

SPEECH DELIVERED BY:

SENATOR HUBERT H. HUMPHREY

NACDS CONVENTION

MONDAY, APRIL 9, 1962

Americana Hotel - Bal Harbour, Fla.

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Thank you, very much, my good friend, Mr. Berkus--Lloyd Berkus. I'd like to suggest to whoever is in charge of the lights, they turn up the house lights--because I like to see my audience, I'm not an actor. Thank you, very very much, that helps a great deal.

I do want to express my personal thanks for the generous introduction of Lloyd Berkus, and I want to express also my appreciation to your president, Chuck Larsen, for the hospitality that has been extended to me, and to Jim Merritt and to Boone Gross and this man who is a switch-hitter--everything from the invocation to the program direction--and I want to express a personal note of admiration and respect to Mr. Ellis Myers for a splendid speech on merchandising and some of the things that I had intended to say, so may I assure him that he has relieved me of certain responsibilities and undoubtedly, has shortened up the program a bit, because of his versatility.

When I was invited to address your organization of the National Association of Chain Drug Stores it didn't take me very long to accept. As has been indicated here I'm a member of the American Pharmaceutical Association and only two weeks ago was given an honorary life membership, but I've been a dues-paying member, too, and I'm a member of the National Association of Retail Druggists. I am not

a theoretical pharmacist. I am a tax-paying, employee-hiring, drug store-running pharmacist. In fact, as many of you have been told on other occasions whenever I can bend your ear, we have a pharmacy, a retail pharmacy, a modern retail establishment out at Huron, South Dakota -- a community of some 12,000 people. We'd like to have you stop by whenever you travel through South Dakota--we need the business--we welcome you. And if Chuck Walgreen is here this morning--or his son, Chuck Walgreen, III--may I suggest they stop by--we've paid our accounts--we're in good standing and we have a Walgreen agency. So we've had the privilege of knowing a little bit in our family about pharmacy and about merchandising having been in business now for over 65 years as a family and all of those years at least being able to survive and some years, living quite well. So I'm very grateful for the opportunity of talking to you.

I said, you know, that when I was invited to speak here I came rather quickly--since there has been such informality here this morning maybe I can tell you how quickly I arrived. There seems to have been in one of our mid-western towns a lady of some disrepute and the local reverend was very worried about her and he spent three hours one night praying for her and he told her about that the next morning. He said, "Molly, I prayed for you three hours last night." She said, "Well, Pastor, you didn't need to do that, why didn't you just pick up the phone and call, I would have come right over."

Jim Merritt contacted my office and talked to my very efficient secretary, Mrs. Gray, and Jim contacted me and he said he had been thinking about having me come to this convention for many months and I answered in about the same way that the woman I spoke of-- I said, "Well, you should have just dropped in and we'd have been there right away."

I want to thank you for letting me have such a splendid evening last night. I was in this particular emporium, this fine entertainment lounge they have here and I appreciate the fact that these chain drug store operators have some of the finest wives--they dance beautifully-- and I want to thank you fellows who were kind enough to share a little of that talent and pulchritude last evening, because it was getting a little dull up until then.

Now, today is opening baseball day in Washington, D. C. and I would have liked to have been there very, very much. This is the first time I have missed an opening game in the Nation's Capital for, I think, at least twelve years, but they tell me they'll get along without me. They've got a new stadium--we haven't got a new team--but we have a new stadium. The President is going to throw out the ball--and he can do that without my help. I had some intentions a couple of years ago of being present at all of those opening ball games, but I want you to know that



the President did call me up and say, "Hubert, I would like to have you come to the game with me." That's better than getting no invitation at all. And when I was asked whether or not I could stay here for tomorrow, I had to tell Mr. Larsen and Mr. Merritt and others that I just couldn't do it--that I have a Tuesday morning engagement that I always keep. There's one song that's entitled, "Never On Sunday." - but mine is "Always Breakfast On Tuesday" and I have it over at the White House. Now, I planned on having all my meals there, but at least get in on one, and in this day and age you've got to be grateful for whatever little help comes your way.

Now, just two weeks ago I addressed the American Pharmaceutical Association out at Las Vegas. I enjoyed that opportunity and that privilege, and today I'm going to share with you a few of the thoughts that I shared there--and then I am going to talk to you primarily as just a fellow citizen and not as a pharmacist. I am a pharmacist and I'm proud of it. I am a businessman and I feel this is a real privilege and a real responsibility, but above all I am a citizen. And today I'm not going to try to tell you how to run your business--you do a whole lot better at it than I do, and you undoubtedly have more insight into what the problems of business are than I have, so I shant burden you with a lecture from a politician as to how a businessman ought to operate his business. I think, we in public life ought to be interested in your business. I

think we ought to listen to your advice and your counsel, because just as I must say in all candor that sometimes people in private life do not understand the pressures and the tensions and the strain and the pull that is on a person in public life, sometimes we in public life don't understand some of the problems that you have in your private or business life. I think we need to get to know each other a little better and have a little less suspicion of one another. I have long felt that one of the great needs of American politics today is a closer identity between the political community and the business community--not on the basis of trying to seek special favor, because there is little or nothing that one can do for you without getting in trouble--and I have an allergy to jails and getting in trouble--but what we really need to do is to understand one another. It doesn't mean that we always have to agree. But it does mean that we ought to be able to talk to each other as rational, reasonable, human beings, rather than as some stereotype or antagonist. And I've often felt that because of some of the literature that is spread around on both sides--from the political side and from the business or the economic side--that there is a kind of false hostility that has been created between all too many members of the independent, free enterprise community of which is our economy and the political community which is so vital to a country that says it believes in representative government. We need each other and we need to understand one another.

