamentable but understandable that the public has such a low opinion of Congress. I should add a couple of comments to begin with:

1) The survey quoted by Senator Humphrey was made some years ago, and public opinion of Congress and government generally is probably better now, despite constantly recurring jolts of confidence. 2) Most of the members of Congress I know

in Washington are men and women of higher standards than the public generally, including businessmen, industrialists, bankers and even some labor leaders.

Of course, we expect higher standards in government than in private life. That is only proper for "public servants," and this is especially true in these days when the Federal Government is trusted to spend so many billions of dollars of the public money. Today the government lets huge contracts, which can make fortunes for contractors. With such huge sums collected in taxes, there is a temptation for bribes for tax reductions. Fixing of rates, granting of radio and television licenses, purchase of strategic materials, certificates for aviation-company operation and interstate trucking, subsidies and a host of other operations today are responsibilities of government.

A number of Congressmen insist that the public cannot escape responsibility for its public servants. There is the question whether the people support men of integrity, ability and candor for public office.

"Only the active participation of a large proportion of the electorate in political activity—through the medium of political parties—can supplant the power of organized pressure groups on the one hand and backroom politics and personal favoritism on the other," says Humphrey. "When the people leave politics to be the plaything or special interest of a few, the public can expect that it will be played with and serve the special economic and political interests of the participants.

"Democratic or representative government is everyone's business if it is to be an honorable pursuit. If the people want clean and honest government, the minimum price is an active and continuing interest in political parties and political processes."

Senator Eugene McCarthy of Minnesota puts part of the blame for political corruption, when it occurs, on another level of public morality—those in the business and legal

professions who "directly bear on government and politics."

On this, says Senator Douglas, "The railroad magnates and robber barons of the Gilded Age who corrupted the politicians were at least as bad as, and probably worse than, the latter, as were the oil magnates of the 20's who helped to buy up members of the Cabinet. It is indeed significant that Secretary [of the Interior] Fall should have been convicted by a jury for accepting a bribe of \$100,000 from E. L. Doheny, the oil man, who in turn himself was acquitted of offering it.

"In any moral indignation which we develop and any reforms which we initiate, we need to take account of the corrupter as well as of the corrupted and the enticer as well as the enticed. And to deter and punish the former as well as the latter."

In talking about such cases, the Senator was reminded of an old English rhyme:

The law locks up both men and women

Who steal the goose from off the Common,

Yet turns the greater felon loose Who steals the Common from the goose.

Political morality, said Senator McCarthy in a New York Times magazine article, is a reflection of the general level of morality in the nation. Douglas remarks that the criticism of Congress comes from businessmen to whom the padding of expense accounts is such a common practice that they are called "swindle sheets." And, says Mc-Carthy, from people who think nothing of trying to evade complete payment of income taxes. The Internal Revenue Service, as a result, estimates that something over \$25 billion of taxable income goes unreported every year.

But blaming the public for complacency and complicity does not solve the problem. Steps have been taken. Rules of the Securities and Exchange Commission and other agencies have been tightened. Members of the SEC and the Federal Communications Commission can no longer immediately jump from the government into private posts of the businesses they serve.

President Kennedy in 1961 forbade officials appointed by the President from receiving pay for lectures, articles and public appearances in which they divulged official information "not yet a matter of common knowledge." Gifts were forbidden to all government workers in any case where there is reason to believe their positions prompted pressure. Information for stock speculation purposes was expressly forbidden, and so was "incompatible outside work."

President Kennedy also set up a nonpartisan Commission on Campaign Costs, headed by Dean Alexander Heard of the University of North Carolina Graduate School, which reported on April 18, 1963, that expenditures for all public offices in the United States in the 1960 campaign amounted to 165 to 175 million dollars. Recently New York Governor Rockefeller announced that he expected his preconvention expenses to be \$3 million, 75 per cent of which he would pay himself. Of this. \$2 million would be in one state. California.

Any candidate for public office is all too well aware of the cost of seeking that office, and although laws require disclosure of expenditures few complete accountings are made. Setting up committees of veterans, farmers, businessmen, workers, housewives, youth and, where applicable, Polish Voters for So and So, Italian Citizens, and so on, are means of avoidance of the facts. Such committees, which can collect and spend funds for a candidate, are not required to report. Senator Douglas proposes that only one organization should be authorized by law to distribute, collect and spend funds for a candidate.

The commission tackled the problem from another angle: tax incentives to encourage wider political contributions, and creation of a federal agency to report on presidential election campaigns.

"We hope to see a significant increase in the number of contributions, both to spread the cost of campaigns and to diffuse more widely through the population the sense of the reality of participation in the politics of democracy," the commission said.

President Kennedy followed up later the same month by asking Congress to give a tax credit against federal income taxes for 50 per cent of contributions up to a maximum of \$10 in credits a year, and a tax deduction for political contributions for the full amount of the contribution up to a maximum of \$500 per tax return per year. (The commission had recommended \$1,000.)

If this procedure does not raise adequate funds, the late President proposed that the government match contributions of \$10 or less per person. Also, Mr. Kennedy asked that reports be required of individuals, families and groups contributing or spending \$5,000 a year or more for the election of candidates for President or Vice President. To make such reporting effective, a Registry of Election Finance would be set up.

The President asked that the legislation apply only to the election of the President and Vice President, but many persons hope that Congress in its wisdom would apply the same conditions to elections to the Senate and the House of Representatives.

SOME members of Congress have taken individual action and are also asking collective action on what they consider the heart of the matter: full disclosure of finances. Recently Senator Douglas gave out a detailed report of his and his wife's personal finances. In every Congress since 1946, Senator Wayne Morse of Oregon has been making a complete disclosure of his income and expenditures and introducing a bill to require that other members of the Senate go and do likewise. He said Congress demands standards of ethics in the executive and judicial branches that it is unwilling to apply to itself.

The Morse bill has been expanded to include members of the House, "all persons receiving salaries from the Federal Government in excess of \$10,000 and each member, chairman and officer of the Republican and Democratic National Committees."

In his most recent presentation of his proposal, Senator Morse quoted former President Truman as saying,

"Public office is a privilege, not a right."

"Public office is a privilege, not a right. And people who accept the privilege of holding office in the government must of necessity expect that their entire conduct should be open to inspection by the people they are serving."

Morse mentioned that Senators Maurine Neuberger of Oregon, Joseph Clarke of Pennsylvania and Clifford P. Case of New Jersey have introduced similar bills, which would also require that "communications from members of Congress to regulatory agencies be made part of the written public record of the case involved." Their bill would also set up a Commission on Legislative Standards "to conduct a thorough study of congressional conflict-of-interest problems and of the relation of members of Congress with executive agencies."

Mrs. Neuberger commented in a recent newsletter, "Just the existence of these requirements would have, we believe, a salutary effect. They would at least make officials stop and consider before taking an action that might appear questionable if known publicly."

Senator Douglas has been most arbitrary in his limit on gifts. He won't take anything worth more than \$2.50.

"If a gift is worth more than that," he says, "I send it back with a courteous note. If the present is worth less, I give it to my staff or send it to one of the hospitals in the area. If the gift is from a long-time friend, either I or my family will use it.

"Some of my friends humorously suggest that this rule shows that I have little faith in my own ability to resist temptation."

Senator Douglas says that, "When to the surprise of most people I was elected to the Senate in November, 1948, I was startled to discover the number of new friends whom my wife and I had never suspected we possessed. These friends wished to demonstrate their deep affection by sending us presents, and for almost a week the mailman and the express agents staggered up the stairs to our apartment with their arms laden with packages. There was a great deal of liquor and numerous costly plants and flowers. There was no

mink coat for my wife, although there was an intimation that she could go to a store and pick out any coat she wanted. And there were bolts of very expensive oriental silk.

"My wife and I took counsel with each other and then returned all the parcels — collect."

That, however, the Illinois Senator added, did not stop the flood. Gifts continue to come.

Senator Case establishes no arbitrary gift limit, but he's more generous in his limitations, "\$10 or \$15 or something of that sort."

The New Jersey Senator disagrees with the suggestion of Senator John J. Williams of Delaware, a fellow Republican, that reports of a Congressman's assets, liabilities and sources of income not be disclosed publicly but filed with the Comptroller General. Case didn't think any agency of government should have the responsibility of policing Congress.

Laws such as those proposed by herself and others, says Mrs. Neuberger, "probably would have squelched the lush activities of the resigned majority clerk, Robert Baker, who appears to have become a capitalist and entrepreneur on a \$20,000 salary."

Senator Case added, "It's significant that the inquiry [on Baker] was the result of public disclosure. . . . Had our bill been in effect, the Senate would not have had to depend on outside sources to alert it to a situation which reflects on the integrity of the Senate itself. Indeed, had our bill been law, the situation might not have arisen at all."

This may well be quite true, but up to this moment there is no recognizable clamor among most members of Congress for action, or for that matter among the public, whose representatives are in Washington as Senators and Representatives. These gentlemen and ladies do not have the same standards as Clerk of the Acts Pepys, but it seems to those who read the news that there is still much on the ethics agenda.

Harry W. Flannery, former president of the Catholic Association for International Peace, is radio co-ordinator for the AFL-CIO and has written many articles for "Ave Maria."

Hold for Release at 9:45 a.m. (EDT) Monday, August 17, 1964. Not to be Previously Published, Quoted From, or Used in Any Way

STATEMENT BY THE SECRETARY OF STATE DEAN RUSK BEFORE THE DEMOCRATIC PLATFORM COMMITTEE AUGUST 17, 1964

Mr. Chairman:

I am grateful to this distinguished Platform Committee for your invitation.

I am a life-long Democrat, and have served under four great Democratic Presidents, but I wish to talk to you today about the foreign policy of the American people. It is a matter of record that Democratic leaders in this turbulent postwar world have sought a genuinely national foreign policy to guide our relations with the rest of the world. When carrying responsibility, they have sought the help and counsel of men like Arthur H. Vandenberg, Warren R. Austin and John Foster Dulles. When in opposition, they have furnished effective cooperation through men like Lyndon B. Johnson, Walter F. George and J. William Fulbright.

There are many reasons why this broad approach of our Party is both wise and necessary:

- --Foreign policy reaches intimately into every home in America; it is as close as our own or the neighbor's boy in uniform, and almost 30,000,000 of us have worn a uniform in the past twenty-five years.
- --What America does quite literally affects everyone else in the world; our unimaginable power
 and far-reaching influence impose upon us a
 responsibility to maintain a steady course; we
 cannot move by fits and starts, arising from
 partisan controversy here at home, without
 seriously unsettling the world situation.
- --It has been my experience that, although honest and understandable differences of judgment may arise about complex and fast-moving problems of foreign policy, these differences have seldom fallen into partisan patterns.

- --Both parties are stockholders in our more important policies and problems, not just because we Americans succeed or fail together, but also because both parties have borne executive responsibility in recent years in our continuing struggle for peace and freedom.
- --America is required to act in our determined search for a decent world order for ourselves and our children; effective action requires cooperation among the responsible leaders of both parties--whether it be defense budgets, the support of our great alliances, foreign aid, the nuclear test ban treaty, the exploration of outer space, or the increase of our prosperity through an expanded world trade.
- --Finally, our greatest strength is not military; it lies in the decent commitments of our citizens to the kind of society we want here at home and to the kind of world in which we wish to live. It lies in the tradition, wisdom and good sense of our people as a whole.

The purposes of the American people are relatively simple and well understood, here and around the world. We really do believe, along with Thomas Jefferson, that "governments derive their just powers from the consent of the governed." This notion, in all its simple grandeur, acts as a compassbearing in our relations with the rest of the world whether we are thinking about the contest with communism, encouragement for the newly independent nations, or strong attachment to other democracies.

Among our clear commitments are the purposes and principles written into the United Nations Charter. We helped to write those principles, on a non-partisan basis, at a moment when the searing flames of a great war had caused us to think long and soberly about our relations with the rest of the world. We seek a world community of independent nations, cooperating freely across their national frontiers to advance common interests, settling their disputes by peaceful means, and banding together to resist aggression.

Further, from my own experience in my present office, I can testify that the American people exert a powerful and direct influence upon the content and style of our foreign policy. Our people hold certain fundamental ideas about how men should behave. They believe that agreements are made to be kept and not to be cast cynically aside, that power is not to be abused, that the processes of law are to be supported, that the dignity of others is to be respected.

I hope that I will not sound presumptuous to our friends abroad if I say that it is of great historical importance that the power of the United States is committed to the decent purposes of the people of this country rather than to unrestrained appetite; never in history has so much power been in the hands of a people whose only hope is to build a world in which ordinary men and women can live in peace and decency.

I have emphasized the simplicity of our purposes. I must now turn to the complexities of our problems throughout the world.

We are in the midst of great historic changes, perhaps more dramatic than we ourselves realize. There is one underlying crisis in our period of history--the contest between those who seek a world built upon freedom under law, on the one side, and those who are determined to substitute for it a communist world revolution of coercion and suppression. There have been many episodes since 1945 in this great confrontation and there remain dangerous, explosive, and unresolved issues before us today. There can be no doubt that our nation, and our Democratic Party, are dedicated to freedom throughout the world. Leadership in this struggle has been thrust upon America because of our strength and resources, and because of the confidence which men around the world have in the course which we have followed. We have accepted the burdens of this leadership because we have come to know that if we are to be free the rest of the world must be safe for freedom.

There are other tensions outside our borders which do not arise from the great struggle between communism and the free world. Tensions arise because men have learned that

poverty, ignorance and disease are not ordained by Providence but are matters which men can do something about. Tensions arise when those who have led their people to independence find that building a stable and progressive nation is a far more difficult task. Tensions remain from ancient rivalries and hostilities which have festered for decades, or even centuries, and because neighboring peoples look at each other with fear and suspicion. We have welcomed the growing capacity of other governments and groups of states to resolve many of these problems without our need to take a hand. But it still remains true that our own interests and our vast power and influence have required us to concern ourselves with many problems in distant places because such disputes can endanger the general peace and directly affect us all.

In the background of all problems is the fact that we live in the nuclear age and that for the past decade the possibility of a devastating nuclear exchange has hung over mankind like the sword of Damocles. This does not mean that we flinch or falter in defending our vital interests. President Kennedy faced the missiles in Cuba and President Johnson the attacks on American naval vessels in the Gulf of Tonkin. We do not draw back from the confrontation between the free world and the world of coercion. But we do approach our problems soberly and responsibly; we try to think clearly and act effectively in advancing the cause of freedom; we maintain the strength of our alliances; we support and respect the independence, security and prosperity of those who are not aligned; we engage our opponents in serious discussion, and we seek the elements of common interest which hold out some hope for peace.

Only once in history, in October 1962, have nuclear powers come face to face with the imminent possibility of a nuclear exchange. It is not an experience to be lightly repeated. Man must take care that his frailty not lead to his destruction—he must search in small things as well as large for those common interests of the human race upon which his survival may depend.

Our goal is a world-wide victory for peace and freedom. But we must win that victory without a great war, if possible. The devastation of a nuclear war is not the sort of "victory" we want.

Therefore our policy toward our communist adversaries is something more than implacable hostility. As President Johnson has put it, "Our guard is up but our hand is out." We must stop communist aggression. At the same time, we must seek areas of possible agreement on matters of common interest and mutual advantage. We must also do what we can to encourage trends toward independent and more open societies within the communist world.

Time does not permit a full accounting for the many events which have crowded the calendar since January 1961. But I shall try to summarize what we have achieved under the leadership of President Kennedy and President Johnson:

- --We have greatly strengthened our capacity to deter or to defeat aggression at every level; we have vastly increased our nuclear deterrent and made it less vulnerable; we have increased and modernized our conventional forces and made them more mobile; we have substantially improved our capacity to help our friends to deal with guerrilla warfare.
- --We have strengthened the capacity of our great alliances to deal with the threats which may be posed against them.
- --We have given strong and dedicated support to the United Nations and have proposed further steps to make it increasingly effective.
- --We have supported our prosperity by expanding world trade with a vigorous export program and with the fresh impetus of a bold Trade Expansion Act.
- --Despite known problems here and there, we have strengthened the environment for American investment abroad.
- --We have sought diligently to curb and turn down the arms race; we created a Disarmament Agency; we achieved a treaty banning nuclear testing in

the atmosphere, under water, and in outer space; we took a step toward reducing the danger of war from miscalculation or misunderstanding by installing a direct line for emergency communication between Moscow and Washington; and we have achieved agreements on principles of law for outer space.

- --With out allies, we have protected the freedom of West Berlin; that city is more secure and more prosperous than ever before, and our adversaries understand that we shall not accede to any threat or any arrangement which impairs its security.
- --In Southeast Asia, we took measures to check the rapidly deteriorating situations we found in January 1961 in Laos and South Viet Nam; and we have made it plain that the aggressions of Hanoi and Peiping will be defeated.
- --We have given new impetus to the exploration of outer space.
- --We have strengthened our partnership, and that of other industrialized nations, with a democratic Japan.
- --In the Western Hemisphere, we have joined with our Latin American allies in launching the Alliance for Progress; this great cooperative adventure in economic and social progress is forging ahead.
- --With our partners in the Organization of American States, we have taken measures to isolate the Castro regime from the Hemisphere, to insulate the American Republics against aggression and subversion based on Cuba, to deny offensive missiles to Cuba, and to make it plain that Castroism has no future in the Hemisphere or in Cuba itself.

- --We have effectively assisted many of the less developed nations of Asia and Africa to maintain their independence and to move ahead economically and socially; we have improved our foreign aid program--we have encouraged other economically advanced nations of the Free World to increase their development assistance; the communists can count few gains from their offensives in the less developed areas of the world; as yet, no nation which achieved its independence since the Second World War has been taken over by communism; not since Cuba in 1959-1960 has the communist world won a new recruit.
- --We have helped to settle various disputes within the Free World and to prevent others from erupting into armed conflict.
- --We established the Peace Corps which gave our young and young in heart a chance to express and enrich our great tradition, a Corps which has been hailed throughout the world with respect and affection.
- --We have expanded the Food-for-Peace programs, through which American farmers and their bounteous production play a powerful role in promoting peace and helping humanity.
- --We have taken steps toward restoring the historical ties between the peoples of Eastern Europe and those of the West, and have encouraged trends toward national autonomy and more personal freedom in the communist world.
- --We have increased our contacts with the Soviet people, who, we believe, want peace.
- --We have expanded our cultural and educational ties with other nations.

- --We have expanded and strengthened the institutions of the Free World: The World Bank, The International Monetary Fund, the Inter-American Bank, the OECD and its Development Assistance Committee, and the technical and specialized agencies of the United Nations and regional organizations.
- -- And by all these means we have protected the vital interests of the Free World without war.

In conclusion, let me say that since January 1961 the great cause to which we are committed and with which our security is bound, the cause of peace and freedom, has moved forward. Our strength and our determination are respected by friend and foe alike, and the vast majority of mankind have confidence in our purpose. The Free World has gained in strength both absolutely and in relation to our opponents, whether the measurement is military power, the cohesion of our alliances, rates of economic growth, standards of living or the capacity to solve with social justice the problems of the modern world.

Of course difficulties and dangers persist. We have a long way to go to make this planet secure for peace and freedom. But we are making progress. Our basic national policies are producing good results. This is no time either to quit, or to indulge in reckless deeds or words which would cost us the confidence of both allies and other free nations and stimulate irrational action by our adversaries. Under President Lyndon B. Johnson, we are on the right track. Let us keep on it. With him, let us move ahead with resolution and perseverance—and with the confidence in the future which is so thoroughly justified by our faith in freedom and by the gains being steadily made.

GOVERNOR ADLAIE. STEVENSON BEFORE THE DEMOCRATIC PLATFORM COMMITTEE AUGUST 17, 1964

Embargoed for release until 10:15 A.M., Monday August 17.

Mr. Chairman and Members of the Committee:

You are starting today on a noble task of stating the goals our party seeks for the nation, by making clear the goals this nation seeks for all men.

Your job is not just to declare again that we are for peace. The worst aggressors in history have professed their love of peace -- just as tyrants have often claimed their cause was freedom, and divided their nations in the name of unity.

The peace which is our purpose is not just a lofty word, a misty hope and a faraway goal.

We have found here at home, from our democratic experience in every community, that we can act together for the common good and the peace of the community -- even if we disagree about why we are acting together. This is what makes diversity work at home -- and this is how we are trying to make the world safe for diversity.

To us, therefore, peace is agreed procedures for cooperating with other peoples as far as we can -- and beyond that, peace is common machinery for resolving conflicts without resort to violence and war.

Only the strong can make peace, and we are the strongest nation in the world. We are strong enough now to work safely for peace with any one willing to work with us.

