PRIVATE ENTERPRISE AND THE CITY

HUBERT H. HUMPHREY

Vice President of the United States



In this examination of the manifold needs of our cities, Vice President Humphrey calls for "a partnership of government and people; a partnership of government and private enterprise which cuts across all barriers; a partnership which cuts across old jurisdictions, old myths and animosities." His thoughtful message should be read by everyone concerned with the betterment of urban life.

Robert C. Weaver, Secretary Department of Housing and Urban Development

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To be Vice President is a challenge. At times, it's a problem. But, at all times, I find it interesting. I don't think I need to tell this audience that this is an office that is unique in the governmental structures of the nations of the world. It's been described in many ways and most of them in an uncomplimentary manner. As I said to a group the other night, since everybody is so disturbed as to just what

the Vice President does, whether you really ought to have one, whether he really performs any useful function, I think that what we really ought to do is include within the traditions of America some element of continuity. Therefore, I have just nominated myself for Vice President from here on out, on whatever ticket anybody may have. There is so much uncertainty in the world today and things change so rapidly that you ought to have something that you can hang on to.

What's more, I don't think people ought to fight about this job. I've become accustomed to it now and if you have no serious objection, I'll just stay on. (The last time I said that, there was a mass exodus from the hall.)

Newspapers and Public Affairs

I want to talk to you today about my role as a newspaper reader. As one of the world's alltime champion newspaper readers, I want you to know that I feel somewhat at home here. I hope you'll feel at home in the company of one of your major markets, too; because, believe me, every man in public office scans through those newspapers rapidly, and then he reads in greater detail. You can always tell a politician when you see him with a paper. It's when he is running through page after page. That means he's looking for his name. And if he finds it, you can generally find out whether he is enjoying it or not by just observing his countenance.

Someone once said that we are governed by men and newspapers. I think we in Washington have reason to believe the latter. At least, I can tell you that you ought not to underestimate your influence; and I don't think you do. You're a part of a great profession, and if you underestimate it, I suggest that you consult with my wife some morning just after I've finished reading some editorial pages. When I'm going through a series of papers, and I read a certain editorial and go storming out of the house, if you don't think you have influence, you ought to take my blood pressure on that occasion.

A Time of Testing

I'm going to take as my text (and this will demonstrate the complete loyalty which you expect me to have and that I readily have) a few lines from President Johnson's State of the Union Message. He said, first, "I've come here tonight to report to you that this is a time of testing for our Nation." I think Americans like that line. I think they like to be challenged. I think most Americans today feel that it's pretty soft and they'd like to firm up, so to speak, and to know that they are capable of being tested.

Then he went on to say, "At home, the question is whether we will continue working for better opportunities for all Americans when most Americans are already living better than any people in history. Abroad, the question is whether we have the staying power to fight a very costly war when the objective is limited and the danger to us is seemingly remote. So our test is not whether we shrink from out country's cause when the dangers to us are so obvious and close at hand, but rather whether we carry on when they seem obscure and distant and some think that it is safe to lay down our burdens.

"I've come tonight to ask this Congress and this Nation to resolve this issue and to meet our commitments at home and abroad; continue to build a better America and to reaffirm this Nation's allegiance to freedom."

Foreign and Domestic Policy Intertwined

I can use those words as text for any audience, because the simple truth is that our foreign policy is no better than our domestic policy. Out national security is no better than the strength of the American people and of the economy. The military establishment is but the sharp cutting edge of a social-economic structure; that edge will be durable, cutting, and strong only if the blade of the economy is that way. So, I come to talk to you about our country—not about our foreign policy as such; not about Vietnam, but about us—we, the American people, what we're going to do here at home to provide for the common defense and promote the general welfare.

Our Need for Social Innovation

The past few years are very familiar to all of us; we've lived through them. They are amazing years of change, of technological and material progress. Obviously, there has been a need for new things, and that need has been met. But I am also here to tell you that we need some social inventiveness as well as technological inventiveness. We need social innovation, and we need to create a market for these social innovations as well as for our material items. We have urgent and keenly felt public needs; most of them are coming into focus in the great urban areas where twothirds of our people presently live and where within 10 years three-fourths of the population of this country will live. We're going to have to decide in this decade, not 20 years from now, but in this decade, whether we're going to have a Nation committed to life, liberty, and the pursuit of happiness, or whether it is a Nation that is bound up in its own inadequacies and its own deficiencies.

Now, there has been no place, by and large, where people could go to shop, to look around for better public facilities. For example, there has been no place where you could shop for a better public system of education or public school system, or the means of eliminating poverty and racial dis-

crimination, or unsnarling our traffic jams or ridding our air and our water of their perilous pollution. There has been, by and large, very little imagination on these subjects, very little innovation, and very little competition in deciding new means to meet old needs.

Innovation Illustrated—Job Training

Fortunately, within the last few years, we are beginning to get some innovation in meeting public needs. For example, those of you from Philadelphia know of one splendid example in your city. There, a minister, the Reverend Leon Sullivan, with the help of other Negro ministers, organized a center for training in needed skills. He called it "Opportunities Industrialization Center"-OIC-because this man knew that the unemployed were unemployed because they were unemployable. He knew that there was a hard core of unemployed that needed education, training, and orientation. He knew that it wasn't enough to merely offer a job; job offers mean nothing if you are unable to hold a job. He knew what I am here to retell you: that you can send 100 of the hard-core unemployed to a factory that has 100 job openings, and a week later only 5 are on the job; 95 fall by the wayside. He knew that something must be done. He was as creative in his thinking as you are in your advertising. He started to look for new ways to meet old needs.

He received staunch moral and financial support in the beginning from just a limited community, the Negro community. But then a little later, support expanded and under the leadership of the Greater Philadelphia Chamber of Commerce—not the most liberal, far-out organization, not the social workers—with the help of the Chamber of Commerce, businessmen rallied behind the effort with both money and equipment. Labor unions relaxed some of their old habits and helped create new job openings. The government moved in with a little seed money, and in the first three years that one center in Philadelphia has placed something like 3,000 hard-core unemployed Negro adults and youth (a third of whom were formerly on relief rolls for extended periods of time) in decent jobs.

One lady with three children had been on relief for 12 years. She was encouraged to enter the job training center and she did. She took the training; she was placed, and today she is earning her own way and paying taxes and supporting her family as an electronic assembler.

"Learn, Baby, Learn"

Ninety percent of the center's graduates are holding jobs today. Prior to that, 95 percent lost their jobs before they had even been sent to a job opening. More than \$8 million in new purchasing power has been added to Philadelphia's economy and the glowing slogan, as one of Rev. Sullivan's colleagues told me last week, is not "burn, baby, burn," but "learn, baby, learn" and "earn, baby, earn." The same men who led the marching in the streets; the same people who protested are the very same people today who are leading the efforts for progress.

