

HUMPHREY FOR PRESIDENT COMMITTEE  
Suite 740 Roosevelt Hotel  
Washington 9, D. C.  
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FOR RELEASE:  
Monday AMs, Nov. 16, 1959

NATION CAN PRODUCE EVENTS IT WANTS, HUMPHREY SAYS

BILLINGS, Mont., Nov. 15 -- "The total default of Presidential leadership is the greatest corrupting influence in our nation today," Senator Hubert H. Humphrey declared tonight at a Democratic dinner-rally.

"Simply to mean well is not good enough in the affairs of great nations," he declared. "Nor is it good enough these days for a great nation merely to wait for events to happen, and then to react to them."

"A great nation must march at the head of events, and by measure born of foresight, produce the events it wants."

Senator Humphrey, Minnesota Democrat, spoke at the beginning of a three-day swing through Montana and Idaho. Later in the week he will spend two days in Kansas before heading for Toledo, O., to address the National Convention of Young Democrats on Friday, November 20.

Senator Humphrey said the Democratic party has "absorbed the lesson of history" that a great nation can produce the events it wants.

"That is why it is the oldest political party, with the longest unbroken history of any political party in the world today. For the same reason, that is why it is an eternally young party, supercharged with eagerness to release the giant powers of America for greatness in building here at home and abroad. That is why our party at critical moments in American history has raised from its midst the Presidential leadership that has sounded the call to action--stations the nation was waiting to hear."

"Why," he asked, "have we come to live with a bad taste in our mouth-- with a sense that despite our material comforts, we have no inner joy? Why do we live with fear in our eyes -- with the sense that tomorrow may be the day of the apocalypse? Why do we live with shame in our hearts -- with the sense that because of some self-inflicted wound, we have fallen from the heights we once occupied?"

"This bad taste, this fear, this shame, all have a common cause. The cause, dating from 1953, is the infectious disease of slothfulness and indifference caught from a breakdown in leadership at the very summit of the nation."

FROM:

The Humphrey for President Committee  
Suite 740 Roosevelt Hotel  
Washington 9, D. C.  
ADams 2-3411

FOR RELEASE: TUESDAY AM's  
November 17, 1959

HUMPHREY CHARGES DOUBLE STANDARD IN INTEREST RATES

GREAT FALLS, Mont., Nov. 16 -- "The Administration's tight money policy only makes it tight for you and me," Senator Hubert H. Humphrey told a group of Young Democrats here tonight. "For their Republican friends," he charged, "it's about the loosest deal they could get!"

Said Humphrey: "This Republican Administration has rocketed the price of money to the highest point in 25 years -- with no end in sight. Who gets the main benefits? The big banks, insurance companies and other lending institutions who are thrilled to lend money at a cost to you of 6% or 7% -- rather than the traditional 4 to 4 $\frac{1}{2}$ %.

"No wonder they are such ardent Republican supporters," he added.

"But somebody has to pay the costs. And that's where the working people, the farmers, the small businessmen come in. They pay wherever they buy a house, a car, a tractor, or make some small business improvement.

"Your state and city governments pay too --when they have to borrow for new schools, new roads, other civic improvements."

Humphrey also noted the benefits to the large corporations (steel and auto companies, for example) who, he pointed out, "contribute hundreds of thousands of dollars to Republican campaigns."

"These corporations," he said, "have huge amounts of money of their own; they depend much less on bank loans than a small business does.

"Furthermore, when these billionaire companies do finally go to a bank for a loan, they don't sit down with strangers. Oh, no, they go to friends -- business connections -- and don't pay the going interest rate that you and I pay. They pay a so-called prime rate -- the lower rate for the 'best credit risks'.

"Is this," he asked, "even a reasonable double standard?"

Pointing out the cost of tight money to government, Sen. Humphrey charged the Republican Administration with running up the Government's debt interest payments by \$1.5 billion. Today, he said, "more than \$1 of every \$8 that government takes in in taxes, it pays out in interest....Think what that billion and a half a year could provide in schools -- or housing -- or hospitals!"

"But the biggest cost of the Administration's high interest rate policy to most Americans occurs when buy a home or a car or fix an attic.

