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SENATOR HUMPHREY CALLS FOR ALL-OUT OFFENSIVE AGAINST 'DO-NOTHINGISM'
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Senator Hubert H. Humphrey (D., Minn.) called upon 7,000 delegates to the annual meeting of the National Rural Electric Cooperative Association yesterday to "go on the offensive" in support of an all-out effort "for people, progress,

and peace."

Calling attention to the Soviet Union's rapid expansion of power development, Senator Humphrey contrasted it with just the opposite approach in our own country.

"The Soviet Union is gearing for all-out expansion. Unfortunately, our present Administration seems aimed in the opposite direction: to restrict and retard public power development," he warned.

What's true of power resource development, he added, is true in many other fields of economic expansion.

"We must step lively, if we are to hold a lead over the Soviet Union, whose economy is growing rapidly.

"Soviet economic competition is the big challenge of the day.

"Premier Khrushchev has said that he has declared war on us in production. His aim: "to catch up with and surpass America." The Soviet countryside is strewn with signs bearing these words.

"Khrushchev has called the current Seven Year Plan, "Russia's Offensive Opens," and under this plan he has programmed vast increases in the output of agricultural products and in the capacity of Russia's industries.

"Meat production is to more than double by 1965; butter production, already almost equal to ours, is to increase by almost 400,000 tons. There are to be more shoes, clothing and the gadgets of life for the Russian people, who, you must remember know nothing of the rich material life we live here. But the emphasis is still on heavy industry.

"We know now that we cannot underestimate these plans and programs.

"They have the momentum, while we are much too prone to rest on our laurels," he declared. "Yet this need not be. We have everything in our economy needed for victory -- all except, for the moment, a sense of direction, goals, and leadership.

"What is missing is any real attempt by leaders -in politics and out -- to articulate a detailed and persuasive answer. It is dangerous self-hypnosis to close
our eyes to faces we do not want to see, and to turn our
ears away from the unpleasant while waiting for someone
to come along and tell us what we would like to hear.

"It is high time that thoughtful people spoke out against such apathy, and it is high time that more of us did something about it," he declared.

"Don't limit your interest in public affairs only to measures directly affecting your own programs.

"I'm told that more than 7,000 of you have come from every section of our country, and that each one of you represents almost 650 farms or more than 2,500 farm people.

"You are an influential force in America today, and can do much to get progressive laws enacted which put the general welfare and the public interest above the demands of any person or vested interest," Senator Humphrey said.

LET'S GO ON THE OFFENSIVE

Excerpts from address prepared for delivery by Senator Hubert H. Humphrey (D., Minn.) before the Annual Meeting of the National Rural Electric Cooperative Association, Washington, D.C., February 10, 1959.

It is always a pleasure for me to be with you. I like what you are doing, and I like to exchange views with rural leaders.

Growing up as I did in South Dakota, I came to know and understand the farmer's point of view by direct personal contact.

I have always endeavored, throughout my public life, to do whatever I could to make farm life more comfortable and, therefore, more attractive to our young people as a vocation.

But, no matter how commendable may be the support we in Congress give to the going programs that benefit farm people, far greater credit is due to those who originated and fought through to enactment those early enlightened programs which have meant so much to rural life.

I take off my hat to such statesmen as Sam Rayburn, who provided the initiative for the introduction and support of so

much progressive legislation. I am truly honored to share the same platform with this co-author of legislation which established the REA.

It is unnecessary for me to review the changes that rural electrification, on an area-coverage basis, has brought to American agriculture.

You are the men who pulled the switches that brought light, power and some enlightened leisure to homes where before there was often only semi-darkness and drudgery.

You know that the greatest advances that have been made in American agriculture have taken place during the life span of the Rural Electrification program; and you know that abundant cheap power is essential to the continued development and prosperity of agriculture and the country as a whole.

With the number of people engaged in agriculture dwindling from year to year, the maintenance of a high level of efficiency

must, more than ever, depend on the economies that go along with electrified mechanization.

Like agriculture, industry also needs more abundant and cheaper sources of electric power.

Abundant low-cost power likewise is fundamental to our defensive strength; and this is vitally important to us all.

May God grant that we never again need engage in war.

But, with world tensions as they are, we must never consider lowering our guard so long as there are forces in the world which could be unleashed with the aim of destroying us.

We must, therefore, always have something in reserve -- always be able to retaliate on equal terms and follow through on terms of our choice.

AN expansion of our power production reserve is basic to the maintenance of industrial readiness. To hold our position, we should be moving forward with the construction of hydroelectric

projects, nuclear power plants, and, where necessary, new thermal power stations.

I recently visited Russia.

What I saw convinces me of one thing: we must step lively, if we are to hold a lead over the Soviet Union, whose economy is growing rapidly.

Soviet economic competition is the big challenge of the day.

Premier Khrushchev has said that he has declared war on us in production. His aim: "to catch up with and surpass America". The Soviet countryside is strewn with signs bearing these words.