My fellow Americans, I think we've entered a whole new era in this country, if we'll but give it some help and impetus—when we move from what we call the era of protest into a new period of economic and social progress.

I speak of this program as a "for instance," because I get a little weary of theoretical discussion. I tell people when I talk to them, give me some examples. I've heard all of the fine proposals and plans that man's mind can conceive. Show me something that works. This plan works in 65 cities today. And how did it start? Because someone dared to start it. Because someone had creativeness, imagination, real determination; someone recognized that it was a time for testing and said, "The only way that I know to do the job is to start at it."

Jobs-For-Youth Needs Your Help

Perhaps there is one of these programs getting underway or planned in your city. If so, I ask you to check it out; I ask you to give it a helping hand. I didn't come here just to talk with you. I came here to ask for your help. I want your help in every community in America—in our youth opportunity program this summer. I want you to recognize that we have a vast number of unemployed teenagers standing on street corners. I want you to go back to your community, wherever it may be, and find the mayor, find the governor, find the head of the Chamber of Commerce, find the establishment leaders and ask them, "What are you doing to prevent a riot? What are you doing to open up job opportunities? What are you doing to train people who have been looked upon as untrainable? What are you doing to find out the facts?"

Because, my fellow Americans, we can no longer afford the violence, the disorder, the despair, the hopelessness which have gripped too much of America thus far.

Chicago's Urban Progress Centers

The time is at hand to change the course of this Nation for the needy, for the poor, for the deprived. Now, this is but one example that I've given you.

I could take you to the city of Chicago, which has had all sorts of problems. I was there two weeks ago; I saw my friends here from the Chicago press as I came in, I visited the urban progress centers. I would be the last person to tell you that the program works with *complete* effectiveness. I will only say that all the stories that are written about the "lack of coordination," the "duplication"—that those stories could be rewritten if some of the observers would go to where the work is being done.

There are seven urban progress centers in seven slum areas; seven urban progress centers where young people who were considered "gang" boys, adults who were considered unemployable are literally recruited from the slums, the taverns, the back alleys and the pool halls, where they have been hiding out in shame because they knew they could not meet job standards. The shame became a habit, and they became apathetic, indifferent, despairing. Through community representatives from the poor themselves, these people have been recruited. They have been brought into an orientation center. They've been taught the simplest things

in life—how to stay clean, personal hygiene, how to board a bus from your home, so to speak, and get to the place of employment, what to do in terms of consumer economics, how to punch a timeclock, how to deal with a union shop steward, what to do in the coffee break, and how to stay on the job and learn. A coach has been appointed for every 10-12 as a "followthrough" man—to see that human resources are not wasted.

Rehabilitating Human Beings

I happen to believe that the way we're going to rebuild the city (that everyone now talks about) is by rehabilitating the human being that lives in the city. Man is affected by his environment, but man also affects his environment. If a man has come to the point where he no longer cares about himself, has lost his sense of self-respect and dignity, then the environment that he lives in literally reflects that evaluation of himself. It is without dignity. It is dirty. It is obsolete. At times it is degrading.

So we're engaged today in a tremendous effort in America not only to improve "things," but to improve people; not only to upgrade the quantity of our goods, but the quality of our life. I call upon people here to have a sense of mission—a sense of mission to know that you can "bring back to life" people who for all practical purposes are the "walking dead"—dead of spirit, dead of hope, dead of opportunity. They can have hope, they can have spirit, they can have opportunity, but it will take some doing.

Private-Public Partnership

This is what I call partnership—partnership of government and people; a partnership of government and private enterprise which cuts across all barriers; a partnership which cuts across old jurisdictions, old myths and animosities. The question is: How can we build a better and stronger America in which all will participate and benefit?

As a boy, I grew up at a time in this country when the Federal Government did very little to fulfill one of the major purposes of our Constitution—to promote the general welfare. That was the battle which Franklin Roosevelt and his New Deal fought and in part won—to get the Federal Government to assume and fulfill its share of responsibility for the general welfare of the American people. Now, some people feel that Mr. Roosevelt and his New Dealers gave us an overdose of what they called "governmental paternalism."

Please note that I have been talking about the share that the Government *ought* to assume. I think it's now fair to say that some of us recognize that it is just as wrong for the Federal Government to attempt to do *too much* as it is for it to do *too little*. Moderation in all things—balance is needed.

Solving Local Problems Locally

Most of our problems are best challenged where they arise, at the local level. Your problems are not in Washington—but where you live. That's where the violence takes place; that's where the lawlessness is to be found; that's where the poor housing is; that's where the good jobs are. That's where the good schools are, or that's where the bad schools are.

Washington reflects much of what goes on in the Nation and thereby is in a sense a meter. But the problems that affect your life are where you live. It means, therefore, that programs and projects must be locally inspired, locally developed and locally administered—but in the context of a broader plan or pattern which includes State and regional development, backed up and supported by Federal assistance.

An Evolving Pragmatic Relationship

This is what we mean by partnership—not a monolith, but a mosaic in which every part is distinct, but each part adds to a beautiful pattern; not a structure in which there is a dominating force, but in which there are cooperating

elements. I would be the last person to tell you that we've worked out this formula; we're still struggling with it. We're a pragmatic people. We do it by trial and error. We're trying now more than ever before in our national history to make this Federal system work. We're beginning to understand more than we ever did before that, while government has an important role to play, it is not all-important. It is a vital role, but it's not the only role. Therefore, I come as an official of government, to you as members of the private sector, to ask you to take up your leadership and put your leadership to the task of helping this country.

Complexities of Revenue-Sharing Plans

Washington abounds with all kinds of proposals, for example, for Federal revenue-sharing. It's always easy to get somebody else to raise the taxes, and then you just kind of reach in and get some. I was the mayor of a city for two terms, the city of Minneapolis. Nothing ever seemed to excite me more than to be able to get some revenue from somebody else other than that which we had to raise at home. I might add that I saw the problems of local government, close at hand.

I think you ought to know that there is substantial sharing already. You might be surprised to know that State and local government will receive over 17 percent of their total revenue this year from the Federal treasury. This is not to be interpreted as rejecting proposals for further revenue-sharing, because I think we need to take a good look at this matter. I do not think, for example, that the Federal Government would be keeping proper faith with you if tax revenues were to be handed over with no strings attached, as some have proposed to State and local governments which might not be ready—by organization or authority—to effectively use those revenues.

Effective Organization Needed

Methods of distribution will have to be devised. Problems of allocation among States and various levels of govern-

ment will have to be solved. Tax sharing, which is a good slogan down here, is not a panacea for local problems. It should not be over-simplified. It is, however, worth serious consideration and thorough debate.

Money alone is not the answer to the needs of our States and cities. As a former practitioner of political science, may I say that we used to give a simple definition of good government and that was "good people and money." If you have good people, professionally trained people and resources, you can generally have good government. But money alone won't do the job, and I'm going to lay it on the line to you: better management and better organization are urgently required, as well. Merely to ask for another \$50 million does not solve the problem at all.