"Is it impossible for members of a Republican Administration to identify themselves with the bulk of Americans? Or is it just that they know who their friends are, and want to keep them?", Humphrey concluded.

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Sen Murray  
Sen MansfieldREMARKS OF SENATOR HUBERT H. HUMPHREY  
BILLINGS, MONTANA NOVEMBER 15, 1959THE CALL FOR LEADERSHIP1958  
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wonHugh LeMurre  
X Kenneth Rice  
Yellowstone County

Sunday is a day for sober thought about the things that are lost sight of in the clatter of the working week -- a busy week for all of you as it has been for me travelling throughout this great West of ours.

It is in this respectful spirit of sober thought that I am here to talk about politics -- the same kind of politics that sounded this morning from pulpits in Billings, Montana and from thousands of other across the land.

Here this morning, and everywhere else, congregations of Americans were called upon to re-dedicate themselves to two tasks.

The first task was to know the difference between justice and injustice, between freedom and oppression, between order and disorder.

The second and related task, was to act in the right as God gives us the power to know where the right resides.

I feel deeply this summons from the pulpit to unite the mind and the spirit in social effort.

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To play a part in the art of government, to play a part in the mainstream of our political life, is to respond to that great summons.

Politics is a creative social act that must be engaged in by anyone who takes seriously the call to thought and action, ~~he hears from the pulpit.~~

Through the art of politics, public opinion makes its presence felt as a controlling, disciplining and guiding force in the operations of government.

In this complex world of politics, as well as life itself, not all is sharply black or white, good or evil. People of differing views can have equal depth of conviction. Neither political party in America is perfect; neither political party is all bad.

But having said that much, I proclaim my pride in being a Democrat. — *the internationalism of Wilson, the humanitarianism of FDR, the Realism of Truman, the Intellectualism of Stevenson*

We are the only national party there is in America -- the only party with a representation in the national government rising from the South as well as the North, from the West as well as the East.

Sure, if we were only a regional party like the Republicans,  
we could talk to each other in whispers. But a national party has  
special communications problems. It must talk across great spaces,  
amid the roar of great rivers of humanity, and must overcome  
great barriers to sight and sound.

When a Democrat in Alabama speaks his heart and mind to a  
Democrat in Montana, he has to raise his voice in order to be heard.  
For a Democrat here in Montana to be heard by one in New York, he  
too, has to raise his voice.

There may at times appear to be differences within our family,  
as there are on occasion in any family -- but it would be a fatal  
mistake for our political opponents to ever think for a moment that  
we do not stand shoulder to shoulder together as Democrats for  
common goals of progress and development.

*Speak up*  
We have room for and want people of conviction who will speak  
up for those convictions within our party's framework. We are not  
a party of "thought control" or rigid intellectual discipline.

We want to be a blend of the best that is in all of us -- ~~and~~ and  
all of us have something to contribute.



Incidentally, our new blend seems to have more of a Western  
accent than ever before. (*Western accent*)

~~It says that~~ *✓* We are the only party with interests that are as  
varied as the nation itself. We are the only party that <sup>*completely*</sup> embraces  
the laborer and the businessman, the farmer and the miner, the  
rancher and the office-worker, the field hand and the white collar  
professional, the young and the old, the consumer and the producer --  
and a lot more besides.

*✓* If we were like the Republicans, resting on but a few strong  
interests, the strongest of the few could have its way among us  
without argument. These few could act like the admissions committee  
for the Union League Club, ~~black~~ black-balling any applicant who  
threatened to breathe the spirit of life into their over-stuffed  
mausoleum.

In an otherwise uncertain world, there is at least one certainty.  
It is that any single interest in the Democratic party which tried to  
make every other interest act like all were a pack of identical twins,  
~~when~~ soon would find itself standing all alone in not so splendid  
isolation. A party in which so many strong national interests are

*(Will Rogers No organized Pol Party)*

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included, will not tolerate dictation by any one or any combination of them. Instead, we are going to keep up a running debate about how best to adjust and resolve conflicts between equally legitimate claims for support by the party as a whole. (3 DS - Debate, Dissent, Discussion)

This, indeed, is the great single service the Democratic Party has performed for the nation. We have a two-sided proof of how important this work is.