Our program for the use of this strength is:

First, to deter the outbreak of war.

Second, to help all peoples retain their independence against aggressive neighbors -- if they themselves are prepared to defend it.

Third, to help contain and settle quarrels.

Fourth, to promote those "better standards of life in larger freedom" which are the promise of the United Nations

Charter -- and which help make peace too precious to lose.

These aims, we hold, are parallel to the desires of all peoples and most governments. And they are best pursued by building international institutions in which we can work with others to make and keep this world a safe place for human beings to work and live.

Other witnesses today will be discussing the nature of our military strength, the management of our diplomacy, and the prospects for international control of nuclear arms. I want to stress what we have done, and what we have yet to do, in the building of international institutions.

II.

In our 1960 Platform we pledged to bring "a new urgency, persistence and determination" to the building of a world community through the United Nations. Shortly after that Platform was adopted in Los Angeles, the General Assembly held its most turbulent session; Chairman Khrushchev banged his shoe on the desk, and the Communists insisted on the troika -- their three-headed monster theory of international administration. At the same time dozens of new countries were emerging from colonial rule, and entering the United Nations in their own right.

To make the point that the United States interest is served by strengthening the United Nations, President Kennedy twice addressed the General Assembly, and President Johnson reaffirmed the American commitment by speaking at the UN less than a month after he took office last wimter. And I, a former leader of our Party, have worked there day and night for four years.

But our commitment is not just to the words about peace in the Charter. It is to a whole range of intensely practical steps toward world order -- in particular, the UN's growing capacity to stop conflict and keep peace, and the fashioning of new forms of international cooperation in a wide range of technical fields.

Because of our great influence and global responsibilities,

we are always deeply involved in keeping the peace wherever it is seriously threatened, anywhere in the world. What we think and say and do about other peoples' quarrels is of profound interest to those directly involved, and is a basic concern in the foreign policy of nearly every other nation on earth. If we are to avoid being drawn everywhere into the role of world policeman, we have to help develop an international system for settling disputes — and for keeping the peace while they are being settled.

In the Middle East, in the heart of Africa, on the Island of Cyprus, in the Indian subcontinent, around the edges of an aggressive Communist China, and even in the Western Hemisphere, there are dangerous border disputes, ancient animosities, and modern struggles for power, each of which bears the seed of general war.

That is why we work through the Organization of American

States to preserve the peace in this Hemisphere and now to protect

the rest of Latin America against subversion exported from Cuba.

That is why we encourage other regional organizations to settle if they can the quarrels within their own areas.

And that is why we interest ourselves so much and so often in strengthening the peacekeeping machinery of the United Nations.

guards the border between Israel and the United Arab Republic and another similar force is Kashmir. For four years we helped a UN force in the Congo, which prevented a local mutiny from leading directly to Communist intervention and takeover or great power confrontation. Since last Spring we have helped a UN force sit on the lid in Cyprus, while a UN mediator, again with our help, tries to find an agreed solution to a bitter internal quarrel with grave external implications.

For almost twenty years collective security thru the United Nations has been central to our foreign policy. During the post

dividends:

leave your neighbors alone. That policy has paid important

The first brake has been placed on the nuclear arms race.

The accumulation of weapons has been slowed down.

Steps have been taken to minimize the possibilities of war by accident.

Weapons of mass destruction have been banned from outer space.

Serious study and negotiations for arms control and disarmament are under way.

The peace machinery of the United Nations has gained in experience, capacity, and usefulness.

A community of international agencies has come into being to fight world poverty -- seed-bed of world disorder.

A more hopeful dialogue has been opened between the nuclear powers; tensions have slowly relaxed; and projects for cooperation on great scientific enterprises have started.

And the opinion of the world community expressed thru the United Nations has become a powerful and pursuasive influence for peace and mutual survival.

Looking ahead, we have encouraged the UN to develop a flexible system of ready national forces that can be called into international service overnight to meet an emergency. We want -- and we are daily helping to build -- international machinery that can always produce a"third man" for every dangerous dispute -- international negotiators who can arrange cease-fires, international inspectors to check compliance, international troops that can keep a local feud from spreading.

Our concern with the United Nations as peacekeeper and peacemaker is matched by our willingness to work with others for human welfare and human rights.

Because of American initiative and American support, the world is already full of fruitful efforts and exciting prospects in scientific and technical cooperation, which served the cause of peace by improving conditions of life and reducing mistrust and fear. We are cooperating with others -- for our benefit and theirs also -- in the exploration of outer space -- in the investigation of the oceans -- in campaigns against hunger and illiteracy -- in combatting diseases -- in charting the icy waters of Antartica -- in the creation of a World Weather System -- and now in the search for a cheap way to desalt sea water.

In our own Hemisphere the Alliance for Progress, and in the world at large the United Nations family of organizations, provide the developing countries with a political framework of equality and dignity, within which the aid and advice of the stronger, more industrialized nations can be put to work for the common goals of economic and social development.

The Communists cannot cooperate with others this way, because they use aid and advice to dominate those who accept it; the Communists are not at all sure they want other countries developing the strength to be truly independent.

But cooperation through international organizations makes sense for us because we really want for peoples of the developing countries what they want for themselves -- a chance to live past infancy, to go to school, to have enough food, clothing and shelter, to find employment and productive leisure, and to experience a sense of achievement as part of a group or nation with goals worth getting to. The fact that we really mean it, and back our conviction with active leadership in every international organization, is one of the prime assets of American foreign policy.

It is no news to your Committee, or to the Party you serve, that in the second half of the 20th Century the UN is a simple necessity, a still primitive but essential beginning of a system of world order. If it did not exist we would have to invent it, although that might no longer be possible.

It is not a substitute for a strong defense, for a strong Atlantic

Community, for

Community, for alliances, or for bilateral, nation-to-nation diplomacy.

But it is an indispensable instrument of peaceful change in a rapidly changing world that must do it peacefully. And it has been directly instrumental, since the Second World War, in turning off a dozen conflicts which could have led to a Third World War.

The Democratic Party has held this pro-UN view for two decades now.

So has the Republican Party. So has the vast majority of the American public and of its representatives in Congress, no matter what party label they wear or what part of the country they represent. Whenever a poll is taken on the UN, 80 or 90 percent of all Americans say they want to strengthen the UN -- and that's some mainstream!

The record shows that support for the UN has been bipartisen from the very beginning. The Charter was approved in the Senate by a vote of 89-2. There has never been a delegation to the UN General Assembly which did not comprise both Republicians and Democrats. The UN planks in the platforms of the two parties were roughly similar in 1948, in 1952, in 1956, and in 1960. And the positions of the candidates have followed the platform.

This year we cannot be so sure.

. . .

This is not the time or place to consider the Republican candidate's changing views about the UN. But it does seem to me that the American people have legitimate cause for concern if the bipartisan commitment of the US to the UN Charter should become a matter for partisan debate in this country.

The Republican platform appears to be far less explicit in its endorsement of the UN than previous Republican platforms have been. It speaks Obscurely about "efforts to revitalize its original purpose."

Strenthening the UN will doubtless require some changes to bring the procedures and practices of the General Assembly and the Security Council into line with the needs of a doubled membership and an enormous incapese in operations.

This cannot realistically be done by changing the formal voting system in the General Assembly to reflect "population disparities", as the Republican platform proposes Indeed, I suspect that if the Republican

Platform writers

platform writers had studied the matter a little more carefully, they would have discovered that the formula they propose increases the relative voting strength of the Communist members of the UN. I doubt if they seriously intended this result.

We are engaged just now in a complex negotiation on how to hand : the authorization and financing of future peacekeeping operations. We are focusings on the need to concentrate the UN's peacekeeping work in the Security Council as far as possible, and the need of a special finance committee of the General Assembly, through which the larger contributors would have a special voice in financial decisions. I think we will come out of these negotiations with a practical arrangement that fully protects the US interest.

Right now, the most serious threat to the UN's capacity to act for peace is the Soviet insistence on withholding payments of its share of peacekeeping costs.

The Secretary of State has said this morning that our people hold certain fundamental ideas about how men should behave. One of these ideas is that members of a club should act as if they belong to a club: they should pay their dues, they should be willing to work with the other members as far as possible; they should loyally support the common actions of the club against violators of its rules.

We intend to make sure that Lines simple doctrine applies in the world's largest club as well. The UN's members defeated the troika; they will find a way to deal with financial boycotts, too.

Mr. Chairman, as you tackle the demanding chose of expressing in a few words the aspirations of our party for America, I am sure you will have in mind that people of every continent, of every race and creed, literate and illiterate, in big nations and small, are listening in on freedom's party line.

Because we are the world's oldest democracy, they want to know how we achieve national unity from a diveristy of cultures and regions and peoples. They want to know whether we can prove in practice the moral premise that all men are born equal.

Because we are the world's most powerful nation, they want to know how we propose to use our power -- and for what.

Make no mistake about it; our ultimate weapon for peace is the character and the quality of the goals we cherish for ourselves. I believe, and I am sure you believe, that our goals for ourselves are universal goals. People everywhere recognize them as their own. That is why we cooperate with other nations and that is why they cooperate with us. As Macauley said, "It is the spirit we are of, not the machinery we employ, which binds us to others."

REMARKS OF MR. ROGER L. STEVENS, SPECIAL ASSISTANT TO THE PRESIDENT ON THE ARTS, BEFORE THE PLATFORM COMMITTEE OF THE DEMOCRATIC NATIONAL CONVENTION - ATLANTIC CITY - THURSDAY, AUGUST 20, 1964

Recently President Johnson in his speech on The Great Society said that "our material progress is only the foundation on which we will build a richer life of mind and spirit." This is important not only for the welfare of our country, but in the battle for men's minds which is challenging the world today. If we are to continue our leadership, the outstanding thinkers of other countries must realize that our system is capable of great artistic and spiritual development as well as material progress.

The part that the arts will play in The Great Society has been greatly advanced when, for the first time, a bill creating a National Council on the Arts was passed by the Senate last December, is now ready for action by the House of Representatives, and has received strong support from the President for its enactment.

The stated purpose of this National Council on the Arts is to provide such recognition and assistance as will encourage and promote the Nation's artistic and cultural progress. It is clearly stated in this Act that, while the growth and flourishing of the arts depend upon freedom, imagination and individual initiative, and that, while the encouragement and support of the arts are primarily a matter for private and local initiative, these are also appropriate matters of concern to the Federal Government. Through the work of this Council the Nation's prestige and general welfare will be promoted by providing recognition of the fact that the arts and the creative spirit which motivates them are an essential part of the Nation's resources.

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Another significant development this year in the field of the arts was the matching grant made by Congress of \$15.5 million to the John F. Kennedy Center for the Performing Arts. The Center's designated purposes are to present classical and contemporary music, opera, drama, dance and poetry from the United States and abroad, to present lectures and other programs, to develop programs for children and youth and the elderly in such arts designed specifically for their participation, education and recreation, and to provide facilities for other civic activities. Now for the first time in our history, our capital will join the other great capitals of the world in having the proper facilities for the performing arts. It is planned that the auditoriums in the Center will be as artistically perfect as possible for both the performer and the audience. Now at last our nation can welcome great performers from other countries in a manner that will bring credit to our country.

This is a beginning, but only a beginning. In a nation with \$600 billion national income and \$100 billion federal budget, the funds available for the arts are woefully small. Even the foundations make only a small percentage of their funds available. While money cannot create art, it can be one of the tools in helping its creation. Talent should not fail to reach its full development because of lack of funds or availability of education.

Since the shock of Sputnik, there has been too much emphasis on science and technology. Many schools have cut back their programs in the humanities. It frequently happens that the Trustees of

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educational institutions cut down the budget for the arts when faced with a shortage of money. Since business has a stake in science and technology, they often make funds available to schools to implement these programs. Unfortunately, there are no comparable business groups to supply funds in the fields of the arts. Therefore, it is imperative that government see that a proper balance is maintained in the encouragement of both arts and science.

In discussion with artistic leaders of many fields, I find that the two most important tasks to be accomplished in this field are: (1) giving proper recognition to the artist and his place in society; and (2) developing an audience that will appreciate his accomplishment.

The first goal is the more readily obtainable of the two. Without any additional legislation there are a number of ways in which the government can aid the artists without any direct subsidies.

Examples of this would be the hiring of the best artists and architects to plan the design and construction of new buildings, improving the quality of postage stamps, coins and posters by using the top artists of the country, recognizing outstanding work in the field of the arts by establishing White House Awards, changing tax laws which are at present unfair to the artist, preserving buildings and landmarks of artistic and historic value, making government surplus property available to arts schools and councils as it is now to medical and other educational institutions, urging corporations

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to include the arts along with other charitable contributions to the fullest extent of their tax deduction, asking foundations to contribute to the arts in the same proportion as they do in other fields, helping the newly formed Cultural Affairs Branch of the Department of Education to be as effective as possible in its program for the arts, and encouraging and aiding the arts councils now being formed in cities and states.

There are other aids government can give, which need not be subsidized but which will take self liquidating loans. Since museums, auditoriums and theatres are cultural resources to which every community is entitled, small towns and rapidly growing suburban areas should be aided in securing these facilities. There is no reason why government cannot furnish these loans for this purpose as they have done for the good of the country in many other fields when private financing has been difficult. Also, the government can increase the use of traveling art exhibits now being done by the Smithsonian Institution by bringing them through the use of trailer and train into remote areas where many people have never had an opportunity to view great works of art. This, too, could be self liquidating by charging a small admission fee.

The second goal, the development of an audience, is a much longer range project. It must fundamentally start with the educational process. It is important to remember that for the true appreciation of the arts, an individual will actually receive as much in enjoyment and pleasure as he is willing to put forth in effort. The

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finer things in life require more effort on the part of the individual than he may want to give, but the rewards are everlasting in the form of increasing happiness and well being, especially in this day of continually increasing leisure. Additionally, there is the practical fact that, if there wwre a much larger audience, many unemployed musicians and artists would find work, and there would be agreater market for the works of painters and sulptors. If the audience for the arts was increased to the extent to which this country is capable, many interesting new job opportunities would be available, and as men are released by automation from dreary and routine jobs, they would have a chance to find stimulating and challenging work.

Therefore, if government can aid in the recognition of the artists, thereby increasing his morale and desire to contribute to society, and, if the necessary audience can be developed, we can be well on the road to what President Johnson has so aptly called the Great Society.

Statement of THE HONORABLE STEWART L. UDALL SECRETARY OF THE INTERIOR

before
THE PLATFORM COMMITTEE

DEMOCRATIC NATIONAL CONVENTION

Atlantic City, New Jersey August 20, 1964 The striking achievements of this Administration in preserving the peace and in promoting the power and prosperity of our country have been described to you this week by my colleagues in the Cabinet.

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In the past three and a half years America has reached an unprecedented level of national power and the new-found strength of our economy and our superior achievements in science and technology assure material abundance for all.

However, neither affluence nor the unmatched peacekeeping power of our military deterrent can alone measure the success of the American experiment in self government. We are rich and powerful as a nation; but this does not make us a noble nation in the sense that Greece and Rome for a season were noble societies in which the good life flourished and lasting contributions were made to mankind.

The issue I would discuss today is whether we are wise enough to use power and wealth to improve the quality of American life -- to enpoble American civilization.

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There is ample assurance that America will grow -- but will she grow right? This is the central question that must concern all thoughtful men and women in our country who would conserve the state of our land and improve the lives of our people.

America must look outward; she must continue to try to understand and resolve the great problems that perplex the world. If we are to fulfill the American dream, she must also look homeward and take action to improve the quality of American life.

In that memorable speech at the University of Michigan last May, President Johnson sketched his vision of America's future -- a vision of a "Great Society". I commend his words to each of you and to all Americans: they contain a blueprint to uplift American life. The President looked homeward at our potential for true greatness. He called for a bold effort to build a great society in our cities, in our countrysides, and in our classrooms.

Let me read from this eloquent address: meshama vinta

"The Great Society rests on abundance and liberty for all. It demands an end to poverty and racial injustice, to which we are totally committed in our time. But that is just the beginning. The Great Society is a place where every child can find knowledge to enrich his mind and to enlarge his talents. It is a place where leisure is a welcome chance to build and reflect, not a feared cause of boredom and restlessness. It is a place where the city

of man serves not only the needs of the body and the

you this week by my collest doe in the Cabinet.

'Aristotle said, 'Men come together in cities in order to live the said good life.'

In the part three and a half years Arm, see has evached an unprecedented

and lo saven and It is harder and harder to live the good life in American cities today. The catalogue of ills is long: There is the dethe despoiling of the suburbs. There is not enough housing for our people or transportation for our traffic. Open land is vanishing and old landmarks are violated. Worst of all, expansion is eroding the precious and time honored values of community with neighbors and communion with nature. The loss of these values breeds loneliness and boredom and indifference. Our society will never be great until our cities are great. Today the frontier of imagination and innovation is inside those cities, and not beyond their borders. New experiments are already going on. It will be the task of your generation to make the American city a place where future generations will come, not only to live but to live the good life." lives of our people.

is in our countryside. We have always prided ourselves on being not only America the strong and America the free, but America the beautiful. Today the beauty is in danger.

The water we drink, the food we eat, the very air that we breathe, are threatened with pollution. Our parks are overcrowded. Our seashores overburdened. Green died in the fields and dense forests are disappearing.

America must look outware, shown wish continue to mry to understand and

"A few years ago we were greatly concerned about the Ugly American. Today we must act to prevent an emit of Ugly America.

"For once the battle is lost, once our natural splendor is destroyed, it can never be recaptured. And once man can no longer walk with beauty or wonder at nature, his spirit will wither and his sustenance be wasted.

a velocine anance tebelle sed relleus, a c'u fessal crass of boradom and realleasuess. It la a place where the city "A third place to build the Great Society is in the classrooms of America. There your childrens' lives will be shaped. Our society will not be great until every young mind is set free to scan the farthest reaches of thought and imagination. We are still far from that goal."

Just since May the progress toward these goals has quickened, and the accomplishments mount in education, conservation, and the rest.

I would speak to you specifically of conservation. I should like to high-light for you some accomplishments, hoping to make it plain that a new, dynamic conservation concept is in the making, one which is necessary if we are to solve the problems of the 60's. Unless we succeed in developing plans and programs that will save both our cities and our countryside we will ultimately fail, for the battle to save the out of doors must now encompass all resources from wilderness to wildlife to the very rebuilding of urban America if we are to discharge our stewardship obligation to future generations.

This Congress soon will finish action on two historic conservation measures -- the Wilderness Bill and the Land and Water Conservation Fund Bill. They will do more to save our countrysides than any legislation passed in a generation.

Congress during this Administration will have established the first new national park on the continental United States in 17 years, will have created four superb new national seashores (at Cape Cod, Mass., Padre Island, Texas, Point Reyes, Calif., and Fire Island, N.Y.) -- and will have enacted the first river preservation national park in the nation in the Ozark rivers country of Missouri.

Future Congresses will act on recommendations of this Administration for the addition of twelve major new units to our National Park System -- and the matching grants of the Conservation Fund Bill should stimulate all fifty states to aggressive conservation action.

In the field of water conservation 17 new major water resource projects have been authorized or started in the West, a high-water mark has been achieved in the annual level of national investment in water resource development, and the saline water conversion research program has been strengthened to the point where it will achieve a dramatic cost breakthrough.

Cheap energy is one of the prime factors which keeps us competitive in the world marketplace. After 16 years of argument, a bold plan was developed under President Johnson's personal leadership to interconnect the electric power systems of the Pacific Northwest and the Southwest. This plan will provide benefits for public and private power users in 11 western states, it will result

in the construction of direct current long-distance lines stretching nearly a thousand miles from the Columbia River to Los Angeles, and it will help revolutionize power transmission technology in the whole country. This striking technological advance should open the door to new patterns of cooperation between public and private power in all parts of our country -- in the finest tradition of Democratic administrations -- and will reduce power costs to all consumers. This Administration has built or scheduled more miles of transmission lines than any other single one in history. Funds have also been provided to launch construction of the world's largest atomic electric power plant at Hanford, Washington.

In addition, we have created more new waterfowl refuges (27) than during any previous four-year period in our history.

Our research and action programs (as Secretary Celebrezze can tell you) designed to reduce air pollution, water pollution, and the misuse of pesticides have also moved forward at an aggressive pace.

And, as a vital part of President Johnson's war on poverty, during the next year 40,000 young Americans will begin rebuilding their lives working in conservation camps across the land.