Obsolete Constitutions and Charters

Many of our State constitutions, the basic legal structures that affect your daily lives, can either impede or facilitate social progress. Many of them are out of date. They are as out of date as the old wireless and gramophone. Many of our city charters deny city government both the authority and the resources to do the job that needs to be done in your city.

So, I call upon people who have an impact on the life of this Nation to think these problems through, because we're going to have to face up to the question, right where our people live. Either we're going to repair the structure at the local and State level, or we're going to face an ever-increasing encroachment of Federal authority, Federal activity, without local responsibility. That we should not hope for. We should hope rather that we can do it at our own hometown level.

Reevaluating Plans

And I ask you, therefore, when you return to your communities to ask some questions about your State and local governments: Ask the question, "Are we organized properly in our community—for air pollution control, for example?"

Can you have air pollution control in one city, but have a jurisdictional line that gives another city next door the right to be without any air control? I think not.

Are we organized and tooled up to meet the responsibilities of tomorrow? Are the departments and the agencies of your State government prepared with professional personnel, with modern organization to manage and administer, to "mix" the programs required to meet the problems of urbanized society? Do you really have a transportation authority in your State, or are you just talking about traffic congestion? Do you really have traffic engineers in your town, enough of them to meet the traffic problems, or do you prefer mainly to cuss out the police department for the parking tickets?

Streamlining and Coordinating

You see, you can't solve these problems from this hotel or from Capitol Hill. We're going to have to do it out where we live. Are the committees of your State legislature equipped to analyze and oversee these same problems? What is their professional staff? What kind of research is being done? Do we need laws and ordinances? Do we need reorganization and consolidation of local government, or do you really think, for example, that you can work with 1,400 separate jurisdictions of government in Greater New York and have a pattern of unified activity? Is there regional cooperation in your area between your States and your counties on a functional basis?

You see, I think we need more effective and streamlined government at all levels, not just here in Washington, where it's surely needed. We need people in all areas of public life better trained and seasoned by experience. But I want to stress some new ways that your sector of the economy, private enterprise, can contribute to the solution of our national problems.

I happen to believe that this is where the main strength of America is. It's in our factories, our banks, our shops, our newspapers, our media. This is the two-thirds or the three-fourths of America that needs to be put to work.

Needless Public-Private Quarrels

I believe in the profit system and I believe it can work more effectively than it has for the public good as well as for private gain. For too long, business and government have entrenched themselves on opposite sides of an imaginary line—a line that divides the so-called private sector from the public sector, and they have glowered at each other like mortal enemies. Political demagogues have had a field day working you over, putting one of you against another, saying that "you're doing this to government." we have more "fight promoters" per square mile in Washington, D.C., than any other place in the world and they are always promoting some struggle.

Some businessmen suspect the Government of an "insatiable appetite" to expand its functions, to encroach upon private enterprise and ultimately to stifle it. You've read a thousand editorials about this.

Some Government officials, I might say with equal candor, have regarded business as "apparently oblivious" or even antagonistic to the public interest. Why, some even regard profits as actually immoral, rather than as an incentive essential to efficiency. (Even the Communists are now going to recognize the necessity of profit as an incentive.)

Problem-Solving and Profit-Making

I lay out these old suspicions here before you, because we have to take a look at them. But they are rapidly receding into history. I think a new spirit of mutual confidence and cooperation is replacing them.

I don't believe the Government has any monopoly on wisdom. I think we need to draw upon the ability, the energy, and the talents of all the elements in society in dealing with our problems. The problems are too massive today for any one of us, far too great. I believe that we should seek to make meeting public need actually profitable for private enterprise.

I doubt that public servants before have talked about

meeting public need as a profit-making venture for private enterprise. We ought to create markets in meeting these needs for which companies can compete just as they do in designing and selling automobiles and television sets.

I'm pleased that, in our war on poverty, for example, we haven't relied entirely on government. We've reached out to corporations to operate our job centers and our Job Corps facilities, indeed to compete in seeing who can do the best job. I am convinced that, once business has the real taste of meeting public needs and finding out that in meeting public needs, you do not destroy your own resources, once you've had the taste of helping the poor and doing it profitably, we will have come a long way in fully harnessing the energy and ingenuity in our country.

Profit and morality are a hard combination to beat. We have many people who preach morality; we have a larger number that preach profits. I should like to take a moment to ask you to have the two join together in wedlock—morality and profits.

Turnkey Approach in Housing

Let me give you an example of what I mean. Until recently, public housing and private homebuilding seemed like complete east and west, "never the twain shall meet." But with new and imaginative adjustments in government procedures, we have made it possible for homebuilders to carry housing projects from the start to the finish, from assembling the land to turning the keys over to the local housing authority. You know what the result is? We've been saving from 15 to 20 percent on housing costs and getting a better product.

We're also using this same turnkey system for literally rehabilitating thousands of rundown houses and neighborhoods which ought to be reclaimed.

We have had a bulldozer mentality in this country at times. Every time we see something that looks a little tarnished or a little old, somebody says, "Let's run the big machinery through it and tear it down." The trouble is that there are people who live there. What we need to do is run our minds into there and figure out how we can build up, revitalize that neighborhood, save that which is good, discard that which is bad, and give people the chance to enjoy some reasonably good living.

This has become known as a home rehabilitation industry; it has a potential market of nearly 8 million rundown dwelling units throughout this country. We should be able, for example, to put people to work in these same areas, building and rebuilding their own homes, thus acquiring what has been called a "sweat equity" in their own home construction.

Can we do it? Am I talking theory? No. We're drawing right now upon the inventiveness of some of our great industries, as well as the experience of the building industry. I think, for instance, of the new techniques of the U.S. Gypsum Corporation, which is trying out the rehabilitation of Harlem tenements. It's working. Oh, I know it isn't working well enough, but it's working. The first printing press didn't work too well either. The first airplane only flew 12 seconds. It didn't work too well, but the breakthrough was made.

Consolidating School Construction

There's been another promising innovation in the creation of wider markets in the field of school construction. We've been going around building schools as if somehow or another we'd only need about one a year. Thirteen school districts in California recently got together and agreed to build 22 schools under a single contract, at one time. Five years ago, that would have been impossible.

Rather than inviting separate bids for buildings, for air conditioning, lighting, etc., they wrapped up everything in a single package for 22 buildings in one contract and saved the taxpayers millions of dollars. They made the package big enough and potentially profitable enough to induce interested bidders to come up with more efficient and more economical designs for the schools.

The result for the school districts concerned will be first-rate, modern, flexible schools costing about 18 percent less than the conventional schools of the same capacity in the neighboring communities. It can be done. You as taxpayers ought to get excited about it unless you just want to give away the 18 percent. This is a simple and effective technique which I believe can be applied to many areas.