Now, today, I would like to share with you a few observations about the relationship of Government to business, particularly as it relates to the drug business, to the pharmacy business, to the retailing and manufacturing and the wholesaling aspects of pharmacy -- and then I would like to talk with you a little more in depth about something that maybe I know more about, namely, the national or international political situation as it affects us as citizens in this the second half of the 20th Century.

I have the privilege of being the author of a bill that I would hope is of some significance to all of you, and that bill is the so-called Quality Stabilization Act. This is a Joint Resolution introduced in the Senate of the U.S. on February 21, 1962. S.J. Res. 159 -- Senate Joint Resolution, 159. Mr. Myers, you are the man that made the best speech for that resolution that I've ever heard. If I could have done as well when I introduced it, it would have been passed by now. I say this in all sincerity. S.J. Res. 159 has but one purpose. It has as its purpose to permit manufacturers to protect their trademark, and I can never understand for the life of me why a manufacturer that spends a fortune in the development of a commodity and the development of a trademark, in the creation of a reputation for that product or at least an acceptance for that product, would treat the product so shabbily as to let other people desecrate it or other people mutilate it. After all, the trademark belongs to its owner, and if it belongs to its owner - in this instance the manufacturer - then why should he let somebody else wreck it, ruin it, bring ill fame to it.



We are going to try to pass a law and we are hopeful that we can have it signed by the President, a Resolution or an Act of Congress that will protect the brand name, the trademark of a product. We hope to establish by law that this brand name and trademark constitute property - the rights to which are entitled to protection by the owner, and that the manufacturer can go into the courts and enforce his property rights on that trademark.

Now this isn't price fixing - these products are in competition. The manufacturer can set whatever price he wishes. It's his product. It's his trademark, and there will be products of like nature or similar nature in competition with each other, but I want to add to what Mr. Ellis Myers said -- that if the manufacturer refuses to do this, then it won't be long before there will be as little respect for trademarks in the U.S. as there is in the Soviet Union. When I visited the Soviet Union, I found out they didn't have trademarks, they didn't belong to the copyright convention. Socialist societies have very little interest in this kind of private property, and a trademark is private property. And what worries me is that some of the staunchest advocates of the so-called free enterprise, private property system are the first to do injustice to it. The first to let others chop it to bits through their nefarious, cut-throat jungle law of so-called competition. Competition is a noble word. Competition is an honorable word, it's an honorable concept. Competition isn't the strong over the weak. It isn't just the



beast consuming the bird, so to speak. Competition means rules of fair competition, a code of conduct, and competition above all should have with it that sense of personal honor and integrity which makes the free enterprise system something worth defending and something worthy of our deep association and affiliation. So I ask you to give us support for this measure. I'm here for that purpose if no other. This morning hearings start on this bill before the Subcommittee of the Interstate & Foreign Commerce Committee of the U. S. Senate. Senator Mike Monroney of Oklahoma is Chairman of that Subcommittee. It's a good committee. As the Assistant Majority Leader of the U. S. Senate, I asked for this Subcommittee to be appointed. It is a reasonable Subcommittee. It's one that will give this measure a fair hearing without prejudice, and I think that for the first time we are able to put together a wide group of trade associations and of business interests in this country that would like to do something to restore a code of fair competition within the retail markets before the entire retail system becomes subject to what I call "wildcatting" -- call it what you will -- "discounting".

I believe in the profit system, and I believe that the profit system means you ought to make a little money. If you work hard, if you can compete, and I don't know how many people are here that feel differently, but I'm really not too worried about it - it doesn't take any sense to give goods away. You can be the biggest knucklehead in the universe and do that. It takes some intelligence, however, to sell goods - to sell

commodities at a fair profit that are good commodities of quality that perform a service for you as the retailer or the distributor or the manufacturer and at the same time, perform a reasonable service for the consumer. And unless American retailing is going to bring itself out of the depths to which it has fallen, namely of seeing who can cut the other fellow to ribbons first, you can expect all kinds of interference by Government. Because the purpose of Government is to at least preserve some semblance of law and order, and the only time that you move Government into a community to preserve law and order is when people can no longer exercise self-discipline -- and if you can't do it voluntarily -- if you are unwilling to exercise competitive, economic self-discipline -- if we give you the tools to do the job such as S.J. Res. 159 -- if you are unwilling to do that, then you can expect the Government at a local, state or federal level to move right in on you. I'm here to give you that warning.

I believe in my drug store, Humphrey's Drug Store. I don't want it the U. S. Government Drug Store. I believe in free enterprise. I believe in competitive enterprise. I also believe in fair play, and I have seen all too much of this business of people preaching the doctrine of fair play and not practicing it. I noticed an article in, I believe, Business Week magazine or one of our large publications recently, by Clarence Randall, a great industrialist in this country. He wrote this article on the subject of the so-called unfair practices of American business. He's calling for a