These are great achievements, yet in all candor I must report to you that our conservation agenda of unfinished business is a long one. It will take reinvigorated action by all levels of government to help us win the battle for beauty and preserve the best parts of unspoiled America. The war against air and water pollution is a big one, and it will take a decade or more of intensive action to preserve and develop the park and forest and wildlife land that future generations will need.

The country is sensing the onset of a third great wave of the conservation movement. The first two came to a climax during the administrations of the two Roosevelt Presidents. The finest conservation Congress in a generation is certainly the 88th, under the leadership of John McCormack, your chairman, Carl Albert, Mike Mansfield and Hubert Humphrey.

To round out our National Park System, to save our wild rivers, to help us understand and harvest and protect the resources of the sea, and to enhance everywhere both the beauty and the bounty of our land will require greater effort yet, for the demands grow ever faster. In our time science is the true midwife of conservation. We must have much more research. Scientific advances will surely, in the years ahead, enable us to exploit the oil shale resources of the Colorado plateau, to produce a protein concentrate from the oceans that may liberate parts of the world from hunger, to harness the tides of Passamaquoddy, and to literally "create" new mineral resources. There will be no third wave of the conservation movement unless the accomplishments I have just described for you prove to be only the warm-up of a long and sustained effort by the American people.

I have just returned from a land and people trip with the First Lady -our great Ambassador for conservation. Her concern for conservation is a
wonderful asset. Both the President and his wife care deeply about this continent, and their love for the land and their hopes for its future starkly underscores by contrast the sad deficiencies of the program, the platform and the
record presented to the country in the spectacle at San Francisco. I know
the man selected to lead the opposition in the upcoming campaign.

I know Senator Goldwater and his record in my state and in Washington. That his platform and the program of his party are totally inadequate in terms of conservation is a matter of public knowledge. So is his personal record. Not for many years -- and many conventions -- has even the Republican party offered a platform so indifferent to natural resources and so barren of new ideas concerning conservation. It is one of the great satisfactions of my job that I have an opportunity to work with leaders of both parties who believe in the Rooseveltian philosophy of conservation. Ever since Teddy Roosevelt's time most candidates of both political parties have been, in varying degrees, conservationists. This platform almost omits even perfunctory platitudes. Land and water, the out of doors, wildlife, and such things as wilderness have gone unmentioned in this sad document.

I have searched for a reason to explain this lapse, to comprehend the silence on Indians, to cite another gross omission. I have been forced to conclude that my fellow Arizonan has been caught up in his own rhetoric. He has developed a philosophy of government which wholly rejects the conservation convictions and principles authored by that great President, Theodore Roosevelt. In a word, he lacks a conservation conscience. Here the choice is clearcut, for there is in his voting record and in his public utterances no echo of the conservation philosophy of Theodore Roosevelt.

Theodore Roosevelt, of course, is a Republican who believed in modern government and in the necessity of federal action to protect the national interest.

Teddy Roosevelt would surely consider, as we all do, the Wilderness Bill as an acid test, a measure of conservation sentiment.

Wilderness in 1964 heralds the emergence of an ennobling national consensus. The Senate passed the bill 73 to 12, and the House 392 to 1. In other words, in the entire Congress 446 Congressmen voted for wilderness and only 12 against. The Republican candidate was one of only thirteen who voted No.

Again last week when the Senate recorded another test vote -- on the historic Land and Water Conservation Fund Bill -- Barry Goldwater was one of the few Senators who did not even bother to indicate by an announcement or a pairwhat his position was on this vital bill.

Franklin Ross, velt, a. T. by F. Econody, a Lyndon S. Johns a Ell.

The sad truth is that the Senator cannot associate himself with the conservation philosophy of the Roosevelts, because his political philosophy runs counter to the mainstream of American political thought. He is indifferent to conservation legislation -- as he is with so much legislation that affects the national interest -- for the reason that he exalts private rights above public needs -- and gives no thought at all to the needs of present and future generations of Americans. For him, Government is the enemy of the people, not a creative instrument to serve the people's needs.

Of course, there is one magnificent inconsistency in the Senator's political philosophy -- he does not apply it to the development of the resources of his own state.

Only President Lyndon Johnson in this century has been as close to the land as the two Roosevelt presidents. As all of us know who work intimately with him from day to day, President Johnson learned his conservation lessons from Franklin Delano Roosevelt. The Roosevelt convictions about land and people lie at the heart of President Johnson's political philosophy. FDR and LBJ would both applaud, I am sure, my decision to quote Theodore Roosevelt's statement on conservation and natural resources:

"This country will not be a permanently good place for any of us to live in unless we make it a reasonably good place for all of us to live in.

"The things that will destroy America are prosperityat-any-price, peace-at-any-price, safety first instead of duty first, the love of soft living, and the get-richquick theory of life."

Conservation as a concept does not belong to either party, historically or in the day-to-day legislative and executive efforts to make America an inspiring place to live. I've compared for you the Presidents, and the platforms of both parties.

On the subject of conservation, the 1960 Republican platform was a fine statement, one which could be subscribed to by conservationists of both parties. What a contrast in 1964! What comfort is there in the 1964 San Francisco document for those who care for wildlife habitat, for parks and recreation, for the welfare of our Indian people, for a standard of stewardship over our natural resources? None!

I am sure this committee will write a document which will rally all Americans who care about conservation -- the vast majority of them do -- around a President who also cares, and around a platform document which spells this concern out in ringing language worthy of a Teddy Roosevelt, a Franklin Roosevelt, a John F. Kennedy, a Lyndon B. Johnson!!!!

STATEMENT BY ROBERT C. WEAVER HOUSING AND HOME FINANCE ADMINISTRATOR BEFORE THE DEMOCRATIC PLATFORM COMMITTEE ATLANTIC CITY, NEW JERSEY August 20, 1964

It was on May 22 at Ann Arbor Michigan, that President Johnson outlined his concept of the Great Society.

Let me remind you of the President's historic words:

"In your time," he said, "we have the opportunity to move not only toward the rich society and the powerful society, but upward toward the Great Society...

"The Great Society is a place where every child can find knowledge to enrich his mind and enlarge his talents. It is a place where leisure is a welcome chance to build and reflect, not a feared cause of boredom and restlessness. It is a place where the city of many serves not only the needs of the body and the demands of commerce, but the desire for beauty and the hunger for community..."

And the President went on to talk of three places where we can begin to build the Great Society: in our cities, in our countryside, and in our classrooms.

The President observed, also, that we have only begun to build toward the great future of which we are capable of building.

This is particularly true of our cities.

As the President said: "It is harder and harder to live the good life in American cities. The catalogue of ills is long. There is the decay of the centers and the despoiling of the suburbs. There is not enough housing for our people or transportation for our traffic. Open land is vanishing and old landmarks are violated."

* * * *

This is an urban age. And the United States is in the vanguard of nations which are undergoing the process of urbanization. As a consequence almost every aspect of our lives is affected by the rapid movement of people from rural to urban communities. Our generation has a responsibility to recognize these facts and galvanize its resources, brains, and institutions to meet the problems which result.

In the latter part of the twentieth century, America can and must dedicate itself anew to assure the good life, the full life, the meaningful life for all its people. Today seven out of ten Americans live in and around our cities. Thus, it is in the urban setting that much of our efforts must be concentrated.

Exactly 30 years ago Congress established our first program to deal with our urban housing problems. That was the FHA, set up in the Roosevelt Administration. Largely as a consequence of this action, 63 percent of our people are now homeowners.

But in 1964 we can no longer think primarily in terms of housing alone. In addition, there is need for interdepartmental cooperation in metropolitan areas, comprehensive planning, urban redevelopment, better land utilization in the fringe areas, improved public facilities, and related actions. The urban complex requires bold programs of community development.

Never before has there been such a fortuitous combination of economic strength, technical know-how, and urban concentration. What we will do with these resources will fashion urban life -- and in large measure, our national life -- in our times and for years ahead.

Our urban areas have evolved and will continue to evolve out of certain forces of growth of their own. We cannot control all these forces, even if we wanted. But we must do what we can, on the local, state, and national level, to control the form of our urban areas.

When we design and build and rebuild cities and suburbs with a form suited to the growth we can expect, then we will be creating a better life for those who choose to live in them.

This concept is not new in our nation. Many years ago in 1891, when nearly two-thirds of our people lived in rural areas, there appeared an analysis of municipal problems. A subsequent introduction to it said in part:

"What shall we do with our great cities? What will our great cities do with us? These are the two problems which confront every thoughtful American.

"For the question involved in these two questions does not concern the city alone. The whole country is affected, if indeed its character and history are not determined by the condition of its great cities."

At that time, no less than today, there was a basic fact which was, and still is, often overlooked. It is this. In all our urban problems, the key element has been, and is, human beings. People conceived and developed cities and suburbs. People, concentrating into urban centers, made them the complex social forms that the words "urban area" suggest.

It is human beings who, today, are shaping the vast metropolitan areas that house some seven-tenths of the population of this nation. Consequently, it is in terms of people that urban problems must be conceived and their solutions developed. And, of course, it is in terms of people and their problems, that the Democratic Party conceives of government.

* * * *

Few among us need to be reminded of the problems which face our urban communities. Some come to mind immediately:

- . The economic decline of central cities.
- . Physical slums and blight.
- . The social disintegration of slum areas.
- . Recent racial violence.
- . Urban sprawl and scatterization.
- . Fouled septic tanks and inadequate water facilities in suburbia.
- . School problems in all parts of the urban complex.
- . Inadequate transportation facilities and traffic congestion.
- . Ugliness where there could and should be beauty.
- . Despair, hopelessness and want, where there could and should be happiness, hope and abundance.

* * * *

During the past four years the Kennedy-Johnson Administration has raised our sights and achieved significant results in meeting the problems of urbanization. It has:

- . Initiated an attack on poverty.
- . Enacted a mass transit bill.
- . Translated urban renewal from a promise to successful reality.
- . Humanized urban renewal.
- . Initiated a program of urban studies and housing research.
- . Initiated a program for open space in urban areas.
- . Expanded federal assistance to local planning.
- . Executed an effective program for accelerated public works.

- . Reversed the downward trend in housing starts.
- . Expanded low-rent public housing.
- . Undertaken a demonstration program of new approaches to low-income housing.
- . Quadrupled the supply of low-and moderate-cost sales housing.
- . Initiated the first national program for moderate-income cooperative and rental housing.
- . Opened a million dwelling units of housing to all Americans regardless of race, creed or color.
- . Continued and expanded the college housing program.
- . Refined and greatly expanded housing for the elderly.

* * * *

President Johnson has chartered the future of the Democratic Party in the field of urban affairs in terms of the Great Society.

The concept of the President's is a people-oriented idea, involving government support, but also preserving local determinations. And it is dedicated to wider individual choices.

In President Johnson's words: "The solution to these problems does not rest on a massive program in Washington, nor can it rely solely on the strained resources of local authority. They require us to create new concepts of cooperation -- a creative federalism -- between the national capital and the leaders of local communities."

Subsequently, at the University of California, President Johnson proposed an urban extension service, operated by universities across the country, to do for urban America what the Agricultural Extension Service has done for rural America.

Earlier this year, in his Housing and Community Development message to the Congress, the President proposed the first step in this direction, a federal-state training program. This proposal was designed to meet the growing need for trained personnel to administer increasingly complex urban programs with greater efficiency. It would, through matching grants, assist the States to develop programs to achieve its objective. The Housing Act of 1964 includes this provision.

In that same message the President again called for a Department of Housing and Community Development. He also proposed comprehensive legislation to meet our problems incident to rapid urbanization.

Only yesterday the Congress passed the Housing and Community Development Act of 1964, a measure which the New York Times has accurately described as "surprisingly comprehensive and liberal." Among other things, this bill authorizes the continuation of all existing federally-assisted programs in this area and initiated several new ones. Included are low interest, direct loans for the rehabilitation of blighted areas; additional financial assistance for families and individuals displaced by urban renewal and public housing; and cash payments for small displaced businesses. Additional relief is provided for home mortgagors in default, provisions are made for the correction of substantial defects in homes purchased with FHA-insured mortgages, a new program for housing for the physically handicapped is authorized, and fellowships for city planning and urban studies are established.

Thus the foundation has already been established for realization of the Great Society. This is the new American Dream -- a dream which free men in a democratic society with an abundance of wealth can realize in our times.

* * * *

We deplore the violence which, though world-wide in its incidence, has harassed our shores. But we know that many of its basic causes lie deep in the imperfections of society. Thus our planning and our programming are directed to the root causes rather than short-range reliance solely upon force which would serve to sweep the unfinished business of democracy under the rug of neglect.

The Great Society can be and will be ours. The necessary ingredients are many. Some of the most important are before this Platform Committee; some are being formulated at this time. The second Johnson Administration will develop others. And as it presents and interprets them to the people of this land, these, as the earlier elements delineated above, will find understanding, support, and effectuation.

* * * *

It is not often that a nation rebuilds its cities, faces an unprecedented expansion of the suburbs which surround them, and has sufficient resources to wipe out poverty and make life more meaningful and enjoyable for its people. But when it does it should do it well.

Sound planning, substantial structures, and people oriented programs are not enough to accomplish our objectives. Nor can we be satisfied when we have achieved a solid economic base in our urban areas, viable intergovernmental arrangements

to deal with metropolitan problems, and human renewal to parallel physical renewal. In addition, we must be concerned with the aesthetics of our urban environment.

In the years immediately ahead we shall have a major part in shaping the urban life of this country. What we do will influence the lives of millions yet unborn for decades yet to come. No other generation had before it such an opportunity, or such a challenge.

America waits for our response.

STATEMENT BY W. WILLARD WIRTZ

BEFORE THE

PLATFORM COMMITTEE

OF THE

DEMOCRATIC NATIONAL CONVENTION OF 1964

WASHINGTON 16, D. C.

AUGUST 18, 1964

Mr. Chairman and Members of the Committee:
Thank you for this opportunity.

Your responsibility is to chart a course for the country to follow. Mine is to tell you as much as I can -- with respect to the "Labor issues" -- of where we have come in the past four years, where we are now, and what I know of the road ahead.

There are, in general understanding, two groups of labor issues, although this is an oversimplification. One set of questions has to do with the functioning of collective bargaining. Another group of issues involves matters relating to employment -- its quantity, and its quality.

I. Collective Bargaining

Collective bargaining is, in my judgment, working exceedingly well -- in terms of its service of both private and public interests.

This is of course hard to measure. Any fair appraisal must take account of the results of collective bargaining as they are reflected in the efficiency and productivity of the enterprise involved, and in the returns to the workers for their labors.

There are also important questions of the degree to

which the standards of freedom and democracy are observed in the bargaining process, and in the trade unions which develop around the carrying out of this process. I mean to include all of these elements in the judgment I have expressed.

A more common, if in some ways questionable, measure of how collective bargaining is working is in terms of losses of time and production, of earnings and profits, from strikes and lock outs.

The strike figures (there are none available for lock outs) bear out the conclusion that collective bargaining is working remarkably well.

In the five-year period between 1956 and 1960, inclusive, strike losses were running at a rate of .29%, figured in terms of man hours lost from strikes compared with total man hours worked.

In the past 3 1/2 years this strike loss figure has been cut in half, to .14%; and most recently to .13% -- or 1/8th of one percent.

Percentages and fractions are confusing. Put it this way: If the number of man hours being worked in America, free from strikes, is thought of in terms of the heighth of the Washington Monument, the number of man hours of production lost because of strikes would measure -- on the same scale -- about the length of a new lead pencil.

A brief look at two or three key situations illustrates what is happening.

When the contracts in the steel industry expired in 1959, a 116-day strike followed. When these contracts were open again in 1961 and 1963, 6 peaceful and completely responsible settlements were reached by the parties.

By the Spring of 1961, it became apparent that the work stoppage situation at the Missile Sites had gotten out of hand; there had been 207 work stoppages in the preceding 12 months, in which 65,430 man hours of production had been lost. Then, in 1961, Secretary of Labor Goldberg, AFL-CIO President Meany, and the leaders of the Unions and companies involved worked out voluntarily a no-strike, no-lock out agreement, and President Kennedy established a tripartite Missile Sites Commission. The situation was cleared up almost immediately. In the three years since the Missile Sites Commission was formed, the lost time rate has averaged only 23% of the rate which prevailed during the year prior to the Commission.

In April of this year, President Johnson brought to a peaceful and responsible settlement, by voluntary agreement, a dispute on the railroads which had been going on for almost five years and which had, at an earlier stage, required Congressional action. No one who was there will forget the President's saying, quietly, to the railroad and brotherhood negotiators at the end of a long discouraging night bargaining session: "Before you decide that the system of free decision we operate under won't work, look around the world and be clear about what other system you are going to choose instead." This was an historic moment, not just in the railroad case, but for free collective bargaining.

It is 18 months now since it was last necessary to use the emergency dispute provisions of the Taft-Hartley Act.

Collective bargaining is not a perfect instrument. But consideration of changes in the national policy and laws regarding it should proceed from the recognition that it has proved itself an extremely responsible and effective form of industrial democracy.

The statutory provisions recognizing the right to organize and the right to bargain collectively should, in my judgment, be extended to all employment relationships affecting interstate commerce - including those on corporate type farms.

To believe in the good sense of free collective bargaining is necessarily to believe that the parties to it should be strong and that their freedom to agree should be respected unless there is some over-riding public interest to the contrary. Section 14(b) of the Taft-Hartley Act is

inconsistent with both of these principles, and I recommend strongly that the Democratic Party platform advocate repeal of this Section.

What Section 14(b) says, in effect, is that even if an employer and a majority of his employees agree on some form of union security (for example, a union shop, a maintenance of membership clause, or an agency shop; but not including a closed shop, which is prohibited by Section 8), they may be prohibited from entering into that agreement by a State law.

This issue is sometimes expressed in terms of protecting the rights of individual employees; and the deceptive phrase "right-to-work laws" has been used to camouflage the real issue. None of these laws gives anyone a right to work. What they do -- and what they are designed to do -- is to weaken unions.

The basis on which Section 14(b) was adopted in 1947 was that it would be a good idea to permit state experimentation in this area. The results of seventeen years of this experimentation are now clear: The so-called "right-to-work" proposals have proved bitterly divisive political issues. They have been supported by those employer groups who admittedly seek to weaken unions; they have been opposed by other employers, by all labor organizations, and by most objective groups and individuals. Where they have adopted, the only result has been weaker, and therefore less responsible, labor unions.

The 1960 Democratic platform recommended repeal of Section 14(b). I urge that the 1964 platform take an equally clear position.

Consideration should also be given to removal from the the Taft-Hartley Act of other provisions which place restraints on the parties! freedoms and which experience has proved are unnecessary. This is particularly true of certain of these provisions which place inequitable limitations on the right to strike and to picket peacefully.

I take note of recent proposals for statutory changes based on expressed - but unsupported - charges of misinterpretation by the National Labor Relations Board of the Taft-Hartley Act.

I have watched the administration of this law closely for 20 years, including the period, right after the 1952 election, when a reconstituted board set about a wholesale overturning of established precedents. In my judgment the law has never been administered with more complete fidelity to its letter and purpose than it is today. These recent charges and proposals are baseless and should be ignored.

II

FULL EMPLOYMENT

The habit has developed of assuming that unemployment is a necessary cost of the free capitalistic economy.

It isn't. There is nothing between the United States and full employment except the decision to achieve it.

The contrary impression is the product of three false notions:

- -- that some unemployment is a good idea because it keeps wages down;
- -- that some unemployment is necessary if we are to avoid inflation;
- -- that there are a lot of people in this country who don't really want to work.

The last $3\frac{1}{2}$ years offer complete evidence that the full employment goal is attainable, and a significant record of how to get there.

Let me give you a brief before-and-after picture. "Before" is January, 1961. "After" is July, 1964.

(There is a problem here of whether to use "adjusted" or "unadjusted" figures -- because this is a comparison of January, 1961 and July, 1964; and there are "seasonal" differences between the various months of the year which affect the employment comparisons.

But any "adjustment" arouses suspicions, and when I commented publicly recently on the July 1964 figures a Republican spokesman based some mildly acid accusations on the use in that statement of a seasonal adjustment. (Since the seasonally adjusted figures are more reliable, I will use them -- but will note in passing the straight figures, which tell precisely how far we've come as of July 1964.)

Before, in January, 1961, there were 71.5 million people in the civilian work force. After, in July, 1964, there were 74.2 million. This only indicates the proportion of the problem: there are 2.7 million more people working or looking for work now than there were then. 1/

Before, there were 66.7 million employed. After, there were 70.6 million employed. This means 3.9 million more jobs now than there were $3\frac{1}{2}$ years ago.

Before, there were 4.8 million unemployed. After, there were 3.6 million unemployed.