Using Problem-Solving Corporations

I see great opportunities for a brand new type of business enterprise which has emerged in our times: I call it the problem-solving corporation. Instead of just having another Federal bureaucracy, make it a business proposition.

These companies first came into being to meet our requirements in defense and space. There is no reason why they cannot become more active in other fields. Why should it be in this country that we rely upon private initiative and enterprise for our new weapon systems, for our great strategic and tactical designs, for our space program, but when it comes to people's living conditions, we say, "Let's do it the same old way we've always done it."

What the Federal Government did in the aerospace field was to set forth in broad terms the problems for which it needed solutions and then to turn to these new types of private corporations to devise the solutions. And it has been done. I left such a conference to come here. We wouldn't be the powerful Nation we are today had we adhered to the same old practices.

Value of Systems Analysis

What happened? These corporations developed new and effective management skills and methods. It's called systems analysis. If systems analysis is good for war, it's good for peace. If systems analysis can work in taking lives, it can work in saving lives. If systems analysis can work in putting a man on the moon, I think it can work to help put a man on his feet right here on earth.

I come to people in private life to ask them to demand their place at the table of public interest and public d velopment. What the Government has done in aerospace is to make a market large enough to attract or bring into being high technology firms. This is the way we get the designs for the supersonic transport plane. It has to be big. Problem-solving corporations are already at work in such new fields as commercial development of atomic power; water desalinization and the exploitation of mineral resources of the oceans.

Reorganize Medical Care

But what about other challenges—the rising cost of medical care, the largest single element in the cost of living increase? We're still operating hospitals as they did at the time of Florence Nightingale in most places. Not long ago, the Defense Department began to apply to the design and operation of military hospitals the concepts developed in the design of new weapon systems. Preliminary studies indicated that military hospitals, like others in the United States, had traditionally been designed to minimize construction costs, but that within 18 to 36 months after the hospital was constructed, the operating costs added up to more than the construction costs. Clearly such high operating costs suggested there was a need for a greater initial investment in design and construction, particularly in labor-saving devices which might reduce the cost of hospital care.

Beyond this, it was found that rapidly evolving medical technology often required alterations in the hospital even as it was being constructed. After preliminary competition by a number of outstanding firms, four industrial teams led by defense companies were awarded contracts to prepare detailed studies. They've now been completed and are being used in formulating a program for truly modern, efficient military hospitals at greatly reduced operating costs. I suspect the new designs being developed will lead the way to more efficient hospitals and less expensive medical care

throughout the country. I'm happy to tell my friends who may be here from Minnesota that one of the best experimental hospitals in this field is in Rochester, Minnesota, associated with the Mayo Clinic. We hope to be able to reduce medical costs substantially. Why? Because we went to the private sector with Government assistance, as a team, not as competitors, not as enemies, but as partners.

"Developing People" in America

The biggest challenge of all is in the slums of our great cities. For many Americans, our urban ghettos seem far more remote than the most distant corner of the developing countries of Asia, Africa and Latin America. There are more people, I suspect, in many of the audiences that come to Washington that have traveled to Asia and Africa and Latin America than have been "on the other side of the tracks" in our own hometown.

I believe we should approach the problem of our ghettos with no less than the methods with which we approach the problems of a developing country. Let me say quite frankly, my fellow Americans, many of the people living in our slums today are like immigrants from another society. There is the other America—the America of the poor, the America of those who hide behind the walls of a different set of social standards. I submit that we're going to have to treat those areas and those people in very much the same way that we lend our efforts toward other nations and other peoples in other parts of the world.

Just as we've used an array of weapons in the fight for a better life for the peoples of the poor nations, such as feasibility studies, long-term, low-interest loans, investment guarantees for private enterprise, action teams of trained experts—that's what we send into South America; that's what we do in Colombia; that's what we're doing in Vietnam; that's what we're doing in India, and we're spending billions to do it—I suggest the same techniques and the same enthusiasm be applied to our fellow Americans in our hometowns.

Just as industrialized nations join in consortia to help needy nations, so government, business, labor and our universities should combine and coordinate their resources and their creative capacities in consortia to meet the great overriding need of making our cities fit places in which to live.

Active Role for Universities

Please note that I've cited here for the first time—universities. I want you to go home and talk to your universities. These universities have no right to be meadows of meditation, alone, or to be nice islands for retreat and reflection. A university should be at the center of action. It should be teeming with vitality for constructive purposes. The professors and the theoreticians can refine their theories and their intellectual capacities by getting into the fight, by applying themselves to the joy that is at hand.

Our universities have too long been on the sidelines as observers of this struggle for social betterment. They are almost pacifist observers. What we need are militant warriors to get into the fight. Yes, we need the articles. Yes, we need the dissertations. We need the sociological studies. But after the study, we need to have a man bloody himself a bit in the battle for a better life. He'll be a better teacher; he'll be a better researcher. What is more, they are all on the public payroll, one way or another, so they ought to be helping to meet public needs in every city, town, and hamlet of the United States.

Today, I come to you with a sober message, not a message of what some people might call super-patriotism even though I believe that the most patriotic thing you can do is help build a better life for your neighbor, to share of your talent, to give of your leadership, to encourage opportunity.

I stress the responsibility of the private sector. I believe it should be encouraged to take a fresh look at old ways of doing things and not rely entirely on government to be the innovator—whether it be in health or in education, in transportation, housing, information systems, or the development of human resources. I believe that this encouragement should come not merely as a gift from an affluent business or social-economic organization, but rather in the form of profit incentive.

Need for New Solutions

It was said here today that when I first came to the United States Senate, my friend Adlai Stevenson said, "Hubert Humphrey is a politician with more solutions than there are problems." That's right, but that was 1949. I don't think I'll retract that statement at all. There may have been some truth in it. I doubt it, but there may have been. But today I'd be the first person to admit, and I think you'd agree with me, that we have many more problems than we have solutions. I know for one that I don't have all the answers and I didn't come here to give you answers. I came here to arouse your concern—to ask you to think out loud with me, and above all to go home, where you live, and ask the people there, "What are we doing to help ourselves? What more can we do? How do we build a partnership?"

I'm sure of this: Unless we want to go down in history as a people who could send a man to the moon, as I have said, and five vending machines along with him, most likely, but could not help put a man on his feet here on earth, we'd better get busy in putting our public and private resources to even better use than we have thus far.

Some of us are trying to do that here in the Federal Government. Thousands of people are trying to do this same thing in State houses, in court houses, city halls around the country. But I would be less than honest with you if I didn't tell you that all of this will fail unless you, too, help; unless you make it your business. I want you to make it your business to go home and activate your community for youth employment opportunities; I want you to make it your business to go home and analyze your school system and ask somebody else to do it.