code of ethics in American business before people lose faith in American business. This is a big businessman. This is not a politician. Because we have seen too many investigations by business itself and by Government that reveal a lack of a code of ethics. So I implore you this morning to join with us. Now, by the way, this is not a partisan measure. I happen to be the main sponsor, but I am joined as my main co-sponsor by Senator Capehart of Indiana. He's a Republican and I'm a Democrat. Senator Proxmire of Wisconsin, Senator Johnston of South Carolina, two Democrats; Senator Scott of Pennsylvania, a Republican; Senator McClellan of Arkansas, Democrat; Senator Randolph of West Virginia, Democrat; Senator Mundt of South Dakota, Republican; my colleague, Senator McCarthy of Minnesota; and Senator Case of South Dakota, another Republican. We're not worried about politics in this. I want to tell you something - when you go broke, it doesn't make much difference what your politics is. When you are a failure it doesn't help you to say well I was a failure but I'm still a Republican, or I'm still a Democrat. You really aren't going to get very far that way. I ask you, therefore, to join hands with us because I think this is your last chance if you're interested in fair competition and, frankly, I want to say to you very frankly, don't come to me for any further help, if we're not going to do it this time. I've been at this business a long time, and my father before me. I was one of the authors of the so-called Maguire Act in 1951, on the Senate side, I handled that legislation. I've been interested in this because I think this is important, not just for the



little fellow - I don't believe in protecting inefficiency - I don't like inefficiency in my office or my life or any place else, but I do think that it is fair and reasonable to assume that a manufacturer who takes pride in seeing the name of his product in print would want to take pride in seeing that product protected in terms of respect and esteem from the public. And you let your products be just shopped all over. You let your product sell anywhere from 89¢ to \$1.79 so the public never knows what it's really worth, and pretty soon they won't think you're worth much either. And frankly they'll be right.

Now I'll talk to you about a second item, about business. I know you're interested in taxes. Who isn't? This is a good time to talk about it. You have about six more days to pay them but you can, of course, write for an extension. I'm not going to talk to you about corporate taxes. I'm not going to talk to you particularly about the new tax bill that is before the Congress which passed the House of Representatives and which is now up for hearings in the Senate. (...Secretary of the Treasury. (tape switched-words missing)) Our entire tax structure needs a complete reexamination in light of the world situation that we face; the competitive conditions we face at home and abroad and above all, in terms of incentive, for the growth and the expansion of American industry.

This country has been coasting along at about 2 or 3% growth rate, while the rest of the civilized world has been hitting

it off at 6 or 7%. I think we ought to examine why this is. I think we ought to examine why that in Western Europe there is full employment, over employment, and in the United States there are still about five million unemployed. I think one of the reasons for it is that we haven't put our fiscal house in order, our monetary house, our tax and monetary policies. This is going to be looked into very carefully. The present tax bill is really stop-gap legislation designed primarily to meet the competition of the Common Market of Western Europe for our large manufacturers; designed to stop the flow of gold out of this country to other parts of the world, thereby threatening our gold stocks and gold reserves and the value of the dollar. This is very serious business, very complicated - I'm not going to burden you with it. Just believe me when I tell you that the value of this dollar of ours is important to protect, but we are going to look at the entire tax structure in the next session of Congress.

I have talked with the Secretary of the Treasury about this matter. The Secretary of the Treasury is a frugal man; he is a prudent man; as a matter of fact, he isn't of my party but he has a big job in this Administration, and he is a good man, Secretary Douglas Dillon.

Now we are going to look at the tax structure a year from now in terms of an area in which you have keen interest. We'll look at the corporate tax structure for one thing. But more significantly, we are going to look at the Excise Tax structure. I don't need to be lectured on Excise Taxes by

any person in the United States. I know something about them. I have seen the Internal Revenue Service - being in the business - looking around to see if you have paid all those taxes on toiletries and other items that are still of the wartime taxes. I know what the Excise Tax problem is. I know the bookkeeping that you have to do - it's been great for the cash register business, may I add - it's very good for that - it's very good for accountants, for bookkeepers. But it is mighty tough when you're trying to break in a new clerk to get them to collect the tax. And there are items that are taxable and items that are not taxable. You almost have to have a degree from the Harvard School of Business to be able to figure out which ones are taxable and which ones aren't. Of course, you can have the list up there. Most of the customers who come to our place are in a hurry, and by the time you have looked over that list, if you are a slow reader, you've lost a customer. What is more, some people have avoided these taxes -- the payment of them -- and others have had to pay when they didn't collect them. It's a burdensome operation at best. The Excise Tax is a grossly unfair tax under any circumstances.

I would not be politically responsible if I told you that we're going to take off those taxes this year or even make a sincere effort to do so because we're not. I think you ought to know that. I do say, however, that next year is our opportunity and I am of the opinion that the drug industry, for example, and many other manufacturers will sensibly, rationally and through processes of information and education



try to bring to bear upon the Congress some alternative proposals and some corrective legislation, so we won't have this hodgepodge of Excise Taxes that leave the average retail merchant in utter confusion and frequently at the mercy of the Treasury Department and the Revenue Service. I can assure you that I'll be helpful in this matter. I'll help you, I'll help myself, I'll help this country because I think this is an unfair tax. Very frankly, I might say to the manufacturers that are here that if we're going to have these taxes, I think it would be better to put them on at the manufacturers' level. I know you don't like it, but we'd collect more money, number one, and number two, you wouldn't make every retail merchant and every clerk in the country a tax collector. When you do that, you get into an awful lot of trouble. My own honest opinion is that a number of them can be repealed, and I say this -- without any great loss of revenue because there are other ways to gain revenue, and the cost of the administration of these tax laws to the private economy and to the Treasury Department is enormous. Well, that's about as much as I want to say on that.