Khrushchev has called the current Seven Year Plan,

"Russia's Offensive Opens," and under this plan he has programmed vast increases in the output of agricultural products
and in the capacity of Russia's industries.

Meat production is to more than double by 1965; butter production, already almost equal to ours, is to increase by almost 400,000 tons. There are to be more shoes, clothing and the gadgets of life for the Russian people, who, you must remember, know nothing of the rich material life we live here. But the emphasis is still on heavy industry.

By 1965, Russia aims at adding nearly 30 million tons of steel capacity; more than 100 million tons of oil production; and nearly 300 billion kilowatt hours of electricity.

Let us look for a moment at the Soviet electric power capacity -- before World War II, and now.

In 1940 and also in 1945, the aggregate capacity of all power stations was only a little more than 11 million KW. By 1957, or, in just 12 years, capacity has jumped to 48 million KW, more than a four-fold increase!

The <u>output</u> of power in 1945 was 43 billion KWH and in 1958 output was 233 KWH, more than a five-fold increase. And the output goal for 1965 is more than 500 billion KWH. If that goal is achieved it will represent a 12-fold increase in capacity in just 20 years, or an average annual increase of 60% per year.

Never in United States history have we made such strides in power production.

We know now that we cannot underestimate these plans and programs.

It is one kind of testimony to their achievements that the world's first man-made planet is labelled "made in Russia".

But we also have the testimony of our eyes. We can go to Russia, as I did, and see the progress that is being made.

If the statistics still show a wide gap between our wealth and ther's, between our production and their's, we must not be misled; their production figures are rising much faster than ours -- five

times as fast in the last few years, and the gap is narrowing.

They have the momentum, while we are much too prone to rest on our laurels.

This need not be. We have everything in our economy needed for victory -- all except, for the mement, a sense of direction, goals and leadership.

What is missing is any real attempt by leaders -- in politics and out -- to articulate a detailed and persuasive answer. It is dangerous self-hypnosis to close our eyes to facts we do not want to see and turn our ears away from the unpleasant while waiting for someone to come along and tell us what we would like to hear.

It is high time that thoughtful people spoke out against such apathy, and it is high time that more of us did something about it.

We can't long follow our present course.

We cannot, for example, stand idly by while the Administration carries out its apparent objective for the suppression of power programs, including the REA.

There is quite a contrast between plans for power development here and in Russia. The Soviet Union is gearing for all-out expansion.

Unfortunately, our present Administration seems aimed in the opposite direction, to restrict and retard public power development.

To put it in military terms one could say the Administration is conducting a holding action. It is holding the line on hydro power development; holding the lid on public atomic power production; holding the door open for the power company hierarchy to strengthen its power and position; Secretary Benson is holding the reins of REA; and if immediate steps are not taken you know who will be holding the bag.

You can take the lead in resisting this kind of negative, do-nothingism.

But this is not a case where you can, "Let George do it".

The urgency of the situation is such that each and every one of you should, upon returning to your homes, become a "Minuteman", alerting every citizen to the needs of the day. You must help rouse America to action. What can you do?

By both private and public contacts, you must demand
the kind of action from your representatives in the state legislatures and in Congress that will protect your interests. But
you should not stop there. It is not enough just to hold the
line. You should also demand the progressive legislation that
will permit us all to go forward together.

You should demand a re-appraisal of our resources and of the institutional strictures that are retarding their development.

Keep hydro power high on your list.

Now that we know how to harness the power of free flowing water, it is a waste not to develop every site that has been found to be fasible by benefit-cost studies.

We have many such sites and many more for which such studies have not been made. But, a review of recent developments and the President's recent budget message show that the Administration is still following a policy of no new starts in the Federal power program. Even projects that the Congress has launched over the Administration protests are being subjected to a slow-down. Besides this, the President in the past has encouraged the Federal Power Commission to give the best remaining low-cost hydroelectric sites to the power companies.

Good legislation can change all of this.

You should also be demanding that the Federal Government step up the tempo in the development of electric power from atomic reactors.

We must not be satisfied with research alone in this field. There comes a time for development. In view of the advances that are being made in atomic power production in England, the Soviet Union and elsewhere, can we be satisfied with power plants only on our drawing boards?

With the pressures on the REA program mounting, your work to hold the hard-won gains that you have made in the past will have to be renewed with vigor.

As you know, I joined you in the fight to restore to the REA Administration the authority and dignity that was taken from that office by the Secretary of Agriculture.

The REA bill which I introduced in the Senate last year had an identical counterpart in the House of Representatives which was introduced by Representative Melvin Price of Illinois.

Regrettably, the Humphrey-Price bill, which so many of you supported so well, died in the last hectic days of the 85th Congress.

I am pleased to tell you, however, that both Representative Price and I re-introduced our bills as soon after the opening of the 86th Congress as it was practicable to do so.