Finding A Remedy for Dropouts

Why the school dropouts? I want you to find out why it is that some communities have been able to cure the school dropout problem and others haven't. I want you to ask yourself: In even a rich society, can we afford to have hundreds of thousands of people who are permanently on public assistance when they ought not to be if they were but trained and developed?

I want you to ask yourself whether America can continue to bear the burden that it will be compelled to bear in the years ahead unless we have everybody helping and sharing in that responsibility. Because just as President Johnson said that we must open opportunities for all Americans here at home, he also said, and rightly so, we must be able to fulfill our international commitments and responsibilities as well.

Not Comfort, But Responsibility

Our Nation today is a world leader, not by design, maybe by accident. But whatever the reason, we are a leader. Leadership, my fellow Americans, does not give you privilege or luxury. You know that. Leadership imposes upon you duties and responsibilities. It is not a cloak of comfort, but rather a robe of responsibility. That leadership that I speak of doesn't mean that government does it alone, internationally or at home. Real leadership means that you point the way; you harness the resources; you help direct the energy; you inspire; you arouse; you get people to do what they ought to do anyway.

America today abroad is attempting to help lead a world in the path of peace, knowing that there is no instant solution to international problems; knowing that the words of Scripture which say "blessed are the peacemakers" bear with them a tremendous implication—the peacemakers, not paraders, not speakers, not talkers or wishers, but makers. You make peace block by block, stone by stone, item by item, development and construction. You make it patiently,

perseveringly, and with indomitable will. Only a fool believes that peace comes instantly. Like maturity, it takes time. Like life itself, it requires nourishment.

Tranquility and Social Justice

Just as we must have peacemakers on the international scene, we must have peace builders and makers on the domestic scene. What makes you think we can get peace among the nations of the world if we're incapable of having peace amongst our own fellow citizens?

We therefore need to apply the basic lessons of our experience to building peace, tranquility, and social justice here at home. This is not a goal beyond our reach, because we have so much to do it with—the richest Nation on the face of the earth beyond comparison; an economic system that has shown vitality beyond human comprehension; a standard of living for most of us that exceeds our wildest expectations of even a decade ago; a Nation with technology and science that is a marvel of the world; all that we need to do is have the will and determination and the creativeness to put those resources to work.

We will be judged in history not because the many had much, but because we were able to see to it that the few who were poor had a chance to get something out of their life through their own endeavors.

I come here to this audience really with a fervent plea. We are at a decision point in our national life—deciding whether or not we are going to build the kind of America in which every citizen is proud of citizenship and recognizes that with citizenship come not only all the rights and privileges that you and I enjoy, but also the duties and responsibilities that we know we have.

Our Responsibility As Individuals

I ask you as community leaders now, not as advertising men, but as mothers and fathers, as brothers and sisters, as citizens of this Republic, I ask you to go back to your base and see whether or not the things that can be done and are being done elsewhere are being done in your town.

If they are being done there, remember that America is the sum total of its individuals, and it is the aggregate of its communities. It is a Nation of individuals and places. Make your individual life one that will be remembered and make your place one that reflects your standards, one that reflects your goals.

If so, I have a feeling that we will be on the way to whatever you may wish to call it—Great Society or just a Great America.

REMARKS OF VICE PRESIDENT HUBERT H. HUMPHREY
INTERNATIONAL NEWSPAPER ADVERTISING EXECUTIVES
WASHINGTON, D. C.
JANUARY 26, 1967

As one of the world's all-time champion newspaper readers, I want you to know I feel at home here today. And I hope you will feel at home in the company of one of your major markets.

Someone once said that we are governed by men -- and newspapers.

I know that all of us in government sometimes doubt just how much we are governing; but few of us doubt the influence of newspapers, or, for that matter, the men and women who manage and produce them. If any of you underestimate your influence, I suggest you consult with Mrs. Humphrey some morning just after I've finished reading the editorial pages -- and gone storming out of our apartment.

More seriously, though, I would like today to share with you -- as people who do have great influence in your communities -- a few thoughts about where our country has been going and what we can do to make it even a better and stronger America than it is today.

The past few years, in our country, have been years of amazing technological and material progress and innovation. There has been a need for these things, and it has been met.

But we also need social inventiveness, and social innovation, and we need to create a market for them as well.

We have urgent and keenly-felt public needs, most of them coming to a focus in the great urben areas where two-thirds of us already live and an even higher proportion will live in the future.

But there has been no place, by and large, where people could go to shop for a better public school system . . .for the means of eliminating poverty and racial discrimination . . .for unsnarling our traffic jams, or for ridding our air and water of their perilous pollution.

There has been, by and large, little competition in divising means to meet these needs.

Fortunately, we are beginning to get real innovation in meeting public needs. Those of you from Philadelphia know of one splendid example in your city.

There the Reverend Leon Sullivan, with the help of other Negro ministers, organized a center for training in needed skills -- the Opportunities Industrialization Center.

He has received staunch moral and financial support from the Negro community -- but not from the Negro community alone.

Under the leadership of the Greater Philadelphia Chamber of Commerce, business has rallied behind the effort with both money and equipment. Labor unions have helped create job openings.

Government has helped, too, with seed money.

In its first three years, the Center has placed something like three thousand Negroes, a third of thom were formerly on the relief rolls, in decent jobs.

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Ninety per cent of the Center's graduates are today holding jobs.

And, as those of you from Philadelphia know, many of the Center's graduates were people who had been in trouble or were on the verge of trouble.

More than eight million dollars in new purchasing power has been added to Philadelphia's economy.

And the going slogan, as one of Reverend Sullivan's colleagues told me, is not "Burn baby, burn" but "Learn baby, learn . . . earn, baby, earn!"

This program has already spread to 65 cities across the country. Perhaps there is one getting under way, or planned, in your city. If so, I ask you to give it a helping hand.

This is but one example of the new and energetic partnership which is developing in our country among government, the private sector, and people.

It is a partnership which cuts across old jurisdictions and has no regard for old myths and animosities. Its only measure is -- and must continue to be -- this: How can we build a better and stronger American in which <u>all</u> will benefit?

I grew up in an America in which the federal government did very little to fulfil one of the major purposes for which it was created -- and here I quote directly from the preamble of our Constitution -- to "promote the general welfare."

This was the battle which Franklin Delano Roosevelt and his New Deal liberals fought and won -- to get the federal government to assume and fulfil its share of responsibility for the general welfare of the American people.

Please note that I said "its share." for modern liberals recognize that it is just as wrong for the federal government to attempt to do too much as to do too little.

Most of our problems are best challenged where they arise, at the local level. They are best dealt with by the people who are there -- who know at first hand the people and the circumstances concerned.

That means programs, policies and projects locally inspired, locally developed, and locally administered -- but in the context of a broader pattern that includes state and regional development, backed and supported by federal assistance and resources.