Now I want to get on over and talk to you about something else because after all, you are mothers and fathers here, you are taxpayers, you are citizens, and I feel the greatest issues of our time are not even Excise Taxes, nor are they what we call quality brand stabilization, even though these are important issues. There is no way the United States of America can be a world power, can be a world leader unless it has the muscle, the fiber, the strength, economically, to undertake

these responsibilities. World leadership doesn't come just because you proclaim it or because you take it on to yourself and say it ought to be mine; and world leadership carries with it not only the honor, not only that pleasure that you get from a moment of reading in the press that the United States of America is the world leader. But it also takes with it responsibility. If you're going to be a leader in your field of merchandising, you have a responsibility, and you have a responsibility to do a good job, to set the pace, to help others, to lead, and if the United States is going to be a world leader, it has a responsibility to itself, to do an honorable job, and to the world. And with that responsibility comes sacrifice; and with that program of sacrifice comes a great deal of planning on the part of our people. Now there's not a thing wrong with planning. You're going to talk a lot about planning here today for your business - and you should. And our Government needs to plan a little bit ahead, too. How much of a burden can we take on alone? We need to ask ourselves that question. How much of the military burden of the free world can we afford to take on? How much of the political burden, of diplomacy, of negotiation can we afford to take on alone? Where do we get our partners? What are the responsibilities of those partners? How much will they do? How much have we asked them to do? How much can we depend on them to do? Because, make no mistake about it, if you think there is the rule of the jungle in the field of economics, let me assure you there is a rule of the jungle in the world situation today.

We are today torn by, confronted by one of the most powerful adversaries the world has ever known - the Soviet Union and the Sino-Soviet block. Don't underestimate it for a minute. I'm not here to cast fear, because I don't believe the way to get the American people to respond is through the concept of fear. I think we get the American people to respond when we understand ourselves, what we are and what we can do and understand the enemy.

One of the first things I do when I run for public office is to study my opponent. I know about myself, and I hope he doesn't know quite that much - he most likely does, however. The next thing I try to do is to have the initiative. I try to lay down what I think is the program. I want to say to every merchant here, to every retailer, to every manufacturer -- if you follow the other fellow, if you let him seize the initiative, you can never be number one. You can't be out in front.

We have to seize the initiative, and that means you have to do some thinking. It means you have to do some daring. It means you must look to the future because you cannot improvise in this world every day. We're planning to land on the moon by 1970 at the latest. We have a plan, and in case you don't know it, that's an expensive plan. It's going to cost you roughly a hundred billion dollars. Maybe no one had let you in on that yet. That's what it's going to cost.



It's very important that we get there, because we're now at the point in our life as a nation when our survival may very well depend on what happens in outer space. This is why some of us today are saying that it is imperative that we come to an agreement through some international organization, possibly through the United Nations or possibly through multi-lateral negotiations, possibly at the Conference of Geneva which is underway now, but it is imperative that we come to an agreement to keep outer space as a laboratory for peace rather than a battlefield for war. Because mark my words, in ten years or less, outer space could become nothing more or less than a new level of annihilation, a new level of conflict because outer space platforms from whence you can launch missiles and satellites and rockets is no longer a theory - it's a fact. It's just a matter of time, and we are going to have to make up our mind whether we want to put an arsenal in outer space or a university. Whether we want to put in outer space the weapons of destruction or the tools of scientific exploration.

This is what the discussions are about today in the United Nations between our delegation there and the Soviets. This is what the exchange of information was about between Mr. Khrushchev, the Chairman of the Council of Ministers in the Soviet Union, and President Kennedy. And I think that exchange of letters revealed something that's very significant. Do you think that Khrushchev would have ever asked for international cooperation in the exploration of outer space if Lt. Col. John Glenn hadn't succeeded? Lt. Col. John Glenn's

orbital flight, three orbits around the earth, was what it took to bring Premier Khrushchev to a realization that they didn't have a monopoly on outer space and on scientific exploration. Had he failed, had our project failed after all of the exposure that it had, Khrushchev would have been intolerable. The Berlin Crisis would have been intensified. The problems in southeast Asia would have been intensified. Everything would have been intensified. The pressure upon us would have been unbearable, and possibly this was one of the great moments of history. Possibly, it's the turning point. It may very well of been like the Battle of Hastings. It may very well have been like Waterloo when Napoleon was turned back, or the Battle of Thermopylae when the Persian hordes were stopped by the Spartans, because I happen to think that on that day there was something greater than man that protected this nation, that Lt. Col. John Glenn, literally, by Divine Providence, was brought to a successful conclusion of that great space experiment. And because of that flight, today the United States of America speaks from strength at every conference table. Because up until then we had no assurance that our rockets, that our missiles, that our science were adequate to the task of confronting the Soviet Union that had gained a great leap, the advantage on us in years when we were less concerned about these matters.

This world in which we live is a sick one, and possibly we ought to have some prescriptions for it, and I suggested while discussing with some of our fellow pharmacists one day, that

possibly we need to develop some new formulas. Since we're druggists, some of us, we cannot prescribe but we can sure work on formulas - we're sort of social chemists. We need a formula against war. There's one thing this world cannot afford and that is a war of major proportions. We need a formula against economic stagnation or depression, and we need a formula against the spread of Communism. We even need some formulas for the upgrading and protection of the profession of pharmacy. I'm not going to go into that. That is a professional matter which I've touched on in other places. But just let me say about this matter of developing some formulas now in this area of security. Security, first of all, to see if we can avoid without the loss of our freedom, war; and secondly, to see if we can maintain the economic vitality of this country and of the free world; and thirdly, can we contain first and roll back, ultimately, what is called the wave of Communism. I'm an optimist. I don't come here with any Pollyannish attitude, but I'm not going around in ashes and sack cloth and crying crocodile tears about the weakness about this country or our alliance. My fellow Americans, we have done too much of that. We ought to recognize what we have and what we can be. Now, I grant you, that up to a point we have not done all that we could, but we're in the process of doing so. If this sounds political, you'll have to accept it as such. But we have a young man who is President of the United States who's filled with energy, vitality and intelligence and who understands the social forces that are at work in this world -- who understands the interplay of these forces -- who understands that even if Karl Marx



had never been born and Joe Stalin had never lived and Lenin had never led a revolution and Khrushchev had never been heard of -- the President of the United States understands that if all of these things had never happened, there would still be an ugly, restless, disorderly, violent world in the year 1962. And the reason is quite simple. Because whole areas of the world are coming alive; they've been under a cloud; they've been lying dormant; they've been colonies; they've been worse than that -- they've been nothing. People were treated worse than animals, and this world today has approximately 75% of its people illiterate; 80% of its people sick; most of its people hungry. They are not going to live that way any longer.