The unemployment percentage before was 6.5%.

^{1/} These figures are seasonally adjusted. The unadjusted figures are 69.8 million for January 1961 and 76.2 million for July 1964.

2/ The unadjusted figures are 64.5 million for January 1961 and 72.4 million for July 1964.

^{3/} The unadjusted figures are 5.4 million for January 1961 and 3.8 million for July 1964.

After, it was 4.9%. These are seasonally adjusted figures.

Before, almost 5 out of every hundred adult males, heads of families, were unemployed. After, this number was less than 3.

Before, 28.2 out of every hundred who were unemployed had been out of work 15 weeks or more.

After, the number of these long-term, or "hard core" unemployed, had dropped to 25.8 in 100.

For those who would have claimed that such a record of dramatically increasing employment, and gradually reducing unemployment, could not have been achieved without inflation, these additional comparisons are important:

Before, the Wholesale Prive Index was at 101.0. After, it was at 100.4. Wholesale prices have gone down.

Retail prices have moved up slightly -- from an index figure of 103.8 in January 1961 to 108.0 in June 1964 (the latest available). This is the lowest retail price increase during this period in any industrialized nation in the world.

And earnings, with which these prices are paid, have increased 4 times as much as the prices. Before,

in January 1961, weekly individual earnings in manufacturing industries averaged \$89.08. After, in July 1964, they were \$102.97 -- an increase of \$13.89 a week.

This is the most phenomenal record of improvement in the American wage-earners' employment and earnings situation in the modern history of this country -- for it includes (i) sharply increased earnings, but (ii) level prices, with (iii) substantial reduction of unemployment, (iv) at a time of unprecedented increase in the work force, (v) during a period of peace in the world.

This is the story, basically, of a nation's renewed confidence and its recapturing of an initiative it had lost.

This is, at the same time, a record of the importance of resourceful and bold legislative and executive action by a Government unshackled by economic fears, phobias or taboos, and determined to see America back to work.

Here are the outlines of that record:

*Within three weeks of the inauguration of President Kennedy,
Secretary of Labor Arthur Goldberg set out a cross-country tour to
dramatize the <u>fact</u> of outrageous unemployment. There were loud protests
that this was a serious mistake, that it would undermine business
confidence. But the days of government with a bedside manner, telling
people what they wanted to hear, were over. From here on out we were
going to face the facts.

- * President Kennedy almost immediately sent
 to Congress a set of messages and proposals
 outlining an economic recovery program.
- * In March, 1961, the President set up a 21-man

 Advisory Committee made up of leading industrialists,

 union leaders and public representatives to work with

 him on matters of labor-management policy, including

 ways and means to meet unemployment.
- * The President issued, in March 1961, Executive Order 10925, prohibiting any discrimination in Government employment or by Government contractors. Vice-President Johnson undertook the active administration of this program.
- * By May, 1961, the Congress had enacted the Temporary

 Extended Unemployment Compensation Act. It meant \$814

 million in increased benefits -- and consumer purchasing

 power -- to the 2,728,103 workers who had exhausted their

 unemployment benefits and needed this help most.

 * By June, 1961, Congress had passed and the President

 had signed the Area Redevelopment Act (which President

 Eisenhower had twice vetoed). It meant \$245 million

 for development projects in the hardest hit areas, and

 118,000 jobs. Retraining programs were set up for 35,000

 workers in these areas who needed new skills to perform

 the available jobs.

- * In that same month, Congress amended the Fair
 Labor Standards Act, raising the minimum wage
 to \$1.25 (over a four-year period), and extending
 coverage of the Act to 3,600,000 additional workers.
 This means aggregate increased purchasing power
 of \$1.3 billion -- and the jobs that go with
 supplying these consumer needs.
- * In June, 1961, the new Housing Act became law.

 It means badly needed housing for 100,000 lower-income Americans, and hundreds of thousands of man-months of employment.
- * The Manpower Development and Training Act of 1962

 has meant the retraining of 150,000 workers who need
 higher skills in an automated economy; and another

 200,000 will be retrained in the current fiscal year.
 - * The <u>Public Works Acceleration Act of 1962</u>

 authorized \$900 million for public works in areas

 of heavy unemployment -- with a "job tag" of

 220,000 man-years of work.

- * Each billion dollars of increased exports

 under the Trade Expansion Act of 1962 when

 fully implemented will mean 150,000 jobs for

 American workers; and retraining programs

 for workers displaced by resultant increased

 imports.
- * The Revenue Act of 1962, combined with administrative changes in depreciation regulations, has contributed to expansion of economic activities.
- * The Equal Pay Act of 1963 requires equal pay for equal work performed by men and women in most employment covered by the Fair Labor Standards Act.
- * The <u>Vocational Education Act of 1963</u> authorizes \$581 million to prepare high school students, and some others, for the jobs an automated economy offers.
- * The Tax Cut Act of 1964 means \$11.5 billion of purchasing power injected into the economy where it will do the most good and . . .; and

this means, it has been estimated, 2 million more jobs than there would otherwise have been.

This is only that part of the record of legislative and executive action during the $3\frac{1}{2}$ -year-period which bears most directly on employment and unemployment.

That before-and-after summary I have given you is a record of before and after action -- by people, and by their Government.

And now, in the past 45 days, this action pace has been stepped up still further:

- * The Civil Rights Act of 1964, a great legislative advance, provides, among many other features, for eventual job protection against discrimination in employment because of race, color, religion, sex, or national origin.
- * Congress has passed the Mass Transit Act,
 which provides \$375 million in assistance
 to urban areas to improve transportation
 facilities. It is estimated that this badly
 needed work will create more than 65,000 manyears of employment in urban communities and
 trades where it is sorely needed.

We don't have full employment yet. If time lost from strikes is the length of a lead pencil, the time lost from unemployment is as high as a two-story house -- 8 billion man-hours last year.

Two powerful forces -- automation and population growth -- have combined to place a great strain on our employment resources. This pressure will be even more acute in the next ten years.

During the past ten years, an average of 2.1 million young workers entered the work force each year. But now the baby boom of the post-World War II period is bursting in a wave of young job-seekers; and between 1965 and 1974 an average of 3 million young workers will be looking for jobs each year.

The rate of automation and productivity is now increasing rapidly in many sectors of the economy. The productivity of the private economy in the United States, as measured by output per man-hour, has been growing in the postwar period at a rate 50 percent higher than the previous long-term 40-year period.

Current developments in technology, such as the

Now, earlier this month, Congress has passed, and President Johnson has signed, the <u>Economic</u> <u>Opportunity Act</u>, which will attack poverty through the Job Corps, work training and work-study assistance for more than 400,000 disadvantaged boys and girls in the first year, community action programs, rural economic opportunity programs, and employment and investment incentives.

This is a record, then, of private and public forces coordinated so that the effectiveness of both is increased.

And, it is a record of proven accomplishment.

The greatest significance of this record lies, however, in its evidence that the job which remains can be done.

It is part of the American genius -- and the thrust of the chin of the Democratic Party -- that we aren't satisfied with what is better. We want what is best.

And our work is still cut out for us.

electronic computer, the laser, the fuel cell, and other forms of automation -- some already in widespread use, some still in the early developmental stage -- will have a far-reaching impact on the American economy. An even higher rate of increase in productivity may occur during the next decade.

These forces of automation and population growth are desirable, dynamic elements of our progress; but as long as they are at work, this Nation simply cannot afford the doctrinaire negativism that said "no" to depressed area assistance, "no" to the minimum wage, "no" to housing aid, "no" to manpower retraining, "no" to accelerated public works, "no" to trade expansion, "no" to improved higher education, "no" to vocational education, "no" to the tax cut, "no" to civil rights, "no" to mass transit, and "no" to anti-poverty legislation.

We must continue, and accelerate, the progressive programs of the past four years. Under these programs, we have generated enough jobs to supply the young people coming along, and have absorbed a lot of the backlog of unemployment we inherited.

Now we must drive on toward our national goal of <u>full</u> and <u>fair</u> employment.

So I recommend that the Democratic Platform of 1964 express what I firmly believe is this nation's complete commitment to full employment not as an ideal but as a practical goal which we now propose to reach -- and in short order.

Such a commitment requires, to be meaningful, the extension and expansion of policies which have been proved effective in these past $3\frac{1}{2}$ years, and the development of new policies as the situation demands. There is no miracle drug solution to unemployment. What is required is careful but constructive attention to every part of what is an increasingly complex economy.

The biggest gains will be made by continuing attention to the nation's fiscal and monetary policies to assure that consumer demand is kept at a maximum and that there is the largest possible encouragement of capital investment. It has got to be made clear that tax reductions and reforms, lower interest rates, economics in government mean more jobs.

Every effort must be made to increase our foreign trade, for more exports mean more jobs.

The Appalachian Regional Development Act must be passed, and similar programs developed for other distressed areas, because this means a better life and more jobs -- not just in those areas, but everyplace in the country where goods are made which the people in those areas will buy once they get back on their feet.

The Fair Labor Standards Act must be revised to restore its criginal purpose as a stimulant to fuller employment.

* by Increasing the minimum rate -- when the

present schedule of increases is completed -- to

keep up with our rising ideas of what are fair wages

and a proper standard of living; for higher carnings among

our lowest wage earners means more jobs for those who supply their needs.

- * By extending its coverage to all employees, including agricultural employees, who are in business coming within the Commerce Clause; for there again it will mean more jobs for others if these people are better consumers.
- * By revising the overtime pay provisions to give them the effect they had originally -- which was to create more jobs by making it more economical to hire more employees instead working a few number of employees long hours.

While I do not believe that the Fair Labor Standards Act should be amended to provide for a Shorter Work Week, I do believe the matter should be kept under continued study and review. I assume that the long term trend of adjusting the length of work periods through collective bargaining will continue.

The Unemployment Compensation laws require a complete overhaul -- not just because the equities of the situation
demand it in human terms but also because here, too, putting
this system on the soundest practical basis strengthens as
customers those who need strengthening most, and this means

more jobs.

We believe that the Walsh-Healey Act, which provides for payment of prevailing minimum wage for government supply contracts, should be overhauled and modernized to counteract those forces which seek to repeal it by judicial action.

The war which the Nation, under President

Johnson's leadership, has now declared on poverty could be
justified in

humanitarian terms alone. It in no way detracts from this that this is a war which will mean more jobs both in terms of the people -- principally young people -- it will teach how to work, and in terms of strengthening consumer demands in the area which will have the greatest effect in terms of more work for those who meet these demands.

I urge the Committee's most careful consideration of the need for fuller attention to the situation of the older worker. President Johnson has called the Nation's attention to it forcefully in his Executive Order establishing a policy for Government contracts of no discrimination. Congress has assigned this problem for study, by the Department of Labor, in the Civil Rights Act.

Provision for hospital and nursing home care as part of the Social Security program is essential. But there are other fronts on which the campaign to make life's pattern sensible must be waged. It doesn't make sense that our doctors and refentists can do so much more to extend life and to ease the physical pains of older age than we can as citizen-statesmen to extend meaningful life and remove the economic pangs of advancing years.

Nor does it hurt here again to point out that the provision of economic security for all of us when we are older
makes us at that stage not only happier people but better customers -which means more jobs for everyone else.

A commitment to full employment must also include a commitment to the development of a still more complete manpower program.

This must include a revision of the educational system -so that it will prepare every boy and girl for the skilled jobs
which the automated economy offers. There will not be total
victory in the war on poverty until we have also won the war
against ignorance.

The answer to automation is not to fight it, for we are dependent on the fullest possible development of technology if we want to maintain the highest standard of living in the world. The answer to automation is, though, that we must spread among all who benefit from automation the cost of it to those who happen to be in the way of the machines. This means retraining, the assumption of relocation expenses, and the protection in one way or another of the equities (such as seniority, vacation

credits, and pension rights) the displaced men and women have in their jobs.

I note, finally, that there cannot be full employment except as there is fair employment.

The Civil Rights Act of 1964 is another instance of our having done enough, in this period of unparalleled accomplishment, not to satisfy us but to give us the evidence -- and the necessary confidence -- that the rest of the job can be done.

We have stopped discrimination. Now we must get on with the affirmative part of our assignment: seeing to it that those who have been the victims of discrimination are fully prepared to <u>use</u> the new opportunities which are opened up to them.

In conclusion, I make these general points:

First. There are very few "labor problems" in any separate sense. There was a time when Samuel Gompers summarized the goals of American labor in the single word: "More." He meant more for labor -- in what was conceived of then as a class struggle between employers and employees.

Today, too, American labor's goal is More; but now it means more for the economy and the nation as a whole.

You will not, in your councils as a Platform Committee, need to concern yoursleves with "satisfying labor" as a matter apart from meeting the common concerns of all Americans. For there is no other group whose interests coincide with more of the public interest -- in securing complete equality of opportunity, in assuming the responsibilities of leading the forces of freedom in the world, in using the full American potential, in making education our No. 1 industry.

Second. We have advanced further and faster toward our goals in the past three and one half years than ever before in our history.

Third. We face no economic problem today which demands anything for its solution except the decision to meet it. We have all the makings.

But I add one other point: If anyone should assume from what has been said here that any of us think we have reached our promised land, he better get out of the way -- before he gets run over.



news release

FROM THE DEMOCRATIC NATIONAL COMMITTEE PUBLICITY DIVISION 1730 K STREET, N.W. WASHINGTON 6, D.C. FEDERAL 3-8750

For Release 5:30 P.M. Tuesday, August 18, 1964

STATEMENT BY SECRETARY OF COMMERCE LUTHER H. HODGES PREPARED FOR DELIVERY TO THE DEMOCRATIC PLATFORM COMMITTEE, AUGUST 18, 1964

I appreciate this opportunity to speak to the Platform Committee of the 1964 Democratic National Convention in behalf of the American business community.

As the head of our Federal Government's chief business development agency, the U.S. Department of Commerce, I am, of course, happy to have an opportunity to point up the economic progress that has been made in the last three and a half years under this Democratic Administration. But I am also especially anxious that our 1964 Platform reflect in a positive and explicit way the democratic Party's understanding of how important the health of business is to the well-being of all Americans.

One of the most significant developments of the last three and a half years, I think, has been the emergence of a strong consensus on the fundamental importance of a healthy business climate—of an atmosphere which encourages private business initiative, which promotes a high level of investment in new job-creating plant and equipment, and which recognizes that profits are the life's blood of our economic system. The fact that this consensus has developed gives me confidence, as a former businessman, in the future of our country, and strengthens my pride in being a Democrat.

Ours has always been a party which has sought to reconcile the diversities of our society in a program aimed at serving the common good. We have not always been given credit for our desire to foster a strong business economy, and there have been times in the past when some of our campaign oratory has seemed to range us against the business community. But I think most businessmen today recognize that the development and changes of the 1930's were necessary to save our private enterprise system, and that the growth of our national government since World War II, especially in defense spending, has been necessary to safeguard all our freedoms, including freedom of

enterprise, in a dangerous and revolutionary world. At the same time, there is greater economic understanding on the part of those who may may have tended to be hostile to business. As a result, while businessmen recognize, for example, that it is essential to keep consumer incomes rising in order to have expanding markets, labor has come to realize in a sensible manner that wages are also a business cost affecting our ability to compete in world markets. Profits are no longer felt to be somehow illegitimate. There is a greater appreciation that they are the means and the incentive for new investment in more jobs and better living standards for all of us.

This development of a greater national understanding on economic issues—a development for which our Democratic Party can take a major part of the credit—is very important to the future of our free enterprise system and to the future prosperity of this great country. We can now move ahead with practical policies to strengthen business initiative and to moderate business fluctuations—those "boom and busts" that are the greatest enemy of the free enterprise system, and of the jobs and profits of our people.

We Democrats believe in the free enterprise system because we know it works. We know it is the most efficient way to produce the goods and services our people need. And we know that its dispersion of economic power and economic decision-making in the hands of millions of people is the best safeguard of our political democracy, of the right of the American people to control their own destiny.

We know the system works; it has worked extremely well during the last 3-1/2 years, and we know we can make it work in the future. Despite the popular association of the opposition party with business, it is the Democratic Party that has had the far better record for keeping our business economy expanding in time of peace. Over the last 100 years, for every month that our economy has expanded in peacetime under the Republicans, there has been a corresponding month of declining business. But in Democratic Alministrations there has been 2-1/3 months of peacetime expansion for every month of business contraction. Seventy per cent of our peacetime Democratic months have seen rising business prosperity, while half of the months of Republican Administrations have been months of economic decline.

Let me emphasize these simple facts for those who charge the Democratic Administrations depend upon war to stimulate economic growth: 70.5 per cent of our peacetime Democratic months have been months of expansion, and only 29.5 per cent months of contraction. Only 50.9 per cent of the peacetime Republican months have seen the economy moving upward, and 49.1 per cent of these Republican months have been months of decline.

And since we have been trying consciously to do something about business cycles, the record is even more dramatic. Since March 1929, 87 per cent of all peacetime Democratic months have been expansion months, and only 13 per cent months of contraction. Only 47 per cent of the peacetime Republican months have been expansion months, while 53 per cent, more than half, have been months of decline.

This Democratic Administration is the first peacetime administration in a century without a recession or depression. It has been a period of unprecedented prosperity for American business, and no economic downturn is anywhere in sight.

Business profits are at record levels. In the second quarter of 1964, corporate profits before taxes reached an annual rate of \$57.4 billion--46 per cent higher than when this Administration began at the bottom of the third Republican recession in eight years. The picture for corporate profits after taxes is even better. They reached a level of \$31.7 billion a year in the second quarter--an increase of 63 per cent above the first quarter of 1961.

The truly remarkable fact is that corporate profits are still rising in the 42nd month of this longest and largest peacetime expansion in our history. And this continuing bright prospect for profit incentives is our best guarantee of continued economic prosperity, of expanding job opportunities and better incomes for all of our people.

The rising prosperity of the last three and a half years has already meant an \$86 billion increase in personal incomes. The average paycheck in manufacturing has risen 16.2 per cent to an all-time high of more than \$103 a week.

Just since President Johnson took office, annual income per family has risen over \$300 after taxes. And in this same short period \$100 billion has been added to stock exchange values, reflecting strong investor confidence in the future.

These greater disposable incomes, generated by rising business prosperity and the largest tax cut in our nation's history, mean greater consumer buying in the months ahead, and these rising sales and better profit prospects mean more business investment. Businessmen have responded with confidence to the practical policies of this Administration and plan to spend the record sum of \$43.9 billion for new plant and equipment in 1964.

This Administration has won business confidence by demonstrating that it can formulate and implement effective economic policies. The tax cut is a notable example. But it is only one measure in a complex of supporting policies and programs. They include:

--A monetary and fiscal policy adapted to stimulate domestic economic growth and, at the same time, maintain price stability.

--A special tax credit and liberalized depreciation schedules to stimulate modernization of our industrial plant.

--A trade policy designed to meet the challenge of global markets without subjecting our domestic economy to unfair competition and sudden market disruption.

Two primary concerns of the Department of Commerce have been the negotiation of a broad agreement for gradual reduction of trade barriers and the stimulation of U.S. business to take advantage of the developing opportunities for more export sales. The response of American business to this export challenge has pushed our sales abroad to the highest level ever--a rate of \$24.6 billion so far this year, and an increase of \$6.5 billion a year or 34 per cent over the 1960 level. This demonstrates our ability to compete if we have access to world markets.

But I am concerned, because of the vital importance of the current trade negotiations to our future world trade, about the implications of the Republican Party's choice of one of the very few opponents of our country's Trade Expansion Act as its candidate for President. Actually, he was one of only eight Senators opposing the act when it was adopted in 1962.

I think we have a special obligation to proclaim in our Democratic Platform this year, in clear, unmistakable terms, the continuing commitment of the American people to the principle of freer trade. We need for our developing industry all the trade we can get, and we can't afford economic isolationism or a "go it alone" trade policy.

--Programs designed to strengthen the weak spots in our over-all strong national economy are part of the Administration's general economic policies. The Department of Commerce, through the Area Redevelopment Administration and the projected Appalachia program, is seeking to give concrete form to our Democratic belief that mutual help and self help can go hand in hand in building a better America. It is important to business and to our free enterprise society that we demonstrate our ability to bring the fruits of our national prosperity to all of our citizens and to all of our communities. As we help poorer nations, certainly we should do no less for the poorer parts of our own nation. Other Administration programs, such as manpower restraining, our educational efforts generally, and the Equal Opportunity Programs, reinforce and strengthen the foundations of our prosperity and, ultimately, of our society.