Washington abounds today with proposals for federal revenue-sharing with states and localities. Let me say first that we already share substantial amounts of federal revenue with our state and local governments.

You might be surprised to know that state and local governments will derive about 17 per cent of their total revenue from the federal government during the coming year.

This is not to reject proposals for further revenue-sharing. But I think we must take a long and careful look at them.

I do not think, for example, that the federal government would be keeping proper faith with American taxpayers if tax revenues were to be handed over, no strings attached -- as some have proposed -- to state and local governments which might not be ready or able to use them effectively.

Methods of distribution would have to be devised, and, above all, problems of allocation among the states and among the various levels of government would have to be solved.

Tax-sharing is not a panacea. It should not be oversimplified, as a few people have attempted to do. However, it is worth serious consideration and thorough debate -- and I expect that to be forthcoming in the year ahead.

But money alone is not the answer to the needs of our states and cities. Better management and organization are urgently required as well.

Many of our state constitutions -- the basic legal structure which can either impede or facilitate social progress -- are out of date.

Many of our city charters deny city governments the authority and the sources of revenue they need.

I ask you, when you return to your communities, to ask these questions about your state and local governments.

- -- Are we organized and tooled up to meet today's responsibilities, and plan for tomorrow as well?
 - --Are the departments and agencies of our state government prepared, by professional personnel and modern organization, to manage and administer the mix of programs required to meet the problems of an urbanizing society?
- --Are the committees of our state legislature equipped to analyze and oversee these same problems?
- -- Do we need new laws, working statutes and ordinances?
 - --Do we need reorganization and consolidation of our local government? (We have nearly 100 thousand units of local government in our country -- too many by far.)
 - --Is there regional cooperation between our community and others which share the same service area?

Yes, we need more effective and streamlined government at all levels. We need better and more efficient sources and uses of revenue. But today I want to stress some new ways that your sector of the economy -- the sector of private enterprise -- can contribute to the solution of national problems and the meeting of national needs.

I believe in the profit system -- and I also believe that it can work even more effectively than it has in the past for the public good.

For too long, business and government entrenched themselves on opposite sides of an imaginary line - the line dividing the so-called "private sector" from the so-called "public sector" - and glowered at one another.

Some businessmen suspected government of an insatiable appetite to expand its functions, to encroach upon private enterprise, and ultimately to stifle it.

Some government officials regarded business as inherently oblivious or even antagonistic to the public interest. Some even regarded profits as actually immoral - rather than as an incentive essential to efficiency, as even the Communists are now coming to recognize.

These old suspicions are fading rapidly into history, and mutual confidence and cooperation are replacing them. I for one am glad of it. I do not believe that government has any monopoly of wisdom - or of dedication to the public good.

I think we need to draw upon the ability, the energy, and the innovative talents of <u>all</u> elements of the community in dealing with the problems which confront us.

I go further, I believe that we should seek to make meeting public needs actually <u>profitable</u> for private enterprise. We ought to create markets in meeting these needs, for which companies can compete just as they do in designing and selling automobiles or television sets.

Therefore, I am delighted that, in our war on poverty, we have given corporations the opportunity to operate Job Corps camps at a profit - and, indeed, to compete in seeing who can set up and run the best one. For I am convinced that, once business has had a real taste of helping the poor - and doing it profitably - we will have come a long way in fully unharnessing the energy and ingenuity that lies within our country.

Profit and morality are a hard combination to beat.

Here is another example of the way things are moving. Until quite recently, public housing and the private home-building industry seemed like Kipling's East and West - "Never the twain shall meet."

But new and imaginative adjustments in government procedures have now made it possible for home-builders to carry housing projects through from start to finish - from assembling the land to turning the keys over to the local housing authority. And, by doing this, we are getting dwelling units 15 per cent to 20 per cent cheaper, and in half the time.

We are already using this same "turnkey" system for the rehabilitation of thousands of run-down row houses. It begins to look as if we're in the process of creating a whole new industry - a home rehabilitation industry, with a huge potential market in the nearly eight million dilapidated dwelling units throughout this country.

Furthermore, we should be able to put the people in these slum areas to work in this purpose - thus acquiring what has been called a "sweat equity" in their own homes.

And we're drawing upon the innovative capacity as well as the experience of the building industry. I think, for instance, of the new techniques — the U. S. Gypsum Corporation is trying out in the rehabilitation of Harlem tenements.

There has been another promising innovation in the creation of wider markets for private enterprise in the field of school construction.

Thirteen school districts in California recently got together and agreed to build 22 schools under a single contract. Rather than inviting separate bids for the buildings and for their air-conditioning, lighting, and so on, they wrapped everything up in a single package, including the actual design of the schools.

This made the package big enough and potentially profitable enough to induce interested bidders to come up with more efficient and more economical designs for the schools. The result for the school districts concerned will be first-rate, flexible schools costing about 18 per cent less than conventional schools of the same capacity.

This is a simple and effective technique which could be applied to many areas of public need. I believe cities or school districts with similar needs should not hesitate to join in creating a larger and more attractive market -- one which would stimulate private enterprise to meet competition not only in price, but also in originality and effectiveness.

I make this offer today: The federal government is ready, as of now, to act as a catalyst in helping cities and other government units to identify their needs and to join with others in creating the wider markets which will attract private enterprise. When I say "catalyst" I mean not boss or dictator, but helpful partner . . . not head man, but middle man.

I see great opportunities, too, for a brand new type of business enterprise which has emerged in our times -- what I call the "problem solving" corporations.

These companies first came into being to meet our requirements in defense and space, but there is no reason why they cannot become more active in other fields.

What the federal government did in the agrospace field was to set forth, in broad terms, the problems for which it needed solutions -- and then turn to these new-type corporations to devise them.

What happened? These corporations developed new and highly effective management skills and methods -- notably the technique called "systems analysis."

In effect, what government did was to create in aerospace a market large enough to attract or bring into being high technology firms, and to induce them to compete in coming up with detailed designs and engineering proposals -- as, for example, Boeing and Lockheed competed in the design of the proposed super-sonic transport plane.

Problem-solving corporations are already at work, in partnership with the federal government, in such new fields as the commercial development of atomic power, water desalinization, and the exploitation of the mineral resources of the ocean.

But what about other challenges -- for instance, the rising cost of medical care?

Not long ago the Defense Department began to apply to the design and operation of military hospitals the creative and imaginative concepts developed in the design of new weapons systems.

Preliminary studies indicated that military hospitals, like others in the United States, had traditionally been designed to minimize construction costs, but that, within 18 to 36 months, the operating costs added up to more than the construction costs.

Clearly, such high operating costs suggested that a greater initial investment in design and construction, and particularly in labor-saving devices, might reduce the cost of hospital care. Beyond this, it was found that rapidly evolving medical technology often required major alterations in a hospital, sometimes even before it was completed.