One side of the proof came in 1860. As of that year, the Democratic party was the only political force which still held the Union together. But when the Democrats from the North and the South, along with their respective interests, pulled apart until each stood alone, the government itself was torn apart and we had our Civil War.

The other side of the proof came in the years that followed the Civil War. The regular organs of the government were then incapable of doing the work of national reunion. But at this juncture, the Democratic party served the purposes of the government when Northern Democrats and the pre-Civil War Southern Democrats re-knit the broken ends of their national party -- to talk and to argue with each other once more, and so to re-establish a sense of community.

Yes, we Democrats are restless as well as argumentative. Yes, we are never content to let well enough alone, but are always restless to get on with the business of exploring new horizons. *Look ahead!*

We are restless because we know that America cannot stand still and continue to live. It can live only if it grows. We are restless because we do not want to crop our size to the monuments of the national past. We want to honor the monuments of the past by building beyond them to an ever expanding future. *(Ec. Potential)*

We are restless because we do not want to be embalmed in the case of a mummy. ~~In Pharaoh's Egypt the whole of the national energy went into the worship of death but America is not such a nation.~~ We affirm the goodness of life, and we want to spend our national energy in liberating and purifying life from the corrosive presence of fear, disease, want, ignorance, and intolerance.

We are restless, because we are eager to re-define America as being something more than just a <sup>11</sup>giant <sup>4</sup>plot to make money. We affirm that our economic system can provide <sup>good</sup>a living wage, a proper education, and a decent home for every American.



We are eager to re-define our national purpose in terms of something more than an IBM machine punching holes in a soul-less

stack of cards. We affirm the vitality of our constitutional principle of equality and the right of every man, woman and child to human dignity without regard to race, religion, or ancestry.

*Between here -*  
*GOP - Poor Bookkeepers*  
We are restless because we reject the view that good government is fulfilled merely by good administration, or good book-keeping. If that was all there was to good government, then nobody should be allowed to stand for public office except certified public accountants. *(Fiscal Budget - Moral Budget)*

But to us, as Democrats, with our roots deep in the people, good administration is not a substitute for good policies.

We are restless for the same reason that Democrats were restless in the years immediately preceding the election of Woodrow Wilson in 1912, and the election of Franklin D. Roosevelt in 1932.

Both times, the Republicans had held the control of the Executive for a long stretch. Both times in that long stretch, we had a government dedicated to the postponement and evasion of solutions to urgent domestic and international problems. Both times, the weight of executive energy was bent to the end that things should stand still. *Cap*

But Democrats knew that an America which tries to stand still, is an America that pronounces a sentence of doom on itself. That is why in 1912 and in 1932, the election of Democratic

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~~Presidents ushered in great creative periods in our national~~

~~life.~~ *But* Under Wilson and again under Roosevelt, we at once leaped forward in a new birth of freedom. Unlike what happened after the change of Administrations in 1953, we didn't have to spend one, two, three, four, five, six, and now seven years just studying problems. From the very day Wilson and Roosevelt took their Inaugural oath, they were ready with action programs based on hard study of problems before and not just after they asked the people for the trust of the Presidential office.

Today, once more, and for the same reason, we are restless to get on with the programs we have already formulated to serve America. We want this nation of ours to breathe again. We are eager to be once more a people on the move -- a people who voluntarily assume the ~~role~~ <sup>responsibility</sup> -- and the glory that goes with it -- of advancing mankind's best hopes for justice and peace.

We were in times past, and in a very literal sense, the giver and the protector of light in a sorely troubled world. There is no reason why that should not be the case right now. America still has tremendous, unsurpassed resources in material, strength, in energy, and in creative talents.

Why then have we come to live with a bad taste in our mouth -- with a sense that despite our material comforts, we have no

inner joy? Why then do we live with fear in our eyes -- with the sense that tomorrow may be the day of the apocalypse? Why then do we live with shame in our hearts -- with the sense that because of some self-inflicted wound, we have fallen from the heights we once occupied?

*oelt* L This bad taste, this fear, this shame, all have a common cause. The cause, dating from 1953, is the infectious disease of slothfullness and indifference caught from a breakdown in leadership at the very summit of the nation. *Keep!*

*Pradmay* L There may have been a time when the Presidency could serve as a place of dignified retirement in one's old age.