Somebody once said that the most popular book that we had in the American libraries after World War II, around the world, was the catalog -- the Catalog -- yes, the Sears & Roebuck, Montgomery Ward or anybody else's catalog -- where they would look at the pictures of consumer goods. The world has had a little insight into the fact that things can be better.

We have trained in the Western world enough of the students of the Eastern world, of Africa, of Asia and Latin America -- they've been trained enough so that they have gone home with the message that this can be a better world. And sometimes that educational training has aroused in them great discontent, and sometimes our good fellow Americans say, look what happens when you give one of these fellows from India, or Pakistan or

Afghanistan or some place else - when you give them an education what do they do. They go home and preach revolution. Of course they do, and they should! Yes, they should - because what they're doing is going home and preaching against poverty, against sickness, against unemployment, against hunger and against illiteracy. That's the purpose of an education. Just exactly as it is the purpose of one who believes in his religious faith to try to bring people to a realization of its blessings; and this is the kind of a world in which we live today. In Africa, in Asia, in Latin America -- restless, anxious -- and sometimes -- angry. You can say, well, we don't like that world. Who cares? It's here. You have to deal with it. You can't lock yourself up. You can't put yourself away. This is a little world today, a very small world. It will be smaller tomorrow. Is it any wonder that many people want to escape to outer space? Maybe they think it's more tranquil there - a little more serene. But this is the world of which we are a part, and this world today has people within it who want equality above all -- equal treatment. They want to rid themselves from the tyranny and oppression that has been their lot, and most of these people never knew the tyranny of Communism. They never have known the tyranny of what they call political despotism. They have known only one tyranny, -- the tyranny of hunger, of sickness. My dear friends, right in the Latin American continent, there are vast areas where the life expectancy

is only 30 years of age; where mothers weep when their babies are taken from them through preventable illness. They know it; they've been told by radio. They're also told by those who incite rebellion.

We're going to have to deal with this world. Now why do I mention this? Because we've got a lot of people around this country that are going around America saying "we've got to win--tomorrow"; and we've got people who say we don't even have a policy of winning. We have a policy of winning, but let me assure you that winning isn't just the wishing of it, any more than going to the moon is the wishing of it. It has taken years to develop our science. Some of you in the field of research here, in your chemical pharmaceutical houses, know that you have taken years to develop a product. You were trying to win. We're trying to win the struggle against cancer. God only knows we need to. And we are pouring hundreds of billions of dollars into the fight, but I haven't heard anybody get up and say we've got a no-win policy about cancer. It takes time. It takes a breakthrough. This is a terrific challenge, and we are going to take time, my friends, and you and I will not live long enough to see what we call the full victory in this world in which we live because the victory we want is not the victory that everybody is just like the United States. It isn't a victory that all people are under our sovereignty. That isn't what we are seeking. The victory that we seek is that people may live a little better, may have a better life,



a little more freedom, a greater quality of social justice in our social organizations and political organizations. The victory that we seek is to emancipate people from their despotism, from the tyranny which grips them, whether it's the tyranny of the Communist or the tyranny of the Facist or the tyranny of the crook and dictator or the tyranny of illiteracy, of ignorance, of ill health and of poverty. Because those tyrannies are just as real as the others. And what I worry about is that we are obsessed with the struggle against this fellow like Castro, but we were never obsessed with fighting against the very forces that brought Castro to power, the forces of ignorance, of hunger, sickness, poverty, frustration, hopelessness that grips millions of people throughout this world. And until we fight that fight, there will be more Castros.

I was in the Argentine. I spent this last year, months traveling for my government. It cost money. We are all the time accused, those of us in Congress, of junkets, well, come along on one sometime and work 18 hours a day, write about a thousand-page report for the departments of government. Come back and be briefed and de-briefed by the different agencies of government. Go to these far away places. Talk to these people, and see. When I came back from the Argentine, I put in my report to President Kennedy that there is going to be trouble, and the reason I knew there is going to be trouble is, that if I know anything at all, it's something about social forces and people. I work with people all the time. I listen to people. I

hear their complaints. I have a way of sensing, as you have, whether or not these complaints are genuine and real and deep. When I came back from the Argentine, I wrote in my report there will be a strong wave of support for the so-called Peronista, the followers of Peron, but it will not be a Peronista victory, it will be a victory for those who are protesting things as they are. You can't maintain the wage structure here and have the cost of living go up there. You can't tell people there's no room for housing when they are desperately in need of it. A country that was robbed, a country that was bankrupt, a country that was bled by its dictator, fighting for its life had three years of constitutional government. Is it any wonder there have been drastic changes in the Argentine in these past few months and past few weeks?

But let me say lest anyone misinterpret my remarks, I am optimistic about the Argentine because there's good people there. There is good land, there's good resources. With land and people and resources and the desire to do something with these resources, this area is bound to move ahead. Progress is our business, and it will progress.