--Efforts to meet the problems of specific industries are also part of our over-all economic program. For example, voluntary agreements have been worked out to help safeguard various industries, including the important textile industry, from market disruptions by imports. Efforts are being made to expand exports, stimulate research, and in a variety of ways strengthen these industries and the many thousands of workers, businesses, and communities dependent upon them.

--Finally, and in many ways the most important, this Democratic Administration has sought to develop and maintain a generally favorable climate for business activity and economic growth. This has ranged from promoting labor peace to avoiding reckless adventures in our international affairs. It has also included the maintenance of a strong defense posture, while avoiding unnecessary military and civilian expenditures. President Johnson has recognized that a policy of economy in government is important to business confidence, and he has acted with great vigor and determination to assure a dollar's value for every dollar spent. He has done this on large and small items. He has also launched an aggressive attack upon unnecessary forms, questionnaires, and regulations that burden business, and especially the small businessman.

It is the businessman who is the real driving force of our prosperity. He manages to push ahead even when faced with adverse conditions and inadequate government policies. And he can do much more to promote economic growth and progress when our public policies are designed to reinforce his initiatives and to help him carry out his private productive programs.

We should pledge in our Platform to continue these public policies. We have not reached our economic goals by any means. Our unemployment rate, although reduced from 7.1 per cent to 4.9 per cent in July, remains much too high. And our unused productive capacity, down from 23 per cent to approximately 13 per cent, is still a challenge.

We must preserve the atmosphere of freedom and peace and confidence in the future in which business can continue to flourish.

We must maintain and enhance the spirit of cooperation that has to such a satisfactory degree been developed between business, labor, and government in this Administration.

We must continue to maintain price stability, and assure that the American dollar will remain "as good as gold" at home and abroad.

Finally, we must maintain our appreciation of the fundamental importance of freedom of enterprise, of the great contribution which business--big, medium, and small--make to our national prosperity and our democratic liberties.

Thank you.

STATEMENT BY ATTORNEY GENERAL ROBERT F. KENNEDY BEFORE THE PLATFORM COMMITTEE OF THE DEMOCRATIC NATIONAL CONVENTION Sheraton-Park Hotel Wednesday, August 19, 1964, 4:25 P.M.

Chairman Albert, Madame Co-Chairman Grasso, and members of the committee:

It is an honor to address this meeting of the Platform Committee of the Democratic National Convention.

Long ago a political figure said that you should not use up platform promises by fulfilling them. You should keep them around so you'd always have something to run on. I don't agree with that idea. Platforms should face up to today's problems, and platforms should say what we will do about these problems. Platform promises should be made to keep, and should be kept. Our well-being and even our survival demand that we face our problems -- however difficult and however unpleasant -- with actions, and not just promises.

The Democratic Party takes its platforms seriously. In 1960 our platform told what we would do if the American people elected a Democratic president. Under the leadership of President Kennedy and President Johnson, we have fulfilled almost all of those 1960 pledges, and we have not given up on the rest.

Some of those 1960 platform pledges were in areas in which the Attorney General has responsibility.

Ethics in Government

In 1960 we proposed that the conflict of interest laws be strenthened and that a code of ethics be established and enforced for government employees. We have kept those pledges.

In the first week of President Kennedy's Administration, he appointed an Advisory Panel on Ethics and Conflicts of Interest in Government, and asked it to give special attention to the adequacy of the conflict-of-interest laws then in force. After receiving the report of this panel, President Kennedy sent a special message to Congress dealing with ethical behavior by officers and employees of the government and asking for new legislation.

In May 1961, he issued an executive order establishing rules of ethical conduct applicable to heads and assistant heads of government departments and agencies, and members of the White House staff. Department and agency heads were directed to set similar standards of conduct for all their personnel.

Congress enacted the recommended revision of the Conflict-of-Interest Statutes in October, 1962. This legislation achieved the desired purpose of improving and strenghthening the prior law. In addition, it set realistic standards of conduct for consultants with special skills and experience who are byought into government on a temporary basis.

Law Enforcement

In 1960 we promised to take vigorous action against organized crime and especially against racketeering infiltration of legitimate business and labor unions. We have kept that pledge.

Prior to 1960, the enforcement efforts of the 26 federal law enforcement agencies were carried out on an individual basis. One of our first steps was to organize a coordinated law enforcement effort against racketeers. An important example of this coordination was the establishment of a centralized intelligence unit in the Organized Crime Section of the Department of Justice. In this unit, information about 1200 leading racketeering figures is now pooled by all the agencies, on a daily basis. As a result, a far more efficient and effective battle can now be waged against organized crime.

Early in the Administration, we sought -- and secured -- seven new anti-racketeering laws, the greatest legislative advance in the field of law enforcement since 1934. These laws include prohibitions against interstate shipment or transportation of gambling equipment or gambling information, and interstate travel in support of racketeering enterprises. The impact of these efforts cannot easily be measured. Racketeering continues -- and perhaps will always continue -- and the strength of any program is not what has been done but what continues to be done. We know, however, that the number of convictions we have secured -- for public corruption, narcotics, gambling, labor-management offenses, and other types of racketeering -- has increased more than seven times. We also have met our particular pledge to take effective action against racketeering affecting business and labor. There now have been prosecutions involving officers of members of 54 different unions and 30 businesses or business executives for such labor-relations violations as bribery, extortion, and embezzlement. In the case of the International Brotherhood of Teamsters alone, grand juries all over the country have indicted 186 officers, members and associates since January, 1961, and trial juries all over the country so far have convicted 110. To talk of criminal justice means more, however, than bringing criminals to justice. It also means providing equal justice for all who are accused. In the words of the inscription in my office: "The United States wins its point whenever justice is done its citizens in the courts." Justice is not done when rich and poor citizens are treated differently under the law, and the fact is that they have been treated differently in the United States. We have tried to advance the day when the scales of our legal system truly will measure not wealth, but justice. Early in 1961 we created a Committee on Poverty and the Administration of Federal Criminal Justice, to study the problems faced by persons of limited means charged with federal crimes. As a result of the recommendations of the committee, President Kennedy sent to Congress a bill which has just been passed and is awaiting President Johnson's signature. This Criminal Justice Act of 1964 provides that poor defendants be provided with paid attorneys. It also enables them to secure the investigations and expert witnesses often necessary to an adequate defense. Also as a result of the Attorney General's committee, we have taken steps to correct the injustices of our present bail system, under which poor people must stay in jail before they are proven guilty -- or innocent -because they cannot afford to pay for their freedom. We have liberalized the bail procedure in the federal system and we have recently completed a National Bail Conference, designed to promote reforms in state and local Finally, we have established within the Department of Justice a new Office of Criminal Justice -- not to prosecute or try cases, but to concern itself with the whole spectrum of the criminal process, from arrest to rehabilitation. This new office will seek improvements in the administration of criminal law, particularly as it affects poor defendants. Juvenile Delinquency In 1960 we promised federal leadership in the nationwide campaign to prevent and control juvenile delinquency. We have kept that pledge. For many reasons, the most important area of crime prevention is in the field of juvenile delinquency. Youthful offenses make up a steadily increasing percentage of the total crime rate. In 1963, adult arrests increased 2 percent but arrests of persons under 18 increased 13 percent. Meanwhile the juvenile population increased only 3.5 percent. This is a difficult and far-ranging problem. It is, fundamentally, the responsibility of each individual community. But there is a great deal the federal government can do to provide leadership and assistance to local communities. It was for that reason that President Kennedy early established the President's Committee on Juvenile Delinquency and Youth

Crime, composed of the Secretary of Labor, the Secretary of Health, Education and Welfare and the Attorney General, 'This President's

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Committee has been able to bring together programs from several agencies to provide experimentation and leadership for the cities all over the country grappling with this deep-seated problem.

With the leadership of President Kennedy and the President's Committee, the Congress enacted the Juvenile Delinquency and Youth Offenses Control Act of 1961, authorizing \$10 million a year for three years for demonstration and training grants to local communities, public and nonprofit private institutions. The program has been extended at the request of President Johnson.

This program established a working partnership between the federal government and local communities in the effort to reduce and prevent juvenile delinquency and expand opportunities for youth.

With financial and technical assistance from the federal government, a score of communities are now better able to meet their responsibility and concern in this area and have now embarked on programs to curb and control delinquency.

These efforts are having great effect. It is too early to offer broad statistics, but the rewards of planned and coordinated action are nevertheless evident. For example, last June I visited the joint city-county-state project on delinquency in Los Angeles and learned about cases like that of a 21-year-old parolee named Carlos, with a criminal record including car theft. Because of his record, he had trouble finding a job. His high school would not readmit him. He was referred to the juvenile delinquency project.

He was tested there and found to have excellent mechanical skills. The project helped him enter a trade school. By night, he attended an adult education class to work for his high school diploma.

Now he has found a job in a local industry and his employer, the project and -- needless to say -- Carlos, are delighted.

This is the kind of human dividend which an investment of time, energy, and leadership can provide.

Immigration

In 1960, we promised to seek changes in our immigration laws and policies, to eliminate the National Origins Quota System, to bring to our shores new citizens of greater skills, to help to reunite scattered families, and to achieve a humanitarian spirit in our nation's citizenship and immigration policies.

We are keeping those pledges. We have established streamlined new procedures to eliminate delay and frustration for our own citizens, as well as immigrants and visitors entering this country. We have made it easier for Americans to adopt alien orphans; 1,500 already have come in. We instituted a Chinese refugee program, to help reunite families and to help relieve the pressure which a flood of refugees from communism is creating in Hong Kong. And we have worked diligently to ease the transition to a new country for 175,000 refugees from Communism in Cuba.

During this Administration, under the leadership of President Kennedy and President Johnson, Congress has enacted amendments to the basic immigration law to eliminate a few of the inequities and injustices. But much remains to be done, especially the elimination of the unjust National Origins "Quota" System.

This is a system which makes it easier, in many cases, for a man to bring a maid to this country than his mother. This system is a blot on our relations with other countries. It causes us national loss by creating obstacles to the admission of skilled immigrants. And it causes cruel and unnecessary family hardship to many Americans.

The Administration has proposed a new Immigration Bill which would eliminate this system. It has not been enacted, but it is now pending in Congress. Thus while we have yet to achieve our legislative goals, we shall continue the fight. The time has come for America -- truly a nation of immigrants -- to replace the quota system with the merit system.

Civil Rights

In 1960, we promised effective moral and political leadership to make equal opportunity a living reality for all of our people. We pledged action against discriminatory literacy tests and poll tax payments as requirements for voting. We promised to seek equal access for all Americans to all areas of community life, including voting booths, school rooms, jobs, housing, and public facilities. We promised technical and financial assistance for school districts facing special problems in transition. We promised to take action to end discrimination in Federal Housing Programs.

When a Southern Negro woman went home after burying her son, killed in Viet Nam, at Arlington National Cemetery last year, she was refused lodging at a motel ostensibly open to the public. That kind of discrimination simply doesn't make sense in the United States of the 1960's. The Civil Rights Act of 1964 provides a remedy for that kind of discrimination. And it provides relief for a number of other forms of discrimination and sources of dispute. Enactment of this law is a historic advance. But we cannot stop there. Respect for all law must be insured and enhanced.

Thus far, I have spoken of our past pledges. What of the present and the future? What new solutions should we propose for problems yet unsolved? To what new problems should we address ourselves? In my opinion, there is no more important problem for us to consider than this problem of respect for the law.

Law is the basis of ordered society. "Let every man remember," Abraham Lincoln once said, "that to violate the law is to trample on the blood of his father, and tear the charter of his own and his children's liberty. Let reverence for the law...become the political religion of America."

We find in our nation today that the forces of law -- federal, state, and local -- are beset by racial problems, by civil rights problems. We must now clearly acknowledge and face those problems. The United States did not reach its present position of power and leadership in the world by running away from problems. We cannot do so now.

This year, the Democratic Party must have the wisdom and the courage to go before the people and face this issue, which troubles so much of the country.

The place to begin is with an insistence on law -- with a clear reaffirmation of our belief that lawless disregard for the rights of others is wrong when it is used to deny civil rights and that it is wrong when it is used to obtain civil rights.

We are weakened by cruel and senseless acts of racial violence, whether by whites against Negroes or, more recently, by Negroes against whites. The blow may be to a Negro or a white man but the injury is suffered by the whole country. Discrimination and hatred eat at the root of society. They turn all men, black and white, into prisoners of their prejudices.

In a country founded on the principle that all men are created equal, we can have no place for discrimination and bigotry. Neither can we have a place for hate and lawlessness.

The second point is that these outbursts of violence often have deep causes, and the causes will not go away simply because we may put more policemen on the street or write a platform affirming respect for the law. We must continue to work, as we have worked, to eliminate the frustrations that create the outbursts.

Recognizing that understanding and communication can help us do so, President Kennedy met with hundreds of businessmen, labor officials, attorneys, and other civic leaders to seek their cooperation. President Johnson has continued this effort effectively. Now the time has come for local leaders all over the country to seek, in their own communities, the same kind of communication — the same kind of understanding of the lack of opportunity felt by large numbers of our citizens.

We cherish the freedom of the individual, but we must recognize that there is no freedom of the individual unless there is democracy of opportunity for all.

President Kennedy once gave a vivid description of how far short we are of that kind of opportunity. "The Negro baby born in America today," he said, "regardless of the section or the state in which he is born -- has about one-half as much chance of completing high school as a white baby born in the same place on the same day -- one third as much chance of completing college -- one-third as much chance of becoming a professional man -- twice as much chance of becoming unemployed -- about one-seventh as much chance of earning \$10,000 per year -- a life expectancy which is seven years less -- and the prospects of earning only half as much."

A country that would be prosperous cannot afford such a loss. It cannot afford the price it must pay -- in welfare costs, disease, juvenile delinquency, social disorder and above all, the erosion of spirit -- when 20,000,000 people cannot work as full partners in our nation because of their race.

And so, while we have made progress, the goal of equal treatment for all Americans, regardless of race, color, religion or national origin has not yet fully been achieved. That achievement will require understanding, tolerance, respect for the law and respect for the rights of others, by all Americans. It will require fair, understanding, and effective enforcement of the civil rights law. It will require continued, just and reasonable national leadership, of the kind demonstrated by President Kennedy and now so ably continued by President Johnson. It will require voluntary efforts, in all our communities, to comply with both the letter and the spirit of the Civil Rights Act of 1964.

What we need in our platform is not so much a promise to seek new civil rights laws as it is a promise to generate the spirit of determination in which our country can and will solve its racial problems. A spirit of respect for the law and of continued, unflagging effort toward equal opportunity.

What we need is a promise to hasten the time of which President Kennedy once spoke when he said:

"Let us preserve both the law and the peace and then, healing those wounds that are within, we can turn to the greater crises that are without and stand united as one people in our pledge to man's freedom."

That is the pledge not only of our platform and not only of our party, but of America.

STATEMENT OF ROBERT S. McNAMARA, SECRETARY OF DEFENSE, BEFORE THE DEMOCRATIC PLATFORM COMMITTEE

Mr. Chairman, Members of the Committee --

My purpose this afternoon is to review the Defense policies of this Administration, to report to you and the American people on the fulfillment of the pledges made by the Kennedy-Johnson Administration in 1960, and to recommend our Defense policies for the coming years.

The Defense establishment we found in 1961 was based on a strategy of massive nuclear retaliation as the answer to all military and political aggression. We, however, were convinced that our enemies would never find credible a strategy which even the American people did not believe. We believed in a strategy of controlled flexibile response, where the military force of the United States would become a finely tuned instrument of national policy, versatile enough to meet with appropriate force the full spectrum of possible threats to our national security from guerrilla subversion to all-out nuclear war.

The Defense Department we found in 1961 was one in which each military service made its own independent plans. We found the Army relying on airlift which the Air Force was unable to provide. We found the Army envisioning a long war, stockpiling supplies for as long as two <u>years</u>; while the Air Force, envisioning a short war, had supplies for only a few <u>days</u>. We found a weapons inventory completely lacking in certain major elements required for combat readiness, but which also contained 270% of the necessary 105 mm towed howitzers, and 290% of the necessary 4.2 inch mortars. We believed in balanced, integrated, military forces equipped to respond with a level of power appropriate to the type of aggression mounted against us.

In 1961, we found military strategy to be the stepchild of a predetermined budget. A financial ceiling was placed on national security and funds were allocated not on the basis of military requirements, but according to the dictates of an arbitrary fiscal policy. While we believed that our defense forces should be procured and operated at the lowest possible cost, we were convinced that only the safety of the country should determine the forces to be assembled.

The strategic nuclear force we found in the Defense Department was vulnerable to surprise missile attack. The non-nuclear force we found was weak in combat-ready divisions, weak in airlift capability, weak in tactical air support. The counterinsurgency forces were, for all pactical purposes, non-existent. We believed that the United States must be supreme in all types of military force to meet all types of aggression across the entire spectrum of modern day conflict.

That is why, in 1960, Presidents Kennedy and Johnson pledged --

To "recast our military capacity in order to provide forces and weapons of a diversity, balance, and mobility sufficient in quantity and quality to deter both limited and general aggression."

To create "deterrent military power such that the Soviet and Chinese leaders will have no doubt that an attack on the United States would surely be followed by their own destruction."

To pursue "continuous modernization of our forces through intensified research and development, including essential programs slowed down, terminated, suspended, or neglected for lack of budgetary support."

When I became Secretary of Defense in January 1961, President Kennedy gave me two instructions which President Johnson has strongly re-emphasized:

- First, develop the military force structure necessary for a solid foundation for our foreign policy, and do this without regard to arbitrary or predetermined budget ceilings.
- Second, having determined that force structure, procure and operate it at the lowest possible cost.

In his first State of the Union Message to the Congress, President Kennedy said:

"I have instructed the Secretary of Defense to reappraise our entire defense strategy -- our ability to fulfill our commitments -- the effectiveness, vulnerability, and dispersal of our strategic bases, forces and warning systems -- the efficiency and economy of our operation and organization -- the elimination of obsolete bases and installations -- and the adequacy, modernization and mobility of our present conventional and nuclear forces and weapons systems in the light of present and future dangers."

Under the direction of Presidents Kennedy and Johnson, with the cooperation of the Congress, with the support of the leaders of both political parties, aided by dedicated and able assistants in and out of uniform, and with the backing of the American people, we have been able to keep these pledges.

We have vastly increased our strategic nuclear and our conventional strength. Since January 1961, we have attained:

- . A 150% increase in the number of nuclear warheads and a 200% increase in total megatonnage in our Strategic Alert Forces.
- . A 60% increase in the Tactical Nuclear Force in Western Europe.
- . A 45% increase in the number of combat-ready Army divisions.
- . A 44% increase in the number of tactical fighter squadrons.
- . A 75% increase in airlift capability.
- . A 100% increase in ship construction to modernize our fleet.
- . An 800% increase in the special forces trained for counterinsurgency.

To appreciate the full extent of this force, we must contrast it to that of our principal adversary. By such a test, our strategic superiority is incontestable.

- Our Strategic Alert Forces now have 1100 bombers, including 550 on 15 minute alert, equipped with decoy missiles and other penetration aids to assure that they will reach their targets. The Soviet Union could, with difficulty, place over this country on two-way missions slightly more than 100 heavy bombers, plus 150 medium bombers capable of striking only Canada and the north-western corner of the United States.
- . We now have more than 800 fully armed, dependable ICBM's deployed on launchers, almost all in hardened and dispersed silos. The Soviet Union has fewer than one-fourth this number, and fewer still in hardened silos.
- . Our Navy now has 256 POLARIS missiles deployed in 16 submarines; 25 more POLARIS submarines are under construction. The Soviet Union's submarine-launched ballistic missile fleet is, by comparison, small and ineffective.
- . Each of our POLARIS missiles is carried in a nuclear powered submarine -- but only a small percentage of Soviet ballistic missile submarines have nuclear power.
- . Each of our POLARIS missiles can be launched from beneath the surface. The Soviet's have no such operational missile.
- . Each of our POLARIS missiles has a range of 1500 miles or more. The range of Soviet submarine-launched missiles is less than one-third as much.

The power of these forces will soon be further increased by the addition of the new POLARIS A-3 missile and the new MINUTEMAN II. The MINUTEMAN II is as great an improvement over the MINUTEMAN I as the B-52 was over the B-47. It will be more than eight times as effective against the best protected military targets as its predecessor.

These, and many other new weapons developments, are products of our continuing efforts to keep the pledge we made in 1960 and to make certain, in President Johnson's words, "that the United States is, and will remain, first in the use of science and technology for the protection of its people."

We have, in fact, increased by 50% expenditures for military research and development over the level prevailing during the last four years of the previous Administration. We have initiated 208 new weapons research projects, including 77 costing \$10 million or more each.