There may have been a time when it could be awarded to a man as a sort of good conduct medal for performance in a lesser station.

There may have been a time when it was enough for a President to do nothing in particular but to do it very well -- like some ceremonial figure in an empty pageant of states.

There may have been a time when a President could put himself so far above politics as to become politically invisible or unapproachable.

L There may have been a time when the Presidency could resolve itself into a long and tedious exercise in attitudes, platitudes

and beatitudes -- to the exclusion of concrete action.

But if ever there was such a time, that time is not now.

Now, the Presidency is the vital place of action -- the only staff and command post that can unite and give direction and purpose to three worlds. One is the divided world of our government proper. The second is the larger world of the whole nation which encompasses the world of our governmental machinery. And the third is the still larger world beyond our shores -- a world whose very survival may depend upon leadership from our own White House.

The Congress cannot do the President's work for him. Under modern conditions, the Congress can lay down general policy lines. It can revise policies it receives in draft form from the Executive. It can veto those policies. Or it can oversee the way they are executed by the President.

But Congress cannot fill the Presidential vacuum. If the President defaults on his role as a national and world leader, there is no force to fill that vacuum. The Congress was not designed to be and cannot be the commander in chief of the armed forces, the chief initiator of foreign affairs, the head of government, the leader and interpreter of national and international public opinion.

The Congress is built along Constitutional lines to give voice to local and regional interests. It does not have the unified energy, the staying grit, and the operational powers to give momentum to the whole of the national effort, and to that of the free world besides.

By the force of the Constitution, and by inescapable historical necessity, those powers are vested in, and are meant to be exercised by the President in person -- though he is responsible to the Courts in his legal character, and to the Congress and the people in his political character. If he fails to exercise those powers, every aspect of our political life falls into disarray.

That is exactly what has happened to us of late. What has happened is the reverse side of the truth once voiced by Lord Acton that all power tends to corrupt and absolute power tends to corrupt absolutely. The reverse side is, that the absence of power or its non-exercise under urgent circumstances, can corrupt just as thoroughly. The total default of Presidential leadership is the greatest corrupting influence in our Nation today.

What we have had of late, is a care-taker government, a mark-time government, a "do-as-little-as-you-can" sort of government, an artificial sun-lamp government -- a government spouting



aphorisms from Poor Richard's Almanac, while the Communists are everywhere on the march with their perverse zeal to remake the world in their own image. What we have had is a government whose first and last line of defense always is, that it means well.

Well, simply to mean well never was and is not now good enough in the affairs of great nations. The graveyard of history is crowded with the bones of peoples who had good intentions but lacked the imagination, the exact knowledge, and the driving energy that could translate those good intentions into specific realities in a formidable world.

Nor is it good enough these days for a great nation merely to wait for events to happen, and then to react to them. A great nation must march at the head of events, and by measures born of foresight, produce the events it wants.

The Democratic party has absorbed this lesson of history. That is why it is the oldest political party, with the longest unbroken history of any political party in the world today. For the same reason, that is why it is an eternally young party, supercharged with eagerness to release the giant powers of America for greatness in building here at home and abroad. And again for the same reason, that it is why our party at critical moments

in American history has raised from its midst the Presidential leadership that has sounded the call to action-stations the nation was waiting to hear. It is waiting to hear that call right now. And our party is ready.

## REMARKS OF SENATOR HUBERT H. HUMPHREY

Great Falls, Montana

November 16, 1959

Cascadia  
County

The Administration's tight money policy only makes it tight for you and me. For their Republican friends, it's about the loosest deal they could get. The Republican Administration has rocketed the price of interest rates on loans to the highest point in 25 years. But the President and his spokesmen have told us that the end of this upward push is not yet in sight. They have asked the Congress to eliminate the interest rate ceiling on Government securities, which would give the Administration a green light to raise interest rates even higher than they are today.

"Who benefits from the rising price of money -- mainly the big banks, insurance companies and other lending institutions, who are thrilled to lend money at 6 percent or 7 percent rates of interest, rather than at 4 percent or 4½ percent. No wonder that bank profits have been going up and up.