Now, lest you be dismayed and feel everything has gone bad, let me tell you about some of the other fellow's troubles. I had the privilege of being in the Soviet Union a few years ago. I think I talked as long as any man in the United States

at any one time with the Premier of the Soviet Union. I sat across the table from him for eight hours and twenty-five minutes, the most exhausting experience of my life. This is a shrewd fellow. He's a toughie, and don't underestimate him. He's a natural born leader; he is a political man; he is, however, a confirmed Communist. With all of these other traits, he has overwhelming confidence in himself, in his system, in his ideology. He's tough competition. I have confidence in ours, too. Time doesn't permit me to tell you about some of those arguments even though we had a mighty good, rough go-around without any extravagances in terms of any abusive language, but just stating our case, one to another. But I have never believed that these Russians were ten feet high, and I don't even think Texans are--some of them are a little taller than some of the rest of us--and I don't think that these Russians are pigmies either. They're people, and they're not all Communists. In fact, the Communists are a limited number in Russia. They're only about five million out of 220 million because it's the five million that's the elite. And great changes have taken place in the Soviet Union. When I came back from that tour in the Soviet Union, I wrote an article for Life magazine which some of you may recall. In that article, I pointed out that Mr. Khrushchev had had to accept the principle of incentive for production. I told of a conversation that we had relating to the Chinese communes, and I believe I was one of the first to point out there was a growing difference between Peking, China,



Communist China and Moscow, Soviet Union. That difference was genuine, that it was real. That while they may temporarily patch it up, it's an ideological difference. The Soviet Union is a "have" nation; it's the second richest nation on the face of the earth next to ours. China is a "have not" nation; China has a terrific population pressure. The Soviet Union does not. There are many other differences. The soviets have become somewhat more conservative; they have too much to lose. When the Chinese foreign minister said two years ago that China could endure a nuclear war - that even if 350 million Chinese were killed, there would still be 350 million left - Khrushchev got pneumonia. And I'll tell you why, -- political pneumonia. He got a chill that left him with goose pimples bigger than an ice berg because that was exactly 130 more million people killed than there are in the Soviet Union. And what the foreign minister of China was saying to Mr. Khrushchev is -- look, Mr. Khrushchev, don't push us around, because we can endure a nuclear war; we can lose half of our population and we would still have 350 million people left, and all you've got to start with is 220 million.

These people who understand analyze all of these things, they calculate them, they put them through their political IBM machine and they come up with some very strange conclusions. Mr. Khrushchev has problems.

First of all, he can't get his agriculture to work. Now I come from a midwestern state, and you good business people

have always been told about the problems of our agriculture. You have been told about its high cost. Well, all the cost you read about is not for agriculture. Some of it is just for lunches for your children in school. Some of it is just to feed the needy people. Some of it is part of our international program of Food for Peace. But be that as it may, there is one thing I can say for the American farmer - he's the greatest producer on the face of the earth. No industry equals him. The rate of his production growth is greater than any industry in the world. It puts the steel industry back looking like it's paralyzed. One American farmer feeds 35 people, and in the Soviet Union it takes four Russian farmers to feed five people. And all over the world, this is the case. Our agriculture has an explosive quality to it of technological efficiency and production. Their's is a total flop. And mark you this my friends and fellow citizens -- that all over the world people are groveling for a little food -- 80% of the population of the world is agrarian. They're trying to scratch out a little food, and Khrushchev says to this world in one speech - follow us - we're the wave of the future. And in the next speech he says - we can't even produce potatoes. I want to tell you that a system that proclaims itself as the wave of the future and can't produce potatoes has damned itself before it gets started. And Khrushchev's agricultural breakdown is in the Achilles heel. When Hubert Humphrey went to Western Europe and Eastern Europe last July on the occasion of the third crises in Berlin, I reported to your President

that I didn't think the Russians could force our hand because there was a breakdown in food in the Communist bloc. First in China, and you've seen what they're up against. Secondly, in East Germany and thirdly, even in the bread-basket of Rumania and fourthly, in the Soviet Union itself. I had reporters say to me, well Senator what evidence do you have? I said, "evidence of seeing reports," - and those reports have come true. Khrushchev's got lots of troubles. President Kennedy's got a little trouble - the farmers produce too much in America. Khrushchev's got a little trouble - people are queued up for rations. And look at this Pigmy down here in Cuba - he's wrecked his farmers too with his totalitarian collective system. What else is his problem in Russia and the Sino-Soviet bloc? First of all, a great ideological war between, what I would call, the aggressive, over-excited new Communists and the more conservative, or at least the more steady Communists of the Soviet Union. You cannot have two emperors in the same empire. And not only is there ideological difference between China and Russia, the fact of the matter is, that Mao Tse-Tung of China, the head of the Communists in China doesn't like Khrushchev and Khrushchev doesn't like him, and these are people. Despite their ideology they're still people and that hasn't a bearing on it.