I would like to mention just a few of the new projects and new weapons systems initiated or carried to completion during this Administration:

- The SR-71, a long-range, manned, supersonic strategic military reconnaissance aircraft, which employs the most advanced observation equipment in the world and flies at over 2,000 miles per hour and at an altitude of over 80,000 feet.
- The new NIKE-X, which will give us the option to deploy -- if the national security requires it -- the most advanced anti-ballistic missile yet conceived by any nation.
- . The new A7A aircraft, which will give the Navy superior attack capability at more than double the range of the A1E that it will replace.
- . The EX-10, a heavy, new type of torpedo for use against deep diving, fast, nuclear submarines.
- . The new Main Battle Tank, which will give our ground forces armor superiority throughout the 1970's.
- . The revolutionary variable sweep winged F-lll fighter-bomber, a supersonic aircraft which has double the range and several times the payload of any previous fighter-bomber.

Let me assure you that our Strategic Forces are and will remain in the 1960's and the seventies, sufficient to insure the destruction of both the Soviet Union and Communist China, under the worst imaginable circumstances accompanying the outbreak of war. There should be no doubt of this in the mind of any American. There is none in the minds of our enemies.

But nuclear power alone is not enough. Such power was not usable against the Soviets when they blockeded our friends in West Berlin. Such power was not usable against Communist guerrillas in Greece in 1947. It was not usable in Malaya in 1948. It was not usable against Communist guerrillas in the Philippines in 1950. It was not usable to protect our destroyers in the Gulf of Tonkin in 1964. And such power is not usable against the Viet Cong guerrillas who have infiltrated South Vietnam.

The effectiveness of the strategic nuclear deterrent we have assembled against our enemies has driven them to acts of political and military aggression at the lower end of the spectrum of conflict. The Communists now seek to test our capacity, our patience, and our will to resist at the lower end of this spectrum by crawling under the nuclear defenses of the free world. The threat that Castro presents to Latin America and the challenge before us today in South Vietnam lies not in nuclear war, but in the twilight zone of guerrilla terrorism and subversion.

To deal with this form of political and military aggression and similar acts of violence which are less than all-out war, since 1961:

- . We have increased the regular strength of the Army by 100,000 men, and the number of combat-ready divisions from 11 to 16.
- . We have raised the number of tactical fighter squadrons from 55 to 79.
- We have trained over 100,000 officers in counterinsurgency skills necessary to fight guerrilla and anti-guerrilla warfare.
- . We have put into production the new C-141 Starlifter which will, by 1968, increase our airlift by 400% over what we had in 1961.

What I have just described is an aggregation of force without parallel in human history. As President Johnson has said, "We, as well as our adversaries, must stand in awe before the power our craft has created and our wisdom must labor to control."

To create and maintain such a force has required the investment of \$30 billion more for the fiscal years 1962 - 1965 than would have been spent had we continued at the level of the last defense budget of the previous Administration.

To create and maintain such a force requires natural resources, scientific ingenuity, industrial complexes, and millions of Americans dedicated to the security of this country and the free world. To harness this wide array of human and material resources, and to form them into

usable power requires an exceedingly precise degree of control. The engine of Defense must be so harnessed that its vast power may be unleashed to the precise degree required by whatever threat we face.

In January 1961 we introduced an integrated cycle of planning that anticipates, on a continuing five-year basis our total military requirements. Our national strategy, the military force structure, the war plans and the Defense budget are now all related one to another.

Today, our entire Defense effort is planned as a unified whole. This system eliminates wasteful duplication. It weeds out programs which have lost their original promise, freeing resources for more profitable application in other areas. Through it, we have been able to provide and maintain a balanced, flexible force capable of meeting any challenge, at the lowest possible cost.

The determination to maintain the necessary military force for our national security without regard to arbitrary budgets does not mean that we must discard either common sense or prudent management. True economy is not really the product of arbitrary budget ceilings. It never has been. True economy in building the Nation's defenses consists in:

- . Buying only what we need.
- . Buying at the lowest sound price.
- . And reducing operating costs.

In the absence of these precepts, our reconstituted defense force would have cost many billions of dollars more than the \$50 billion that we have been required to invest each year. By following these precepts, we have:

- . Saved \$2.5 billion in FY 1964 alone, \$1 billion more than our original goal.
- . Set a goal of future savings of \$4.6 billion each year, every year, beginning in FY 1968.
- Reduced annual operating costs by \$568 million by terminating operations at obsolete and surplus military bases.
- . Turned back to the private sector of our economy 1100 square miles of real estate which is now tax-producing instead of tax-consuming.

We could not have instituted the integrated system by which we have increased our efficiency and our strength without the wholehearted cooperation and support of our men and women in uniform. Neither this system -- nor any system -- will ever be a substitute for sound military judgment. Under this Administration, as never before, professional military judgment from all four services has been a critical factor in the planning of our defense strategy. As General Taylor, former Chairman of the Joint Chiefs

of Staff, stated in 1963:

"The voice of the American soldier is entitled to a serious hearing in our national councils -- and I am happy to report that today he receives that hearing."

Mr. Chairman, as you and I know, it is only by combining the best military judgment in the world and the most advanced scientific and analytical techniques, that we have been able to create and control the balanced, flexible forces now at our disposal.

Development of the greatest military power in human history -- with a capability to respond to every level of aggression across the entire spectrum of conflict -- is beyond question the most significant achievement in the defense establishment during our years in office.

Having placed this vast power at the disposal of the President of the United States, we have also given him the means to control it. For, his is an awesome responsibility. A full-scale nuclear exchange between the United States and the Soviet Union, lasting less than one hour, would kill almost 100 million Americans -- the equivalent of over 300 World War II's. There would be little comfort in knowing that over 100 million Russians would also be killed.

The awesome responsibility to unleash such force, I believe, can rest only on the highest elected official in this country -- the President of the United States.

This is why we have devoted such talent and energy to bring nuclear weapons under the actual, as well as theoretical, control of the President. Our best scientists have created the most secure and the most dependable communications and command and control system conceived by man. Every step from the first command to the final firing is participated in by two or more people following intricate and highly secret procedures. Each of these procedures is personally approved by the President himself.

We in Defense will spare no energy to make certain that the President of the United States -- and he alone -- has complete control over the dispatch of our nuclear weapons. I consider the provision of this control to the President my most solemn obligation as Secretary of Defense. I believe this has also been the view of every United States President, every Secretary of State, and every Secretary of Defense in the nuclear era. As President Johnson has said:

"I believe that the final responsibility for all decisions on nuclear weapons must rest with the civilian head of this Government, the President of the United States. And I . . . believe that is the way the American people want it."

And this is the first pledge that I would recommend we make to the American people in 1964.

Statement of

ESTHER PETERSON Special Assistant to the President for Consumer Affairs

before the 1964 DEMOCRATIC PLATFORM COMMITTEE August 18, 1964

I believe that this is the first time in the history of American politics that an official of government is speaking to the Platform Committee of a major political party in behalf of the men and women who purchase two-thirds of our gross national product. The American consumers—which by definition include all of us. Prior to this Administration, the consumer had no representation at the topmost levels of government. There was no single government official to coordinate consumer programs to listen to his problems and to speak in his behalf.

The 1960 Democratic Platform pledged our party to establish the kind of office I now hold—"to speak for consumers in the formulation of Government policies and represent consumers in administrative proceedings." We kept our pledge. We work directly with the consumer through the Consumer Advisory Council, and we translate consumer issues into Federal policy through the President's Committee on Consumer Interests.

President Johnson has said that his goal is "to ensure that the voice of the consumer will be loud, clear, uncompromising, and effective in the highest councils of the Federal Government." We have made it so.

The last four years mark the beginning of a major change in government consumer representation. This change was long overdue. As organized workers, producers, farmers, lawyers, and doctors, we were always well represented. But as consumers we were not—the 191 million of us.

This Administration, this President, and this party have brought about a change. As Democrats, we should now pledge to continue to represent the consumer.

We should do so for a number of very good reasons: First of all, the consumer needs our kind of representation; secondly, it is the proper function of government to provide this service; and furthermore, it is the best kind of politics—the politics of public service.

Walter Heller has told you how splendidly our economy is booming. He tells us that since January 1961 -

GNP is up 23.4 percent

Industrial production is up 27.6 percent

Personal income is up 20.8 percent

Average weekly earnings are up 16.2 percent, and the

Unemployment rate is down from 6.7 percent to 4.9 percent.

Let me put some flesh and blood on these economic statistics and show you how well the economy has served us as consumers.

In 1960, an average family of four had an annual after-taxes income of about \$7,750. Today, it is about \$9,000--an increase of over \$1,200. While disposable income has increased at the annual rate of 4.6 percent during the last four years, consumer prices have increased by only 1.1 percent.

An annual increase of 1.1 percent in consumer prices is indeed moderate—and a record of which to be proud. But, as Democrats, we are constantly aware of the fact that most persons on limited incomes find <u>any</u> increase in the cost of living a burden, and so we have worked diligently through tax cuts, higher social security benefits and other programs, to help <u>all</u> Americans share in a better life.

Since 1960, purchasing power has increased by more than 11 percent. Let us translate this into what it means to the average family. For instance, in 1960, the average factory worker had to work about 96 hours to earn the money needed to buy a good refrigerator; today, he can earn a comparable refrigerator in four-fifths of that working time—or 76 hours. This is indicative of the general improvement in economic conditions and in living standards. In the last year alone, per capita disposable income soared by 5 percent, in real purchasing power.

You do not have to be an economist to know that this Administration has built a solid record of economic advancement and prosperity. Our increased paychecks and our unparalleled standard of living testify to this. As Democrats, we are pledged to continue economic prosperity.

What does all this mean to us as consumers?

Recently, I saw an article in <u>Time Magazine</u> which concluded its analysis of the status of the American consumer in today's economy by saying ". . .The average consumer would probably be content to say that things are very good indeed." By every economic indicator and every other yardstick designed to measure consumer well-being, one must concur in this conclusion.

But we are not all "average" consumers in "average" families enjoying "average" incomes. The lowest income groups have special needs which this Administration, through a variety of programs, is moving to meet. As consumers they have the greatest need to get the greatest value for their scarce dollars. But even for the so-called "average" consumer, enjoying a good income and a good standard of living, the role of consumer is a challenging one, full of confusing choices and difficult decisions.

This Administration is sensitive to these needs. The late President John F. Kennedy once said that: "The goal of the Federal Government is to secure the inherent rights of the consumer --

the right to safety;

the right to be informed;

the right to choose;

the right to be heard.

These rights must be protected, as President Johnson has said, "to ensure that the best practices of the great American marketplace--where free men and women buy, sell, and produce--become the common practice."

If the consumer is to receive the full benefits of a free competitive economy we must guard against excessive economic concentration. Active price and quality competition must govern the marketplace. These are the goals this Administration is striving to attain through strict enforcement of the anti-trust laws.

Today, we make <u>more</u> decisions in a more <u>impersonal</u> marketplace about <u>more</u> complex products than ever before. Let me illustrate --

- The typical supermarket now carries over 8,000 items—a far cry from the 1,500 items which the same store carried 10 years ago;
- -- 90 percent of the drugs prescribed by the physician were unknown 20 years ago; and
- -- consumer credit is growing at a phenomenal rate. It exceeds \$70 billion today. Yet experts--let alone consumers--are bewildered by the dozens of ways credit charges are computed.

The Republican Party is unwilling to recognize the facts of life: Have you read their consumer plank? They want to end the "power grab."

Is it a power grab to ensure the safety and effectiveness of drugs?

<u>Is it</u> a power grab to protect consumers from dangerous amounts of pesticides and other chemicals in their food, water, and air?

<u>Is it</u> a power grab to protect people against the dishonest and misleading advertising, labeling, and packaging?

Is it a power grab to protect our investments and securities?

These functions are not only proper--they are necessary.

The Republicans say they want to end "the ceaseless pressure from the White House."

-- Is it "ceaseless pressure" to bring together representatives of business and the consumer to sit down and work out solutions to problems which affect both buyer and seller?

That is what we have been doing.

-- Is it "ceaseless pressure" to inform consumers of the pitfalls of excessive use of consumer credit?

That is what we have been doing.

Is it "ceaseless pressure" to enlist the support of the advertising industry to join in a revolt against humbug?

We have been doing just that.

-- Is it "ceaseless pressure" to bring people together to discuss the role of government in helping to solve consumer problems?

We have been doing that too--and we are proud of it.

The Republicans say they want to return the consumer to the driver's seat. Under their philosophy the driver's seat is in a "surrey with a fringe on top." We believe that the consumer's "driver seat" should be a modern, streamlined, safe vehicle with a good engine and with a tankful of gas! And that is where he is right now—thanks to the philosophy of this Administration.

Let us examine what we Democrats have done in the last four years:

- -- The tax cut in 1964 gave us \$800 million each month in additional take-home pay;
- -- We enacted the 1962 Kefauver-Harris drug amendments to ensure the effectiveness as well as the safety of drugs;
- -- We promulgated regulations to require adequate preclinical testing to experimental drugs before they are used on people;
- -- We enacted legislation to prohibit the registration of pesticides before they are approved for safety;
- -- We enacted legislation creating a National Commission on Food Marketing to study how well our food distribution system serves consumers;
- -- We enacted a mass transportation bill to help end the traffic snarl in our cities;
- -- We enacted legislation requiring television sets sold in interstate commerce to receive UHF-TV channels-giving the viewer infinitely more choice and diversity of programs;
- -- We enacted full disclosure legislation for "over-thecounter" securities;
- -- We increased the resources and efficiency of the Federal regulatory agencies working in behalf of the consumer;
- -- We brought the voice of the consumer to the topmost levels of the Federal Government; and
- -- In short, we have created a new consumer awareness <u>in</u> all sectors of our society.

Furthermore, nearly all of the programs offered by this Administration—that is, the expansion of world trade; the improvement of medical care; the development of conservation and recreation areas and low-cost power, improved housing and education—are important to the increased well-being of the consumer. As Democrats, we can take pride in the consumer accomplishments of the Democratic Administration and the Democratic Congress.

This Administration, while it has a long list of legislative accomplishments and a sound record of using existing legislative authority has stressed the individual and collective responsibilities of the consumers, voluntary groups, businesses, and State and local governments.

Consumers are accepting their responsibility and are voicing their problems. It is the responsibility of business, private groups, and State and local governments to listen to the consumer and to take appropriate action when it is in their power to do so. I have been in Washington long enough to know that the answer to most problems is not always and exclusively additional Federal legislation.

Many of the problems that consumers wish to discuss with me could be most appropriately considered and dealt with at the State and local levels. The States and communities are becoming more responsive to the needs of the consumer—but more needs to be done. It is our goal to encourage all such efforts. Unless State and local governments are responsible partners to the Federal Government, there will be major gaps in the network of consumer protection and services.

Private groups and business must be enlisted. One of my chief efforts since January of this year, when I accepted this appointment, has been to work with business groups. We have discussed with them an array of consumer problems in which they as businessmen have a direct interest. We have been pleased with their response, including many improvements that have been made voluntarily to serve the consumer better. We shall continue these efforts, because to the extent that businessmen correct bad practices the need for legislation diminishes.

However, in some areas urgent corrective action is needed now. For example:

The American consumer has the right to safe, pure food, effective drugs, and therapeutic devices, and safe cosmetics. We cannot wait until tragedy strikes before strengthening the Federal Food Drug and Cosmetic Act.

Medical devices are used by surgeons in complex repairs of human bones, arteries, and even hearts. Recently, the Food and Drug Administration displayed devices which had broken, deteriorated, and were otherwise found to be defective after they had been used in surgery. They, of course, had to be removed from the patients' bodies. It is essential that surgeons and patients be able to rely on the safety and effectiveness of all medical devices.

Cosmetic sales amount to \$2.3 billion annually-more than doubling over the past 10 years. Yet, due to inadequate statutory safeguards, consumers risk serious injury because untested or inadequately tested cosmetics can be placed on the market.

The 1960 Democratic Platform promised to strengthen the Food and Drug Administration. We kept that promise. Now, more needs to be done.

Therefore, I urge this committee to reaffirm its belief in a strong and vigorous Food and Drug Administration and to support legislation to ensure that our medical devices are safe and effective; that our cosmetics are safe; and that other needed improvements be made in the present authority of the Food and Drug Administration.

The American consumer has the right to be informed. Insofar as products are now packaged and labeled in a manner to deceive, confuse, or mislead the shopper, it is an invasion of a basic consumer right. The American housewife-the major American consumer--is not asking much. She is only asking that the package--which is becoming the salesman--be honest and disclose clearly information on:

- -- the composition of the ingredients of food and household needs, and
- -- the quantity of contents in terms that will facilitate efficient comparative shopping.

We seek neither conformity nor standardization in our packaging-but we seek the necessary and usable information to make an informed choice.

Therefore, I urge this Committee to endorse the proposals of this Administration to ensure that the products purchased by the housewife--the major American consumer-- are packaged and labeled in a manner allowing for informed choice.

Consumer credit outstanding exceeds \$70 billion—an all-time high.

Mortgage debt on urban—family houses exceeds \$185 billion—another all-time high.

Consumer credit has served us well. But as was said in the first Consumer Message:

"Excessive and untimely use of credit out of ignorance of its true cost is harmful,
both to the stability of the economy and to the welfare of the public." The rapid
increase in the number of personal bankruptcies and garnishments testify to this.

A prime necessity is to require that all lenders fully disclose to the consumer
the cost of using credit in an accurate and uniform manner. This we believe.

Therefore, I urge this Committee to endorse the proposals of this Administration to ensure that creditors disclose to borrowers in advance both the actual amount of credit charges and what these charges cost in terms of true annual interest rate.

The consumer has an interest in many issues of public policy. As Democrats we recognize this. This Administration and this party have served the consumer interest well these last four years. Our accomplishments attest to this. As Democrats we are pledged to anticipate the great changes still to come from our wonderfully growing economy and our impressive technological advancements. And as Democrats we will make certain that these changes benefit all of us.

President Johnson has made the consumer program an integral part of the blueprint for the Great Society. He has said the task of the consumer program is "to pursue the <u>excellent</u> and reject the <u>tawdry</u>—in every phase and in every aspect of American life." This is our goal and challenge.

Thank you.

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STATEMENT OF SARGENT SHRIVER BEFORE THE DEMOCRATIC PLATFORM COMMITTEE

August 18, 1964

Members of the Committee, ladies and gentlemen:

Last January, President Johnson declared unconditional war on poverty. And last week, Democrats and Republicans joined together in Congress to second that declaration -- by passing the Administration's anti-poverty bill.

The facts of poverty are clear. Poverty exists in every town and city, on Indian reservations and in rural areas of every state in the Nation. It afflicts white and non-white, north, south, east and west, Republicans and Democrats, young and old. It hits hardest at those least able to defend themselves, the ill, the uneducated, the unemployed, the broken family, the dependent child, the minority group member.

Their world is not just one of constant need; it is one with little hope or opportunity, without any real chance for escape. That is the world of poverty. And these are the Americans who live in it:

- one million children growing up in families with incomes of less than \$20 a week
- nine million families -- thirty million people -- housed in shacks or tenements, ill fed, poorly clothed, cut off from the world of abundance around them
- nearly a million boys and girls who will drop out of school this year before they get a high school diploma
- a million mothers trying to rear a family without the support of a husband
- three million aged faced with increased medical bills
- over half a million young men between 14 and 24 who never even entered high school
- and more than a million young men who cannot meet the basic physical and mental standards necessary to join the Armed Forces

These are the facts of poverty. They concern all Americans. They concern your future and your family's future. Crime, delinquency, violence, idleness, dependency and unemployment cost us billions each year. They menace each of us. And they are a reproach to our conscience.

The Democratic Party has historically been the party which cared and which acted. We need not go back to the days of the Great Depression to prove this. Far more recently the Democratic Party has expanded social security coverage, aid to dependent children of unemployed parents, and manpower and vocational training. The Economic Opportunity Act of 1964, just passed by Congress, is part of this great tradition. It is a practical and economic effort, carefully focussed to get at the root causes of poverty in the United States. It is not a program of handouts. It seeks to eliminate poverty by providing opportunities for work and education and training. It will open up new economic opportunity for every poor American.

This bill means that nearly a million boys between 16 and 22 who are now standing on street corners can get work so that they can learn what it is to be a man and support a family.

It means that millions of young women -- tomorrow's mothers -- will have a new opportunity to learn how to run a sewing machine or select a cut of meat or budget household expenses. And they can also get the training they need to hold a job.