"But somebody has to pay the costs of tight money and high interest rates -- and that's where the working people, farmers and small businessmen come in. They pay when they borrow money to buy a car, a tractor or make some improvement. Your state and city governments pay too -- when they have to borrow money for a new school house or road construction

and

"Tight money and high interest rates, however, hardly

have any effect at all on the big corporations, such as those in the steel and auto industries, that contribute hundreds of thousands of dollars to Republican campaigns. These corporations have huge amounts of money of their own, so they depend much less on bank loans than a small business does. Furthermore, when these billionaire corporations do go to a bank for a loan, they go not to strangers but to friends, with whom they have business connections. And they pay not the going interest rate, but a so-called prime rate, a lower interest rate for the best credit risks.

✓ "Is this even a reasonable double standard?

"How do these high rates of interest affect us all?

✓ "First, let's look at the cost of running the Federal Government and the taxes we pay. When interest rates go up, the Government's cost of borrowing money goes up, too. In the Government's fiscal year, ending June 1953, the Federal Government paid 6.6 billion dollars in interest on the Government debt. Six years of the Eisenhower Administration and the Government's interest payments on the debt in the year ending June 1959 were \$8.1 billion -- up \$1.5 billion, mostly due to increased interest rates. More than \$1.00 out of every \$8.00 that the Government takes in taxes, it pays out in interest.

✓ "Think what that billion and a half a year could provide in schools or houses or hospitals!!!

"But the biggest cost of the Administration's high

out of  
\$8.00  
1 1/2  
Bill.  
yr

interest rate policy to most Americans occurs when we buy a home or a car or borrow money to fix the attic.

✓ "If you buy a house, with a 25-year mortgage of \$10,000 at 6 percent -- and that's the usual interest rate on a mortgage these days -- your monthly payments come to \$64.44. But if you bought a house with the same kind of 25-year, \$10,000 mortgage at 4½ percent -- a common rate of interest before the Eisenhower policies took over -- your monthly payments would be \$55.59.

"Six years of this big business and big bankers' administration and you now pay \$8.85 more each month for a mortgage on a small home. And that difference of \$8.85 goes on, month after month for 25 years. By the end of 25 years, when the mortgage is paid up, it amounts to \$2,655, or more than a half year's pay for the average working man.

"In addition, when money is tight, as it has been during most of the past six years, you may have to pay the lender an extra amount of money to get a mortgage, because there are many other people trying to get loans. I don't know whether that extra payment is necessary here in Montana.

In the Washington, D. C. area, they call it "points" and when you pay the settlement fees and sign your name to the mortgage, you may have to pay one-half, one, two percentage points or more on the spot -- on a \$10,000 mortgage, that would be \$50 to \$200 or more that are added to the settlement fees for the



privilege of obtaining the loan.

"But that's not all, by any means. The price of the house, itself, includes the cost of interest to the builders and the contractors. When interest rates go up, the price of the house goes up, too.

"Maybe you haven't bought a house lately and figure that a 6 percent mortgage is someone else's headache. What happens when you borrow \$2,000 for a car?

"On a loan of \$2,000, to be paid in 3 years, at 6 percent interest, you pay \$60.85 a month. If the same loan were at  $4\frac{1}{2}$  percent, your monthly payments would be \$59.50. The difference is \$135 a month for 3 years. By the time you have paid off the loan, you have paid out an extra \$48.60 -- the cost of a radio or fairly good seat covers.

"And what about the small businessman, who borrows \$10,000 for business improvements -- to be paid back in 3 years? At a  $4\frac{1}{2}$  percent interest rate, the monthly payments would be \$297.22. At the present 6 percent interest rate, he would have to pay \$304.22 per month. That's \$6.78 more per month and it adds up to \$244 more by the time the loan is paid back.

"Here is where the burden of costs lie."

"The tight money, high interest rate policies of the Eisenhower Administration are a direct, financial burden on the backs of each and every American family, on farmers and small

businessmen The major beneficiaries of these policies are the big banks and big insurance companies Is it impossible for a Republican Administration to identify themselves with the bulk of Americans? Or is it just that they know who their friends are and want to keep them? It is no wonder that this is where the Republican Party gets its most ardent support



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