What other problems do they have? They are short of capital. They don't have the money. Khrushchev's seven-year-plan is



already out of kilter. His twenty-year promise of getting ahead of the United States in twenty years is hopelessly lost. Because for the first time, my fellow Americans, they've over-extended themselves and we're confronting them on the national security front. Your government for years bought just enough military hardware to make all of us feel, as they said, a bigger bang for a buck. You're going to get a bargain-basement defense - you can't get, it is costly. I can say one thing more for my President and your President, he has insisted that this country equip itself for the responsibilities that we have undertaken. We've committed ourselves to 44 nations in terms of their defense and security. We have those mutual defense pacts, SEATO, the Organization of American States, SENTO in the Middle East, NATO. These are commitments, these are not pieces of paper. Our honor is at stake. We're committed to Berlin and we've made Mr. Khrushchev understand that we'll fight for it too. And when he found that out - he says "Wait a minute, let's get those tanks back, they're too close." And the Russian tanks were withdrawn and our tanks were withdrawn. Oh no, I'm not saying this couldn't break out - I'm not saying that there isn't a prospect of accidental war - it could happen. I'm not saying that there could not be miscalculation - it could happen. But I am saying this, that right this very minute as I speak to you, the men in the Kremlin are trying to figure out whether they could keep up the arms race or whether they are going

to have to buy tractors for their farms. Can they afford to keep up the arms race? Or are they going to build some housing for their ill-housed people. Are they going to keep up the arms race or are they going to meet their promises of consumer goods? They're in a major policy battle in the Kremlin. This is why your government today deals very carefully with the Soviet Union, because they're like a wounded animal. We are letting them make that decision as we press them. So that your country today and your government spends billions for security, not because we want the arms race but because we have come to the conclusion, what President Kennedy said in his Inaugural -- "We shall never be afraid to negotiate, but we will not go to the conference table and negotiate from fear." We're there in Geneva now, negotiating from strength.

The Polaris missile, sixteen of them are in each submarine, and each with enough explosive power more than all of the explosives used in World War II, - on one submarine. Let me tell you no matter what would ever happen to our strategic air bases, to our hardened ICBM's, that there are at sea this very moment deep down in the ocean these fantastic, intricate systems of missiles that have in each missile a target that will be totally destroyed. One Polaris submarine is equivalent in fire power, in explosive power, in destructive power to all of the ammunition bombs used in World War II from 1939 to 1945. Let that fact sink in. And Mr. Khrushchev knows it. And there is no known weapon today that can detect

these submarines or put them out of commission -- maybe next year, yes -- maybe two years from now -- who knows.

Our President does not want an arms race, nor do we. We want a peace race, and strange as it may seem, my friends, while we arm to parley, as Churchill put it, we are pressing forward with our negotiations, with our program of bringing a better life to many areas of the world. We have a disarmament agency, and I'm proud to be its author. We have equipped ourselves to negotiate. Too often did I see vice presidents of companies brought into this government and in six weeks supposedly briefed and trained to sit down with disciplined Communists who have been trained for 25 years in the subtleties of diplomacy. I saw this, my friends, because I have been at these conferences. I've been a delegate to the United Nations. I've been at Geneva on the conference on nuclear weapons. I was there for the surprise attack conference a few years ago, and I saw trained, educated, clean-cut, good-looking, able, subtle, clever, dangerously-trained Russians come to those conferences. They come in with box-car loads of briefcases and filing cabinets. They didn't come there to have a quick arrangement; they came there to stall; they came there to win. And finally, some of us said we need to equip people to negotiate just as you train people to be generals and admirals and lieutenants and captains; and we have established in our government last year a United States Arms Control and Disarmament Agency so that never again will we go to a conference unprepared. It's



too risky.

What else have we done? We have mobilized your young people into the Peace Corps, and every day there is good news around the world. Every day, governments that didn't like us are now writing back to the White House and writing to your newspapers and saying the Peace Corps is the greatest thing America has ever done. And what is it? It just means that some of our young people are out fighting another kind of an enemy; they're not up there on the military line; they're out there on the health line; they're teaching people how to live; they're combatting disease; they're training farmers; they're organizing youth groups. The Peace Corps. And that Peace Corps last year cost you, my fellow taxpayers, less than 20 million dollars, less than 20 million dollars -- that is much less than it will cost for one single explosion out at Christmas Island in the nuclear tests. This year we're going to double it, and we're sending young men and women, average age 24, all over the world to bring the message of what -- of American know-how, of American democracy, of our enlightenment, our culture, of our training to help other people. It's doing wonders.

And we are using our food and fiber to feed the hungry. May I say to some of my friends in the pharmaceutical manufacturing business, we are signing agreements all over the world with countries even behind the Iron Curtain to fight disease, using food, believe it or not! Let me tell you how it works. We sell surplus food to a country.

We get their currency for it. We deposit that currency in a bank. We make arrangements to loan that currency back to that country at interest, repayable in dollars, and then we set aside 15% of it for what we call humanitarian or social purposes. And with that 15% we offer scholarships to bright young people from other countries; we engage in medical research; we buy facilities; we translate books; in other words, we try to get at the hearts and minds of people, and it's working.

Our foreign policy today is built on many platforms. It has many mansions. It has the United Nations which, by the way, still serves this country well. May I just remind you despite its critics that we have never lost a crucial vote in the United Nations in seventeen years. Your total cost for the United Nations on our part is slightly over one billion dollars in seventeen years. The Soviet Union has used the veto a hundred times, paralyzing the Security Council; we never had to use it once; and we have not given up one thing. We have been able to convince enough nations that our position was right, and yet I hear people today say, watch out - there are a lot of new nations in the United Nations - watch out, the United States! My good friends, I welcome the opportunity as an American to confront a Soviet on any platform if I've got a good case and we've got one. I have heard good Americans say the United Nations provides the Soviets, the Communists with a forum for their propaganda; they use