It means that one million mothers who are struggling to bring up their children without a breadwinner in the house to help can get education and training. These mothers and their children -- they are the poorest of the poor -- are finally going to get a chance to get out of poverty, not just to exist from day to day.

It means that every American who wants to pitch in and help fight poverty can volunteer and go to work where they are really needed. We need thousands of these volunteers today in Y's, in settlement houses, in Scout troops and boys' clubs, in training programs and schools and day care centers. We are ready now to receive their applications.

It means that eleven million illiterate adults will get a chance to read and write and count well enough to hold down a decent job.

It means that 15,000 destitute farmers can get the cow, the seed, or the plough they need to make good where they are, instead of drifting to the big city slums, to join the ranks of those on relief.

It means that, for the first time, kids from slums can start first grade with an equal chance because they were able to attend pre-school classes.

And for nearly ten million elderly people living in poverty, this means neighborhood services to brighten their lives, and opportunities for those who wish to use their experience helping young people grow into their responsibilities.

It means that 80,000 boys and girls will be able to get the part-time work they need to stay in high school, and 140,000 talented young men and women will be able to get to college because of the money they can earn as teachers' aides and counselors and librarians' assistants.

For the first time, a community that really means business can get at all the problems of poverty at the same time and lick them, once and for all.

These are the things that President Johnson's war on poverty means.

Critics say that this effort is a cruel hoax, a vote-buying gimmick which will be tossed aside soon after the election, a collection of handouts for the lazy.

But if this is a cruel hoax, it is strange that not one Republican Governor and not one Republican mayor and not one Republican Senator stepped forward to expose it before the committees of Congress.

If this is just a vote-getting gimmick, then ten Republican Senators and more than a score of Republican Representatives would not have voted for the bill.

If this is just a dole program for the lazy, then dozens of businessmen would not have volunteered to help plan it -- or agreed to secure jobs for Job Corps graduates.

This war is no give-away program. Every dollar that the poor get they will earn by working or by sticking it out through a tough training program that will enable them to get back on their feet.

In fact, the critics are themselves guilty of a cruel hoax. They have no practical alternative solutions. They do not challenge the existence of the problem, but they have no answers.

They would while away time quibbling over administrative details, while this program turns relief-receivers into taxpayers.

They would spend a year in studies and research and planning. This program swings into action with training and jobs for one million young Americans who are out of school and out of work today.

They are content with piecemeal tinkering with present programs. This effort goes to the roots of poverty with bold new programs to raise the earning power of nine million American families.

The anti-poverty bill is a major stride forward in eliminating poverty and its causes in the United States. But President Johnson's war on poverty goes far beyond the new programs enacted last week.

Last December, an expanded job training program gave a second chance to school dropouts and a new lease on life to men who had been automated out of jobs.

This past March, we got the first tax cut in a decade. It gave us all, and especially the poor, new purchasing power. As a result, we are enjoying the longest sustained period of rapid growth in decades, and this prosperity is helping to support the war on poverty.

And this is only the beginning. We are not going to quit now, while twelve million children grow up in families of poverty, go to crowded, understaffed, poorly equipped schools. And half of them drop out -- beaten before they start. We can't let this continue. And we can't close our eyes to poverty. It is all around us, though, thank the Lord, most of us have been spared.

Just because so many of us are lucky to be well off, there are some who say the poor deserve to be poor because they are lazy or stupid. It is impossible to believe that 35 million Americans are no good -- that one-fifth of our country is made up of drunkards, idlers, dope addicts, and wastrels. Twelve million children living in poverty should not be crossed off the list.

Other people say that the poor will always be with us, that there is no point in trying to eliminate poverty. But President Johnson does not believe that. The Congress of the United States does not believe that. And the American people do not believe that.

We know we can win. We have the will to win. We have the technology, the skills, the manpower -- and now we have the programs.

That is the American way -- to face up to a problem and overcome it, not to ignore it; to liberate the human apirit, not abandon it to the bondage of poverty; to take two Americas, the America of the poor, and the America of the more fortunate -- and make of them one nation under God with liberty and justice for all.

That liberty and that justice mean we must look at Americans not as the rich and the poor, but as each one a citizen of our country. The days when we separate poor people and label them relief recipients are numbered because relief is an outworn concept unworthy of Americans in this day. Ours is a great country, with great potential, incredible technology, dedicated and capable people. We should not need to "relieve" anybody. We do need to open up more opportunities. With this philosophy and approach, we will soon see the day when economic opportunities completely replace relief and the dole in our country. This, I propose is the challenge to our generation - to build a world for our children in which relief is unknown and opportunities are unlimited.

STATEMENT BY ANTHONY J. CELEBREZZE

SECRETARY OF HEALTH, EDUCATION, AND WELFARE
BEFORE THE DEMOCRATIC PLATFORM COMMITTEE

I am grateful for this opportunity to appear today before
this distinguished committee to testify in support of the administration's efforts to preserve and strengthen America's human resources.

I am privileged to head a department of the Government that is directly concerned with people, in an administration dedicated to the cause of humanity, under a great President who has demonstrated by both word and action his deep personal commitment to seeking a Great Society in which human needs will be met and human aspirations realized.

As a former State legislator, as a former mayor of one of the Nation's large cities, and now as a member of President Johnson's Cabinet with responsibilities for health, education, and welfare, I have had the privilege of first hand experience at the local, State, and national levels with both the obstacles and opportunities in seeking a better life for all people,

There are obstacles, and there are great opportunities.

As President Johnson has observed, we have a lot of old problems that need to be solved—and that can be solved if we put all our energies and resources to work. And the President has charted a course not only to overcome old obstacles but to make the most of new opportunities for achieving the abundant life.

Under the President's leadership, we are striving to build a new society in which human needs will be met and human aspirations realized.

The Great Society that the President envisions reflects the hopes and aspirations of generations of Americans.

It reflects the promise of greatness that was seen so clearly by the men who founded this Nation.

It reflects the hopes and dreams of those who came from other lands to seek a new life in America.

It is a society in which you and I are called upon, not to deny our heritage, but to draw upon it to enrich our personal, our community, and our national life.

The Great Society, President Johnson has said, is not only the rich society and the powerful society.

It is a society with abundance and liberty for all.

- --It is a society built on equality and justice.
- --It is a society that cultivates the talents of its

 people, a society that thirsts for knowledge and that uses its knowledge
 to better the condition of all mankind.
 - -- It is a society that values beauty and nature;
 - --that builds and embellishes what nature has given it;
 - -- that seeks to create not to destroy.

But most of all, the President said, this Great Society
that we are pointed toward "is not a safe harbor, a resting place,
a final objective, a finished work. It is a challenge, constantly
renewed, beckoning us toward a destiny where the meaning of our
lives matches the marvelous products of our labor."

The challenge is at hand.

The challenge at hand is new in form but old in substance.

Mankind since the dawn of time has struggled against ignorance and disease, injustice and poverty.

Today, the challenge remains, but the knowledge and means available to meet it are greatly enlarged and our hopes for ultimate success are justifiably high.

Today's challenge is to a greater extent than ever before in history, a challenge of change.

It is the challenge of meeting the physical and educational needs of a growing, shifting population, under the new conditions of automated agriculture and industry.

In no field has the challenge of change had a greater impact than in education.

"The first work of our society is education," President

Johnson has said. And we have made more progress in education in
the last 3 1/2 years than in any comparable period in the history of
this Nation.

The 88th Congress will go down in history as the "Education Congress"--the Congress that has done more than any other single Congress to advance the cause of American education.

This is the Congress that passed the Higher Education

Facilities Act which will provide more than \$1 billion in Federal

grants and loans for college construction. Not since the land-grant
legislation of the 1860's has the Federal Government done so much
for higher education.

This is the Congress that passed legislation

- -- for public community colleges
- -- for graduate schools
- -- for public community and college libraries
- -- for student college loans
- --for science, mathematics, and foreign language instruction
 - -- for guidance counseling and training
 - --for expanded manpower development and retraining
 - -- for teaching handicapped children
 - -- for preventing juvenile delinquency
 - -- for vocational and technical education

These and other Administration measures will benefit millions of school and college students. To cite just one example, it is anticipated that because of the strong Federal backing provided by the Vocational Education Act of 1963, some 7,000,000 students

will be enrolled in vocational education in 1968, an increase of about 3,000,000 over present enrollment. In addition, the number of vocational education teachers will be sharply increased from the present 102,000 to nearly 163,000 in 1968.

The field of health offers an equally impressive record of an administration deeply concerned with the well-being of the individual and acting decisively on the basis of that concern.

The record includes:

- * a new approach to mental health through community-based mental health programs;
- * new hope for the mentally retarded through a comprehensive program aimed at finding the causes of, preventing, and combating mental retardation;
- * greatly intensified health research effort to seek out the causes and find cures for the diseases that continue to take their toll in human life and suffering;
- * strengthening medical education to overcome our present shortage of professional health personnel;
- * more effective protection of the public in the use of drugs;
 and
- * a broad program to provide and maintain a healthful environment through intensified water and air pollution control.

* stepped up hospital construction under the Hill-Eurton Program.

Under amendments which President Johnson signed this week, the hospital construction program is being extended for five years, a new feature providing for modernization of hospitals has been added, and increased funds have been authorized for construction of nursing homes.

Today, the ideal of sound health for all Americans is more than a humanitarian dream. It has come to be recognized as a matter of the highest national interest. A healthy America, we know, is a strong America.

In the field of welfare, the past 3 1/2 years have seen the most extensive Federal-State effort in the past 30 years stressing personal and family responsibility and initiative.

The Administration's program incorporated in the 1962

Public Welfare Amendments stresses:

- * increased rehabilitative services to prevent and reduce dependency and encourage self-support;
- * improved child welfare and other services to strengthen family life; and
- * new and expanded training to make available qualified personnel to provide the needed rehabilitation and other services.

There is no more dramatic example of a sound investment in human welfare than the achievement of the vocational rehabilitation program in restoring over 110,000 disabled persons to productive life in 1963. This investment in human welfare brings a return not only in the social value of enabling individuals to be self-supporting but in the economic values of wages earned and taxes paid.

Concern for preventing dependency motivated the 1 administration, through the 1961 Social Security Amendments to provide new or increased social security benefits for more than 5 million persons, by

* reduction in the male retirement age from 65 to 62 and an increase in the minimum monthly benefit from \$33 to \$40;
* a broader program of inclusion of retired persons who would not otherwise have qualified for benefits; and
* an increase in the amount a worker can earn without losing benefits.

I have outlined very briefly some of the accomplishments of this Administration in the vital fields of health, education, and welfare.

It is an impressive record.

It is the record of a responsible and responsive Administration. These are accomplishments and a record upon which we can build to achieve the Great Society which President Johnson envisions.

To achieve that goal we must continue, with an expanding and growing economy, to improve the health, education, and welfare of the American people. The Government shares with private enterprise and endeavor a responsibility for making it possible for the individual who has the will, to find the way to develop his talents to their full potential, to realize his personal aspirations to the full extent of his ability, and to make his maximum contribution to society.

To carry out this responsibility we must continue to strengthen education at all levels to make it possible for every boy and girl to finish high school and every able and willing person who can benefit from it to go to college.

The strengthening of our public elementary and high schools by building more classrooms, raising the quality of teaching, and equalizing educational opportunities for every American child remains an urgent national task.

We believe that the Federal role in education should be stimulative, selective, and, wherever possible, transitional.

By underwriting educational activities which are vital to the national welfare but which would otherwise be neglected, the Federal Government reinforces education. It does not dominate or control it.

Our aim now must be to close the gap between what our schools provide today and the education our children need. The richest country in the world can afford both to defend itself and to educate its children.

Indeed the two are inseparable.

In the field of health we have made great progress in the past 3 1/2 years, but much remains to be done.

President Johnson has recently appointed a special commission to help plan intensified research in the prevention and treatment of cancer, heart disease, and stroke.

This research effort, aimed at the three leading killers of the American people, deserves our wholehearted support.

And now, as never before, we have an obligation to assure full exploitation of the potentials of recent biomedical research.

Now, as never before, biological and medical frontiers must be explored--not just because the unknowns, with their challenges, are there but because, by pressing forward, it is clear that human life will more certainly be protected, extended, and enriched than by any other means.

We must see to it that the results of all this research are made available to those who can use them best and those who need them most.

Our greatest problem is that those who need health services the most are often those least able to pay for it. Older people, particularly, still fail to get the health care they need. Too many are forced on public assistance when costly illness wipes out their meager savings. We need to protect their economic security, their dignity, their right to enjoy old age after a lifetime of work. Hospital and nursing-home insurance financed through social security is the logical answer to this need--a system under which workers will pay contributions during their productive years toward protection against the high health costs that can be expected to beset them in later years.

The provision of hospital insurance under social security has an importance that extends to all parts of the population. Not only will it provide protection with dignity for those who are now old, but it will also relieve those in the middle generation who frequently now must divert savings and income from meeting the needs of their children to help pay for the medical care of stricken parents. Most important of all, the addition of this protection to our social security program would make a permanent contribution to the solution of the problem, with those now middle aged and younger making current provision for the protection that they will need in later years.

The need for hospital insurance under social security is most urgent. The aged should not be asked to wait longer for this needed protection. Provision under social security for hospital insurance for older people is a vital necessity.

We must continue to expand our Nation's health facilities and continue to increase our health manpower resources so that we can provide the highest quality medical care to everyone in our Nation.

In the field of consumer protection, we have already upheld our pledge to strengthen the Federal food and drug laws and the administration of those laws. The Kefauver-Harris Drug Amendments of 1962 represent the most far-reaching changes and improvements in the Federal Food, Drug, and Cosmetic Act since 1938.

Still there is room for improvement. The food, drug, and cosmetic laws need strengthening to ensure the highest degree of safety, purity, and reliability in foods, drugs, cosmetics, and therapeutic devices.

Through expanded programs of research and control we need to develop adequate safeguards against the dangers resulting from the increasing use of pesticides and other toxic chemicals.

And certainly we must continue to step up our Federal-State-local program of air and water pollution control to ensure adequate supplies of clean water and clean air for every person in every locality in America.

We must intensify our efforts to eliminate the causes of poverty. We must eliminate illiteracy. We must improve our social security programs. We must help strengthen State and local welfare programs to emphasize rehabilitation and work-training

and self-support. We must intensify our efforts to improve conditions for the children in the families of the poor as well as for the disabled and the aged.

We must mobilize our total resources in support of this great effort and mount a broadside attack on the causes of poverty, using every tool at our disposal. This is the purpose of President Johnson's war on poverty through the Economic Opportunity Act.

It is not a handout operation. It is a total effort to attack the root causes of poverty.

All these efforts are directed toward building and preserving our human resources, creating both the skills and the opportunity for individuals--and therefore the Nation--to grow and to prosper.

The Administration's program is one of compassionate concern and respect for the individual, for it is the sum of individual initiative, effort, and achievement that will build the Great Society.

It is the birthright of every American that he have a chance to live and work and make of himself whatever he wants to be to the full limit of his energy and ability.

It is our responsibility to make it possible for every American to enjoy that birthright--to have that chance.

This is the promise of America. Multiply that promise by more than 190 million individuals and you have the promise of the truly Great Society that Fresident Johnson so clearly sees.

I am confident that we now, as in the past--will pledge our efforts to make that Great Society a reality.

REMARKS BY THE HONORABLE DOUGLAS DILLON
SECRETARY OF THE TREASURY
BEFORE THE DEMOCRATIC PLATFORM COMMITTEE
AT THE SHERATON-PARK HOTEL, WASHINGTON, D. C.,
TUESDAY, AUGUST 18, 1964, 10:15 A.M., EDT

I am happy to appear before this Committee, whose challenging assignment is to recommend a program for America's future. Such a program must recognize where we now are and how we got here.

In this prosperous year of 1964, it is important to recall that only three and a half years ago, our economy was bogged down in its fourth postwar recession. Today, we are in the middle of our fourth year of continued economic advance -- the best period of peacetime prosperity in our entire modern history.

I cite this contrast simply because it tells us graphically how sound have been our economic policies during the past three and a half years.

The success of those policies has one simple source: we have rejected extremes -- and have, instead, been both creative and realistic, both flexible in techniques and firm in purpose, both frugal in expenditures and responsive to national needs.

There were many who claimed that we could not expand our economy at home hand-in-hand with progress in our balance of payments. Some demanded that we restrain credit and raise the general level of interest rates to improve our balance of payments. But this would have increased unemployment at home and stunted or prevented recovery. Others insisted that for the sake of our domestic economy we indulge in huge new domestic spending programs over and above the necessary build up of our military defenses. But this would have put us on the road to inflation, deeper deficits in our balance of payments, and even larger losses of gold and of confidence in the dollar. Both of these prescriptions were extreme and both would have courted disaster.

We have based our policies upon the conviction that a strong and growing domestic economy was itself the essential solution, not only to chronic unemployment, under-investment, and budget deficits but to our international payments needs as well. In 1961 -- as now -- the differing demands made upon monetary policy by our home economy and by our international accounts ruled out both very low short-term interest rates and high long-term rates. Very low short-term rates would have invited massive outflows of short-term capital -- with great harm to the strength of the dollar, while high long-term rates would have stifled an already languishing domestic economy. The job of monetary policy, in short, was as limited as it was crucial and clearly defined: to nourish investment at home without provoking outflows of capital abroad.

The task, therefore, of expanding the domestic economy fell very largely upon fiscal policy -- upon tax and expenditure policy. The question was: Should we embark upon large government spending programs, or should we cut taxes? Should we enlarge the role of the private sector of our economy or of the public sector? Early in 1961, we made our basic decision: to rely mainly on tax policy to expand the role of the private sector of our economy as the primary force in achieving our national economic goals.

These, then have been our basic policy decisions. Let me briefly review their results in four key areas: tax policy, expenditure control, the management of our public debt, and our balance of payments.

We have enacted the most comprehensive program of income tax reduction and reform in our nation's history -- a program that, by freeing the private economy from unduly high tax rates, has given new vigor and buoyancy to our free enterprise system as the prime mover in our economic life. The tax cut enacted this year was the largest reduction in individual and corporate taxes in our history, adding roughly \$11.5 billion annually to the take-home pay of Americans in every income group and to the profitability of American business, large and small. The tax measures adopted in 1962 -- the 7 percent investment tax credit and the revised rules for the tax treatment of depreciation, enhanced the profitability of investment in new equipment by more than 20 percent -- an amount equivalent, in terms of incentives to invest, to a cut in the corporate profits tax from 52 percent to about 40 percent. Structural reforms in our tax laws in 1962 and 1964 raised government revenues by \$1.7 billion annually -three times more than the revenue raised by all other tax law reforms since 1940, and nine times more than was raised in the years 1953 through 1960. The 1964 Act also contained important reforms which reduced the tax burden by three-quarters of a billion dollars for many upon whom it weighed unfairly.

We have, in short, done more to improve our tax system -- in terms both of fairness and of economic growth -- in the last three and a half years than in any other period of our history. We must build on

that record, for there is more to be done in improving the equity of our tax system -- and in cutting taxes even further as warranted by our economic and budgetary position.

In looking ahead to further tax reduction, it would appear that high priority should be given to a thorough overhaul of the hodgepodge of excise taxes remaining from World War II days. Many of these taxes no longer serve their original purpose. Instead they increase business costs, weigh unevenly on consumers and are often an unnecessary nuisance to taxpayers and government alike. There are about 75 categories of such taxes on the books today. Random repeal of a few of these taxes is no solution. Action should be based on a comprehensive study of them all. The Treasury Department has just such a study underway. It will benefit enormously from the evidence amassed by the House Ways and Means Committee during the public hearings that have just ended. Once the job of revising excise taxes has been completed, continued economic growth should permit additional reductions in income taxes in the years ahead.

The record on expenditure control is equally clear. We have accompanied tax reduction for economic abundance by a most stringent and sustained exercise in fiscal discipline -- a thrifty management of the public business without profligate disregard of essential public needs. The facts simply cannot be denied: the last three and a half years have witnessed a control upon government expenditures that has been both undeviatingly strict and demonstrably successful.

Except for the imperative demands of defense and space, all budget expenditures for the four fiscal years 1961-1965 will have risen by \$2.1 billion less than during the preceding four years. In this fiscal year -- fiscal 1965 -- Federal spending will account for a smaller portion of our mational output than in any year since 1951. And in this fiscal year, the rigid economy program in effect throughout the Federal Government will enable us to finance urgently needed new programs, such as the war on poverty, without spending one cent more of Federal money than during the last fiscal year -- and this despite much needed pay increases for federal officials, higher interest costs on the public debt, and other virtually automatic increases.