After a preliminary competition by a number of outstanding firms, four industrial teams, led by defense companies, were awarded contracts to prepare detailed studies. These have now been completed, and are being used in formulating a program for truly modern and efficient military hospitals.

I suspect the new designs that will develop may lead the way to more efficient hospitals, and less expensive medical care, throughout the country.

But the biggest challenge of all -- and the biggest opportunity -- confronts us in meeting in a concerted way the whole array of problems in the slum areas of our great cities.

For many Americans, our urban ghettoes seem far more remote than the most distant corner of the developing countries of Asia, Africa and Latin America.

(And I would not be surprised if some of your neighbors had been more recently to those parts of the world than they have to the core slums in their home communities.)

I believe we should approach the problems of our ghettoes with no less than the methods with which we approach the problems of a developing country.

Just as we have used a wide array of weapons in the fight for a better life for the people of the poor nations -- such as reasibility studies: long term low-interest loans: investment guarantees: and action teams of trained experts -- so we should deploy them for the benefit of our own people in our own slums.

Just as industrialized nations join in consortia to help the needy nations, so government, business, labor, and our universities should combine and coordinate their resources and their creative capacities to meet the great over-riding need of making our cities fit places in which to live.

Please note that I cited the universities as well. Our universities have too long been sideline observers of this struggle--almost pacifist observers--when what we need is militant warriors. They will fulfil their responsibilities to the community only as they join actively in the good fight.

But today I stress the responsibility of private enterprise. I believe it should be actively encouraged to take fresh looks at all our old ways of doing things, and to come up with the proverbial "better mousetrap" -- whether it be in health, in education, in transportation, in housing, in the improvement of information systems, or in the development of our human resources. And I believe this encouragement should come in the form of profit incentive.

When I first came to the United States Senate, someone said that Hubert Humphrey was a politician with more solutions than there were problems. And there may have been some truth in that.

Today I'd be in the first to admit we now have more problems than solutions -- and that I don't have all the answers.

But I am sure of this: That, unless we want to go down in history as a people who could send a man to the moon, and five Coke vending machines along with him, but could not put a man on his feet right here on earth, we had better get busy in putting our public and private resources to even better use than today.

We are trying to do that here in Washington. Thousands of dedicated people are trying to do the same in state houses, court houses and city halls around the country. I hope you will make it your business too. And I hope you will take that message back to your communities.

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WASHINGTON, D.C.

JANUARY 26, 1967

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And I would not be surprised if some of your neighbors had been more recently to those parts of the world than they have to the core slums in their home communities.)

I believe we should approach the problems of our ghettoes with no less than the methods with which we approach the problems of a developing country.

Just as we have used a wide array of weapons in the fight for a better life for the people of the poor nations -- such as feasibility studies; long-term, low-interest loans; investment guarantees; and action teams of trained experts -- so we should deploy them for the benefit of our own people in our own slums.

Just as industrialized nations join in consortia to help the needy nations, so government, business, labor and

our universities should combine and coordinate their resources and their creative capacities to meet the great over-riding need of making our cities fit places in which to live.

Our universities have too long been sideline observers of this struggle -- almost pacifist observers -- when what we need is militant warriors. They will fulfil their responsibilities to the community only as they join actively in the good fight.

But today I stress the responsibility of private enterprise. I believe it should be actively encouraged to take fresh looks at all our old ways of doing things, and to come up with the proverbial "better mousetrap" -- whether it be in health, in education, in transportation, in housing, in the improvement of information systems, or in the development of our human resources. And I believe this encouragement should come in the form of profit incentive.

When I first came to the United States Senate, someone said that Hubert Humphrey was a politician with more solutions than there were problems. And there may have been some truth in that.

Today I'd be the first to admit we now have more problems than solutions -- and that I don't have all the answers.

But I am sure of this: That, unless we want to go down in history as a people who could send a man to the moon and five evending machines along with him, but could not put a man on his feet right here on earth, we had better get busy in putting our public and private resources to even better use than today.

We are trying to do that here in Washington. Thousands of dedicated people are trying to do the same in state houses, court houses and city halls around the country. I hope you will make it your business too. And I hope you will take that message back to your communities.

Remarks of: Vice President Hubert Humphrey (as taken from tape)

At: International Newspaper Advertising Executives, Inc. 1967 Annual Meeting - January 26, 1967 - Sheraton Park Hotel Washington, D. C.

Thank you very much, my dear friend Kay Graham.

Members of the International Newspaper Advertising Executives association... that's quite a mouthful... and when I read that title I was so impressed that without even any encouragement from Kay I said, "I not only will come, I want to come"... and here I am.

Kay, first of all I appreciate your nominating me for the Number One Good Guy. But I remember that someone once said, "Good guys never win"... and that sort of shook me for a moment. But if life deals that cruel blow to one it's still good to be known as a good guy and particularly when it comes from one who is such a charming and attractive and wonderful person as Kay Graham. And I endorse everything that Vogue magazine had to say about Kay Graham. I think that description of her was entirely fitting and appropriate (applause).

Now there may be those, Kay, that think that was a bit flattering. But whenever I get a flattering introduction such as you have given me, I always remember what Adlai Stevenson once said, "Flattery is all right if you don't inhale it". But I want you to know that as Vice President I breathe deeply. Every bit I can inhale I take right in.

I'm glad that Kay has seen fit to mention my work, my position which I cherish very much and to which I hope I can lend some honor and dignity... and I'm pleased that she has mentioned that article in Newsweek. Now she came mighty close to stealing my stuff here, because I really didn't complain about that misprint in Newsweek where it said that I had endorsed the Republican candidate. As a matter of fact, I want that as a matter of official record. It proves that at least one of us Democrats had a winner somewhere around the country.

Kay, to be Vice President is a challenge. At times it's a problem. But at all times, for me, I find it interesting. I don't think I need to tell this audience that this is an office that is most unique in the governmental structures of the nations of the world. It's been described in many ways and most of them in an uncomplimentary manner. And as I said to a group the other night, since everybody is so disturbed as to just what the Vice President does, whether you really ought to have one, whether he really performs any useful function, I think that what we really ought to do is include within the traditions of America some element of continuity. Therefore I have just nominated myself for Vice President from here on out, on whatever ticket anybody may have. There is so much uncertainty in the world today and things change so rapidly that you ought to have something that you can hang on to.

What's more... I don't think people ought to fight about this job. I've become accustomed to it now and if you have no serious objection, I'll just stay on. The last time I said that, there was a mass exodus from the hall.

I want to talk to you today about my role as a newspaper reader. I think that as one of the world's all-time champion newspaper readers I want you to know that I feel somewhat at home here. I hope you'll feel at home in the company of one of your major markets too... because believe me, every man in public office scans through those newspapers rapidly and then he goes into intimate detail. You can always tell a politician when you see him with a paper. It's when he is running through page after page. That means he's looking for his name. And if he find it you can generally find out whether he is enjoying it or not by just observing his countenance.