Senator Mansfield of Montana was a co-sponsor of my bill. I asked that the bill be permitted to "lie on the table" so that other Senators might have a chance to sign it. Almost overnight, twenty Senators added their names to the bill. The bill is among friends -- and REA has a host of friends in the New Congress -- perhaps more than in the last one.

But do not, for this reason, become compacent. Even good legislation sometimes fails to be enacted because it lacks support and interest of the people. It is no secret to you that Senators and Congressmen have a keen sense of hearing. Even the smallest voice of a constituent can be heard in Washington.

After I introduced a similar bill in the last Congress, extensive hearings were held on it by a subcommittee of the Committee

on Government Operations. Those hearings convinced me that this legislation is vital to the continued stability and progress of the rural electrification program.

In my opinion, the hearings clearly proved that the Seceretary of Agriculture stripped the REA Administrator of his most important functions. Before the Administrator can approve a new loan, or sign a loan for more than \$500,000 he must first send it to the Secretary's office for review.

As you know the making of loans is supposed to be the major duty of the REA Administrator. Loans are supposed to be made if they come within the law and if they meet REA's standards of feasibility. Certainly the approval of loans is not supposed to be influenced in any way by political considerations. But this is not the case under the present arrangement.

The only loans which go to the Secretary's office for review have previously been checked and approved by the REA

professional staff. Why should some top political figure in the Department of Agriculture review such loans? Why should he pass on them? Certainly not to make a thorough technical review. If that is the case, I would call it a flagrant case of government waste. What kind of review do these loans get? They are obviously sent to the Secretary's office to pass some kind of political or philosophical test.

I think that this practice poses a real threat to the original intent of Congress, and to the rural electrification program itself.

I would think the same thing if we had a Democratic Administration or any other kind of Administration.

That is why I have reintroduced a bill to restore to the Administrator of REA all functions which had been taken over by the Secretary of Agriculture. Full authority for the approval of all loans will be returned to the Administrator where such

authority rightfully belongs.

The proposal has been made and bills have also been introduced this year to set REA up as an independent agency altogether. I thoroughly considered this approach before deciding on the bill as now drafted and as, I am glad to say, you have supported in state, regional and national resolutions throughout the last year and a half.

Here are some of the factors I took into account:

First, I admit I had a strong desire to get REA completely out from under Secretary Benson's domination. However, we had to be this understandable desire with a realization of the fact that Benson will not be in this agriculture post forever.

Over the years, REA has definitely benefitted from being a part of the Department of Agriculture. It has benefitted by having a spokesman at the cabinet level. It has benefitted by the association with the Department of Agriculture in obtaining

funds and in sound administration of those funds.

Second, you as farmers or rural residents are benefitting from REA's close association over the years with the Department of Agriculture. The program objectives have been oriented toward people instead of toward kilowatts alone, as might well be the case if REA were operated as a power agency. This, I am sure you will agree, is highly important.

Third, as part of the Department of Agriculture, REA has had the benefit of working with Committees of the Congress most friendly to rural electriciation and rural telephony. This raises no question as to the attitude of other committees toward REA. My point is simply that you know where you stand with your present committees. This is a benefit to REA I would not want to be responsible for jeopardizing.

Fourth, sound administration certainly suggests that this government must be simplified rather than be made more complex.

Is it in the national interest to establish a new independent agency when it is possible to accomplish our objective without doing so? Personally, I don't believe it is. My bill retains REA as a part of the Department of Agriculture. The Secretary of Agriculture continues to be the man in charge of broad policy and to serve as the cabinet-level link between REA and the President. But my bill establishes in no uncertain terms that no one shall interfere with the Administrator's duty and responsibility in handling your loan applications. As I said, we want no politics of any kind injected into those considerations.

Isn't that the kind of administration of REA that you want?

If you have ever had doubts about the power and influence that the NRECA has in public affairs, those doubts should be dispelled as you look about this conference hall today. I am told more than 7,000 of you have come from every section of our country. If there are still doubts about your strength, just consider that

each one of you represents almost 650 farms or more than 2,500 farm people.

In my opinion you have not known and, to this day, you do not know your own strength.

The time has come for you to flex your muscles and go on the offensive.

Go on the offensive to improve your internal management.

"Nothing succeeds like success". Good management will go a

long way toward selling your program to consumers and non
consumers in your community and state.

Go on the offensive to get worthwhile legislation enacted. There will be a number of pieces of legislation of vital interest to you in this session of Congress. Keep yourselves informed on these issues and support Clyde Ellis and your staff in Washington. Together you will continue to move forward.

Don't limit your interest in public affairs only to measures

directly affecting your own program.

The same negative, do-nothing attitudes that obstruct your programs are obstructing and hamstringing our country in many fields at a time when we need an all-out effort for progress, for people, and for peace.

You can, and must, help change such attitudes.

You are an influential force in America today, and you can do much to get progressive laws enacted which put the general welfare and the public interest above the demands of any person or vested interest.

You have a good program and I am confident that if you go on the offensive you and the country will, as your motto says, go "Forward Together".

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