Throughout the Government an unrelenting economy drive is continually cutting costs and raising efficiency -- resulting in greater output from fewer employees. At the end of the past fiscal year -- 1964 -- Government employment was 22,000 below a year earlier, and the fiscal 1965 budget also provides for another drop in Federal civilian employment. The cost reduction program at the Defense Department last year produced identifiable and verified savings of \$2.5 billion, more than half its ultimate cost reduction goal of \$4.6 billion annually. In the Post Office, employment

in June, 1964, was 3,200 less than in June, 1962, although mail volume was greater by 3.7 billion pieces. From fiscal 1961 through fiscal 1964, the Treasury's Division of Disbursement increased its productivity per employee by 64 percent -- equivalent to a savings of 855 employees. And one could multiply these examples throughout every Government department.

I personally venture to say that never has our Government pursued a program of expenditure control with such vigor and persistence as during the last three and a half years. It is essential that our Government continue to pursue that program with all the strength at its command.

Vital as it is, however, expenditure control alone cannot in the long run assure us of a balanced budget -- if, indeed, it can in the short run. Our only sure road to a balanced budget is through both expenditure control and rising Federal revenues -- which can only be generated by strong and balanced economic growth. That is the road we have followed during the last three and a half years -- the road that has brought us within sight of a balanced budget in a balanced economy -- the road we must continue to follow in the years ahead.

We have accepted the transitional deficits entailed by tax reduction as the temporary and unavoidable price of enlarging the role of the private economy, of breaking the pattern of successively shorter and weaker recoveries, and of reducing unemployment.

We have financed these deficits -- and the public debt -- without constricting the flow of credit to other borrowers or creating inflationary pressures. Despite the steady advance in business activity and the enormous growth in the demand for credit, the long-term interest rates important to home buyers, consumers, state and local governments, and businesses, are generally lower today than they were three and a half years ago in the depths of a recession.

At the same time, by effective management, we have prudently lengthened the average maturity of the federal debt, in marked contrast to the continual shortening that characterized the 1950's.

And, finally, we have reduced the real burden of our public debt. As is true in the case of a private debt, the burden of the national debt can be measured accurately only in relation to the income of the debtor. Today, at 50 percent of our current gross national product, down from the post-war peak of 128 percent, the relationship of our national debt to our national product has, for the first time, returned to the levels prevailing just prior to the outbreak of the Second World War.

While we have been strengthening our economy at home -- and putting the nation's financial affairs on a sound and viable basis -- we have also made real and lasting progress in bringing our international accounts into balance. During the three years 1961-63 -- compared with the preceding three years -- we have cut the balance of payments deficit by 33 percent, the gold outflow by 59 percent, net military expenditures abroad by 17 percent, and we have increased exports by 20 percent and our favorable trade balance by 62 percent. Thus we have substantially strengthened our national security. For a sound and strong dollar is as essential to the defense of freedom throughout the world as it is to our prosperity here at home.

We must continue to employ long-run policies that will bring lasting progress in our balance of payments by encouraging exports and price stability, by increasing the competitiveness of American industry, and by making the American economy continually more attractive to both foreign and domestic investment. At the same time - while these long-run policies are gradually taking hold -- we must continue our efforts to hold down our current international deficit. We cannot relax until balance is achieved.

Both in our home economy and in our international accounts, our policies over the last three and a half years have borne abundant fruit. There is no reason why the next three and a half years -- and beyond -- should not hold equal, or greater, accomplishments in store, if only we build upon the policies which have proven so successful. We must continue to be flexible, affirmative and prudent. Thus, and thus only, can our nation continue to move forward in full strength and full stride -- creating its full share of abundance for all Americans.

STATEMENT OF WILLIAM C. FOSTER, DIRECTOR U.S. ARMS CONTROL AND DISARMAMENT AGENCY BEFORE DEMOCRATIC PLATFORM COMMITTEE August 17, 1964

Gentlemen:

I come before you today as a partisan of peace -not of any political party. I appear to ask your help
in building a safer tomorrow.

I.

The Democratic Party's 1960 platform urged creation of the agency which I now have the honor to head: the U.S. Arms Control and Disarmament Agency. But for that plank, I doubt that I would be here today.

Your 1960 platform also proposed continued pursuit of a test ban treaty. We now have onethat bans testing in the atmosphere, in space and under water.

Your 1960 platform suggested the preservation of outer space for peaceful purposes. We now have not only a ban on testing in space but a unanimous UN resolution against placing nuclear weapons in orbit.

Your 1960 platform urged measures to reduce the risk of accidental war. We now have a "hot line" -- a dependable, always-open, direct communications link between Moscow and

Washington.

Your 1960 platform proposed steps cutting back nuclear weapons. We now have President Johnson's orders cutting back production of fissionable material for use in such weapons, and we have parallel cutbacks announced by Prime Minister Douglas-Home and Chairman Khrushchev.

The world is a little safer today as the result of these steps. The nuclear arms race has been slowed perceptibly. The production of explosive material for nuclear weapons has been reduced. Nuclear weapons are being kept out of space. Their spread around our planet has been inhibited because 105 nations have signed the test ban treaty. The air we breathe is no longer being contaminated by weapon tests in the atmosphere.

These are significant accomplishments. But, we have taken only the first steps down the long pathway to peace.

II.

My appearance before you today is to urge that you renew your support for this Nation's efforts to halt the arms race.

I believe your platform should emphasize the fundamental principle which President Johnson expressed when he said:

"We must be strong enough to win any war, and we must be wise enough to prevent one."

"Our guard is up, but our hand is out."

Preparedness alone is not enough to insure peace. Our national interest also requires negotiations to eliminate the causes of war and to build a firm foundation for peace.

National security requires an exploration of stepby-step, verified disarmament as well as the maintenance of an up-to-date, dependable arsenal of nuclear weapons.

National security requires a search for safeguarded arms control agreements with the Soviet Union as well as the use of force to meet aggression -- as in the Gulf of Tonkin.

National security requires negotiation of a test ban treaty as well as the fulfillment of safeguards established against possible violation of that treaty.

National security requires strengthening of United

Nations and other procedures for peaceful settlement of

disputes as well as firmness in the use of our armed might.

As President Johnson said last week: "Only when all nations are willing to accept peaceful procedures as an alternative to forceful settlement will the peace of the

world be secure."

Our security does not always increase as we increase our arms. An arms race which moves ever faster toward the possibility of nuclear annihilation diminishes the security of allmations.

This country and the Soviet Union have already produced enough nuclear explosive force to equal 10 tons of TNT for every man, woman, and child on earth. As Secretary McNamara has pointed out, in a nuclear exchange, which could take place in the space of an hour, "the fatalities in Western Europe would approach 90 million, the fatalities in the U.S. would approach 100 million, and the fatalities in the Soviet Union would approach 100 million."

Our best efforts must be devoted to preventing a war of this kind. Seeking safeguarded arms control agreements is as important to America as maintaining a defense force second to none. While the eagle on the American shield has a sheaf of arrows in one talon, it has an olive branch in the other.

Your platform should continue to recognize both.

III.

In the past, both great American parties respected the

olive branch as well as the arrows.

President Eisenhower, like Presidents Truman, Kennedy and Johnson, held that the horrors of nuclear war made special efforts for peace imperative in our age. The 1960 Republican Platform urged "disarmament and nuclear agreements" as well as a strong military establishment. Yet the 1964 Republican Platform reflects little understanding of the awesome nature of nuclear war, or of the need to find safe and honorable alternatives for keeping the peace.

The test ban negotiations successfully concluded in this Administration were initiated under President Eisenhower. The 1960 Republican Platform specifically proposed an agreement banning tests in the atmosphere. More than three-quarters of the Republicans as well as four-fifths of the Democrats in the Senate voted for the test ban treaty. Yet the 1964 Republican Platform contains no approval of the treaty and no recognition of a key danger it was designed to curb -- the uncontrolled spread of nuclear weapons around the globe. Instead, the Platform proposes review of the treaty.

President Eisenhower and the 1960 Republican Platform both urged steps to preserve outer space for peaceful

purposes. Yet the 1964 Platform contains no appreciation of this goal, or of the measures achieved by this

Administration to keep space free of nuclear weapons and nuclear weapon tests. Instead, there is a charge that the development of space for military purposes has been retarded.

The 1960 Republican Platform recommended negotiation in earnest for arms control and disarmament. President Eisenhower and key members of his cabinet supported the present Administration's establishment of the Arms Control and Disarmament Agency even at a time when maximum preparedness was also necessary because of Soviet threats over Berlin. Almost three-fifths of the Republicans and four-fifths of the Democrats in both houses of Congress voted to create the Agency. Yet the 1964 Republican Platform contains little recognition of the need for continuance of arms control and disarmament negotiations. Instead it criticizes the disarmament negotiations which have taken place and attacks the first arms control agreement for which the Agency was responsible -- the "hot-line" between Moscow and Washington.

The 1964 Republican Platform concentrates on preparedness for war and neglects negotiations for peace. It seems to say the American eagle should have more arrows but his

olive branch should be stripped.

IV.

Having taken the first steps toward a safer tomorrow, we should not hesitate. We should move surely and safely onward.

The nuclear arms race poses a threat to all Americans, regardless of political persuasion. To move ahead we will need the support of Democrats and Republicans alike. We will need the continued guidance of the General Advisory Committee on arms control and disarmament, which is composed of distinguished Americans from many walks of life and from both parties. We will need the continued review of the Committee of Principals whose members include the Secretaries of State and Defense, the Chairmen of the Joint Chiefs of Staff and of the Atomic Energy Commission, the Directors of the Central Intelligence Agency and of the Arms Control and Disarmament Agency, and the Special Assistants to the President on National Security Affairs and on Science and Technology. And, we will need the continued leadership of a President who believes in negotiations for a safer world as well as preparedness for a stronger defense.

With this support, progress is possible in the years

ahead.

We should take further steps to prevent the uncontrolled spread of nuclear weapons to nations which do not now possess them. Ponder for a moment what the world will be like if nuclear weapons are one day held by many countries large and small, responsible and irresponsible.

We should take further steps toward safeguarded agreement to halt production of nuclear explosives and the means of delivery for nuclear weapons. Think if you can what added horrors a nuclear exchange would bring if the stockpiles on both sides continue to mount. Think also what resources would be freed to help satisfy the unmet needs of mankind if we could safely stop this build up.

We should continue to seek verified, first-step, arms reduction agreements; and to build a better world order. Visualize if you will a peaceful world in which freedom is safe and in which our security can be maintained without recourse to arms.

We have taken a few short steps toward such a world.

Let us continue to walk firmly and surely toward it.

I ask your support to that end.

BIOGRAPHIC SUMMARY

WILLIAN CHAPMAN FOSTER DIRECTOR, UNITED STATES ARMS CONTROL AND DISARMAMENT AGENCY

William C. Foster has served five presidents during peacetime and war. His positions in Government have ranged from Deputy Secretary of Defense to Director of the U.S. Arms Control and Disarmament Agency; from Co-Chairman of the Gaither Committee, which President Eisenhower appointed to appraise the defense capabilities of the United States, to Chief U.S. Representative to the Eighteen Nation Disarmament Conference.

In addition to a highly successful career in industry, which has included Chairman of the Board of the Aerospace Corporation and Executive Vice President of the Olin Mathieson Chemical Corporation, Mr. Foster has held the following Government positions:

| WW II | Director, Purchases Division, Army Service Forces |
|--------------|---|
| WW II | Special Representative to the Under Secretary of War on procurement for Army Air Forces |
| 1946-1948 | Under Secretary of Commerce |
| 1949-1951 | Deputy Administrator and Administrator, Marshall Plan |
| 1951-1953 | Deputy Secretary of Defense |
| 1957 | Co-Chairman, Security Resources Panel (Gaither Committee) |
| 1958-1959 | Chairman, U.S. Delegation Geneva Surprise Attack Conference |
| 1961-Present | Director, U.S. Arms Control and Disarmament Agency |
| 1963-1964 | Chief U.S. Representative to the Eighteen Nation Disarmament Conference |

Statement by Secretary of Agriculture Orville L. Freeman before the Platform Committee of Democratic National Convention

August 19, 1964

Mr. Chairman, members of the platform committee:

I am here today to ask that the Democratic party dedicate itself to the goal of parity of opportunity for rural America.

By this I mean:

*Parity of income for the farm family.

*Job and income opportunities in rural America equally as attractive as those in the cities and their suburbs; young people who want to live in rural America should have that chance rather than be forced by economic pressures to go to the city.

*Educational and technical training opportunities for young people in rural areas which are as good as those for young people in cities and suburbs.

*Public services and facilities in rural America which are equal to those available elsewhere.

What I propose to say here is far different from the usual farm policy statement -- but we live in a different age and a different time.

The family farm is the key element in the economic and social structure of rural America -- this has been true in the past and it will be

(more)

true in the future. But the majority of people in rural America, while they may be dependent directly or indirectly upon the land, ic not make their living today on farms. Thus the progress of farm families and non-farm families in rural America is inextricably entwined.

The concern of the Democratic party, therefore, is with both.

We are concerned, as we have always been, with the incomes of those who grow cotton, wheat, corn and other crops and livestock. We are equally concerned with the progress of non-farm families in rural communities -- with educational opportunities, with modern community facilities and services, and with jobs.

During the next decade, millions of young people will be coming of working age in rural America. Not more than one young man out of 35 will become the operator of an adequate-sized family farm. To provide employment for the other 34, as well as those in rural America who now are underemployed or unemployed, will require the creation of about 5 million new jobs over this decade. As many of these jobs as possible ought to be created in rural America so that the smaller towns and villages of our country can prosper too. Then the young people who grow up there can find the economic opportunity that will enable them, if they choose, to live and raise their families in their home communities.

The Democratic farm program for the 1960's is devoted to helping bring new vitality to all of rural America. To this end, it emphasizes three broad areas:

- *Commodity programs,
- *Consumer programs, and
- *Community programs.

When the Democratic administration took office in 1961, commodity programs had been severely impaired by 8 years of unsympathetic and hostile administration.

Net farm income had fallen from \$14.4 billion in 1952 to \$11 billion by 1957, the lowest level of the postwar years, while unrestrained production had choked the nation's warehouses with mounting surpluses. Since 1960 stocks of feed grains have been reduced by over 400 million bushels and stocks of wheat by over 500 million bushels. If our surpluses had remained at 1960 levels, storage and handling charges alone would have cost the taxpayers \$226 million over the 4-year period.

Virtually every piece of legislation to strengthen commodity programs has been enacted over the bitter opposition of almost all of the Republican members of the House of Representatives and an overwhelming majority of Republican Senators.

The success of Democratic policies is reflected in the rise of net farm income by \$800 million a year over the 1960 levels, and the increase of net income per farm by 18 percent in three years to a record \$3,500 per farm -- \$540 more than in 1960. Gross farm income -- which is spending power on Main Street -- is up by \$2.8 billion a year over the 1960 levels.

These gains we have made are set forth in more detail in the following tables:

(more)

| Year | : | : Realized net income | | | | Per capita personal income of farm population | | | | | | |
|------------------------------|---|--------------------------------------|---|----------------------------------|---|---|---|------------------------------|----------------------------------|---|------------------------------|--|
| | - | Total | | Per farm | | Total | : | Percent: | After | : | Percent of | |
| ***** | : | \$ Mil. | : | Dol. | | Dol. | | Pct. | Dol. | | Pct. | |
| 1960 1961 1962 1963 | | 11,692 12,573 12,611 12,518 | | 2,961 3,299 3,420 3,504 | : | 1,254 1,362 1,426 1,488 | | 54.3 57.9 58.3 59.0 | 1,165 1,264 1,319 1,376 | | 58.0 61.8 62.2 63.1 | |

In three years we have narrowed the difference in the income an individual earns on the farm and the income which other Americans enjoy. In 1960, the net income of the average farmer from all sources was 58 percent of what the average non-farmer earned, while today this gap has closed to 63 percent. This is still woefully inadequate, but we are making progress. Steady improvement of our commodity programs -- under the leadership of the Democratic party that conceived them and has strengthened them over a generation of history -- will help attain the goal of income parity for family farmers. And a healthy agriculture will be good for the food processors and distributors, for the consumers, and indeed for all America.

Let us move now to consumer programs, and to the efforts to make imaginative and effective use of our food abundance. We have fortified the battery of protective services and regulations, of research and education and extension that have made it possible for us to be the best fed and clothed nation in history, and at the lowest percentage of real income -- 19 percent -- ever known.

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President Kennedy's first Executive Order of January 21, 1961, directed that the volume and diversity of food distributed to the needy be doubled. It was doubled, and then doubled again. Shortly thereafter a Pilot Food Stamp program was launched. And that program, which proved vastly superior as a means of getting food to low income families, will now become nationwide and permanent as the result of legislation just passed by the Congress. We have since 1960 increased the volume of food distributed to hungry people, and to school children in this country, from less than \$400 million worth to over \$700 million in the past fiscal year.

This effort has not been limited to the United States. We have given strong emphasis to trade and aid programs with great success.

Commercial exports for dollars have reached an all-time high -44 percent greater than in 1960 -- totaling almost \$4.6 billion in fiscal
1964. Agriculture is by far this country's biggest earner of export dollars,
and contributed most to our balance of payments.

Exports under Food for Peace are up 15 percent since 1960, reaching \$1.5 billion in fiscal 1964.

U. S. food donations will provide school lunches for some 40 million children in friendly countries this September. Three years ago, about 24 million children abroad ate American food in school lunches.

Today, one out of every six dollars earned by farmers comes from export markets -- and one out of four acres harvested today goes into export.

And under the Democratic administration, food has become an important tool in international economic development. Food is working capital; it becomes education when school lunch programs provide a better meal than a child gets anywhere else; our food capacity can be and is an essential means of stimulating growth in the economy of the developing world.

Commodity programs and consumer programs both contribute to the vigor of the rural economy, and when they are combined with community development programs, the stage is set for building the Great Society throughout the American countryside and to contribute significantly to the Great Society everywhere in the land.

Community development programs involve Federal, State and local governments, community organizations of all kinds and the efforts of countless individual citizens.

To give impetus to these programs, we held a series of Land and People conferences throughout the country to discuss how local leadership could organize and carry out action programs which would make use of Federal assistance. These meetings culminated in the Rural Areas Development effort which now involves over 100,000 local citizens in 2,100 rural counties. Each county has a Technical Action Panel made up of Department personnel working in those counties who provide technical assistance and advice.

And today, leaders in most rural counties of America have comprehensive development programs which they are actively putting into effect.

(more)

They have been aided through numerous programs enacted or expanded by the Democratic Congress -- including the Area Redevelopment Act, the Accelerated Public Works Act, the Manpower Development and Training Act, rural housing legislation, loans for electric, telephone, water systems and other community facilities, small watershed projects, loans and technical assistance for recreation development and other programs.

The Economic Opportunity Act of 1964 will now enable many rural communities to broaden and intensify their attacks on the causes of poverty.

The results of this effort have been substantial, especially considering the short time this comprehensive approach has been in effect.

Let me cite a few of them:

An estimated 212,000 new non-farm jobs have been created in rural America as the direct result of the work of rural development committees. We estimate that 148,000 more jobs have been created as an indirect result of committee projects.

More than 20,000 farmers are developing outdoor recreation as another source of income for themselves and enjoyment for city people who hunger for the beauty of forests, fields, and lakes.

Some 254,000 rural Americans today have access to modern water systems in 460 rural communities because of water system loans made by the Farmers Home Administration over the past three years.

Construction of small reservoirs and related works has provided 5,000 man-years of employment and stimulated creation of another 5,000 new jobs.

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Rural electric cooperatives, as a result of expan led loan programs since 1960, have improved services to customers, while lowe ing their power costs \$7.5 million this year alone.

Over 49,000 rural families, including 2,700 elderly persons, have built new homes or remodeled their present dwellings through programs which have become available or have been expanded since 1960.

Occupational training projects begun with Federal aid in 1961 have enabled 14,135 persons in rural areas to gain new skills.

The National Forests are producing a record harvest of 10 billion board feet a year, and a record harvest also of recreation -- 135 million visits a year.

These are some of the instances of progress in rural America with which I am most familiar. There are many others, and all of them together only begin to fill the need. But they do represent a new force for progress. Local leadership is responding to the challenges of rural communities that need to grow, and resources from Federal, State and local sources are being made available in many ways for the first time.

Thus rural America is becoming better prepared day-by-day and year-by-year to participate in the new age of abundance that is the promise of our democracy. The people of rural America seek parity of opportunity. Their goal is, and should continue to be, our goal as well -- the goal, and the pledge, of the Democratic party, which is dedicated to advancing the cause of all who seek a better life.

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