it. They do. And in that sense the critic is right. The United Nations does provide the Soviets - Mr. Zorin, Mr. Kutneztsov - whoever it may be - provides him with a forum, with a microphone, with a radio, but it also provides us with one. What are you afraid of? Are we going to say that we don't have an argument? I think we've got a good case and as Mr. Zorin, the Soviet Delegate walks to that assembly platform and makes his utterance, our delegate walks up there and exposes the hypocrisy of the whole deal. And mark my words, we have yet to lose a crucial vote in the United Nations for seventeen years. Is it any wonder that Khrushchev doesn't like it. Is it any wonder he took his shoe off. I wouldn't like it either if we couldn't win in seventeen years. And yet we have people today who are good-meaning Americans that say - get the United States out of the United Nations. And then we have some who say - get the United Nations out of the United States. And they wrap themselves in the flag, then they say this United Nations is an evil instrument; it provides a place for Communists. Of course it does, there are Communists in the world, and this is a reflection of the world; and the United Nations is just about as disorderly as the world. You don't remake the world in New York. It's a mirror that reflects the world; this is the world we're living in; this is the world of reality, not the world of myth and fiction. But these same good Americans - and I don't impune their motives at all - these good Americans wrap themselves in the flag and they say, this United Nations has got to go. It's an alien force; it's a sinister influence.



Get the United States out of the United Nations, and get that United Nations out of the United States. And strange as it may sound, my good friends, that's exactly what Khrushchev says - the same thing. He's over there every day in Russia saying, get that United Nations out of the United States - they are surrounded in a capitalist sea - and he says, get the United States out of the United Nations. And he does everything he can to paralyze it. He does everything he can to wreck it. He wanted to wreck the Security Council. He wanted to wreck the Secretary General's office. A great lover of peace, a great dedicated humanitarian, Dag Hammarskjold lost his life in the cause of peace.

Now there is a Burmese, U Thant, who is proving to be a tough-minded man. We won the argument in the United Nations. We didn't divide the United Nations into three parts like Mr. Khrushchev wanted. The Soviets haven't been able to pass a single resolution for their propaganda purposes or their so-called security interests. And yet, my friends, there are people here in Miami, there are people in every city in America, that condemn this instrumentality, saying that it's a source of trouble. Now don't misunderstand me again. It isn't perfect; it has its limitations. We do not rely on the United Nations alone. We use the United Nations, we work for it when we think it is desirable. We have NATO - we have SEATO - the Organization of American States - The Alliance for Progress - our bilateral arrangements. We are like a great symphony in our foreign policy.

There is a role for every possible facet of our government.

I leave you, therefore, with these thoughts - that if you are one of these persons who can't take it - if the strain of this modern time is too much for you - that you have despaired already of the prospect of victory - then do a favor, will you, for your fellow human beings - move over, let somebody up front who hasn't given up. Don't block progress. Progress is your business that's what you say, and I agree with you. You're progressive people. This struggle will go on for years, and better that it is an economic struggle, better that it is an ideological struggle, better that it is a cultural struggle than it is a thermo-nuclear war. Because a thermo-nuclear war, which I believe we could win militarily, will leave very little of what we call freedom and free enterprise and the values that we hold so dear. It will leave very little of that. This world will be scorched. Vast areas of humanity will be utterly destroyed, and generations yet unborn will be affected. The task of statesmanship is to see that terrible catastrophe of thermo-nuclear war does not take place; and because this is the task of statesmanship it takes great patience, persevering patience; and it takes great courage, continuing courage, and it takes above all, a kind of moral and spiritual, political and finally, of course, economic strength to be able to stand the long ordeal.

So be of good cheer. Humanity does not want to live in chains. People like what we are doing and what we have. They may act jealous; they may at times not be understanding

of us. It is our task to understand them. It is our task, therefore, to emphasize what I think are the great factors of peace - and I've said this from every platform - I don't think you need a new foreign policy because mark my words, the seeds of dissension and disorder are as old as man himself, and whether you read from the old or the new - from Isaiah or from Luke - or whatever may be your faith or your sense of values - you will find that the philosophers and the teachers for generations, yea, for centuries have admonished the leaders of the countries, of communities and of societies to feed the hungry and to heal the sick and to clothe the naked. These are just things that people have to do. It doesn't mean that we can do it in the fullness of our desire. It means, most importantly, that we want to help people help themselves. It means that we have faith in what we are doing, that what we are doing will help people help themselves, to lift themselves.

I am an optimist. I'm proud to be a citizen of the strongest, the most powerful, the richest, the most advanced nation on the face of the earth - your country and mine, the United States of America. Make no mistake, that's what we are. And I am proud to live in a time when my country and your country, our country, has been called upon to give of its best, to give of its brains, to give of its intellect, to give of its science, of its technology, to give of its food - yes, to even give of its money and to give of its young to a world that is suffering and that desperately



needs guidance and care and direction. Somebody is going to give this world direction. There is no such thing as a power vacuum. There is always a force that rushes in. Now fellow Americans, make up your minds, either we're going to give it the leadership that this world needs or men like Khrushchev will do it. Either we are going to help lead the people in this western hemisphere to a better life in freedom or men like Castro will do it. There is no other way. You can't close your eyes to it. Even at a convention, even when we are enjoying the luxuries of life, and I ask, therefore, that our business people who are respected in the American community, who are leaders, who have the admiration of their fellow citizens--I ask that you become true citizens, not just economic citizens, but social citizens, political citizens, searching out and seeking better understanding so that you can talk to your families and to your neighbors and to your friends about the kind of a world in which we live and talk intelligently without fear; and then, you'll lift your eyes to the horizon and talk about the kind of a world you want to live in, the kind that is worthy of your flesh and blood, of your children, of the heritage of this nation.

Thank you very much.



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