Someone once said that we are governed by men and newspapers.

And I think we in Washington have reason to believe the latter.

At least I can tell you that you ought not to underestimate your influence... and I don't think you do. You're a part of a great

profession and if you underestimate it I suggest that you consult with my wife some morning... just after I've finished reading some editorial pages (I don't mean your, Kay). When I'm going through a series of papers, without mentioning any names, and I read a certain editorial and I go storming out of the house, if you don't think you have influence, you ought to take my blood pressure on that occasion.

What I want to do though is not talk to you about your advertising. You didn't come here to hear an amateur on advertising talk to you about that which you already know better than anyone else. I'd like to share with you today, as people who do have a great deal of influence in your own vocation and profession as well as in this nation, a few thoughts about where our country has been going, where it is, and where it is going... and what we as Americans and as leaders in this country can do to make this a better and a stronger America than it is today.

I'm going to take as my text... and this will demonstrate the complete loyalty which you expect me to have and that I readily have... a few lines from President Johnson's State of the Union message. He said, "First, I've come here tonight to report to you that this is a time, a time of testing for our nation." I think Americans like that line. I think they like to be challenged. I think most Americans today feel that it's pretty soft and they'd like to firm up, so to speak, and to know that they are capable of being tested.

Then he went on to say, "At home the question is whether we will continue working for better opportunities for all Americans when most Americans are already living better than any people in history. Abroad, the question is whether we have the staying power to fight a very costly war when the objective is limited and the danger to us is seemingly remote. So our test is not whether we shrink from our country's cause when the dangers to us are so obvious and close at hand, but rather whether we carry on when they seem obscure and distant and some think that it is safe to lay down our burdens.

...continued...

"I've come tonight to ask this Congress and this nation to resolve this issue and to meet our commitments at home and abroad; continue to build a better America and to reaffirm this nation's allegiance to freedom."

I can use those words as text for any audience because the simple truth is that our foreign policy is no better than our domestic policy. Our national security is no better than the strength of the American people and of the economy. The military establishment is but the sharp cutting edge of a social economic structure and that edge will be durable and cutting and strong only if the blade of the economy is that way. So I come to talk to you this morning about our country... not about our foreign policy as such; not about Vietnam; but rather about we, the American people, and what we're going to do here at home to provide for the common defense and promote the general welfare.

The past few years are very familiar to all of us. We've lived through them. They are amazing years of change and technological and material progress. Obviously there has been a need for new things and that need has been met. But I am also here to tell you that we need some social inventiveness as well as technological inventiveness. And we need social innovation and we need to create a market for these social innovations as well as for our material items. We have urgent and keenly felt public needs and most of them are coming into focus in the great urban areas where two-thirds of our people presently live and where within ten years three-fourths of the population of this country will live. And we're going to have to decide in this decade, not twenty years from now but in this decade, whether we're going to have a nation committed to life, liberty and the pursuit of happiness or whether it is a nation that is bound up in its own inadequacies and its own deficiencies.

Now there has been no place, by and large, where people could go to shop, to look around for better public facilities. For example, there has been no place where you could shop for a better public system of education or public school system... or the means of ...continued...

eliminating poverty and racial discrimination... or unsnarling our traffic jams or ridding our air and our water of their perilous pollution. There has been, by and large, very little imagination on these subjects, very little innovation, and very little competition in devising new means to meet old needs.

Fortunately within the last few years we are beginning to get some innovation in meeting public needs. For example, those of you from Philadelphia know of one splendid example in your city. There a minister, the Reverend Leon Sullivan, with the help of other Negro ministers, organized a center for training in needed skills. He called it "Opportunities Industrialization Center" - OIC - because this man knew that the unemployed were unemployed because they were unemployable. He knew that there was a hard core of unemployed that needed education and training and orientation. He knew that it wasn't enough to merely offer a job because job offers mean nothing if you are unable to hold the job. He knew what I am here to tell you this morning, that you know, that you can send 100 of the hard core unemployed to a factory that has 100 job openings... and a week later only 5 are on the job... 95 fall by the wayside. And he knew that something must be done and he was as creative in his thinking as you are in your advertising. He started to look for new ways to meet old needs.

Now he received staunch moral and financial support in the beginning from just a limited community, the Negro community. But then a little later that support expanded and under the leadership of the Greater Philadelphia Chamber of Commerce, not the most liberal, far-out organization, not the social workers, but under the help of the Chamber of Commerce business men rallied behind the effort with both money and equipment. Labor unions relaxed some of their old habits and helped create new job openings. The government moved in with a little seed money and in the first three years that one center in Philadelphia has placed something like 3,000 hard core unemployed Negro adults and youth, a third of whom

were formerly on relief rolls for extended periods of time, in decent jobs.

One lady with three children had been on relief for 12 years. She was encouraged to enter the job training center and she did. She took the training; she was placed; and today she is earning her own way and paying taxes and supporting her family as an electronic assembler.

Ninety percent of the center's graduates are today holding jobs. Prior to that 95% lost their jobs once they had even been sent for a job opening. More than \$8 million in new purchasing power has been added to Philadelphia's economy and the glowing slogan, as one of Rev. Sullivan's colleagues told me last week, is not "burn, baby, burn" but it is "learn, baby, learn"; "earn, baby, earn". The same men that led the marching in the streets; the same people that protested are the very same people today who are leading the efforts for progress.

And my fellow Americans, I think we've entered a whole new era in this country... if we'll but give it some help and impetus... where we move from what we call the era of protest into a new period of economic and social progress.

Now this program that I spoke of, and I use it as a "for instance" because I get a little weary of theoretical discussion. I tell people when I talk to them, "Give me some examples. I've heard all of the fine proposals and plans that man's mind can conceive. Show me something that works." This plan works in 65 cities today. And how did it start? Because someone dared to start it. Because someone had creativeness, imagination, real determination; someone recognized that it was a time for testing and said "the only way that I know to do the job is to start at it".

Perhaps there is one of these programs getting underway or planned in your city. If so, I ask youto check it out and I ask you to give

it a helping hand. I didn't come here just to talk to you. I came here to ask for your help. I want your help in every community in America in our youth opportunity program this summer. I want you to recognize that we have a vast number of teenage unemployed standing on street corners. I want you to go back to your community, wherever it may be, and find the mayor, find the governor, find the head of the Chamber of Commerce, find the establishment leaders and ask them, "What are you doing to prevent the riot? What are you doing to open up job opportunities? What are you doing to train people who have been looked upon as untrainable? What are you doing to find out the facts?" Because, my fellow Americans, we can no longer afford the violence, the disorder, the despair, the hopelessness that has gripped too much of America thus far.

The time is at hand to change the course of this nation for the needy, for the poor, for the deprived. Now this is but one example that I've given you. I could take you to the city of Chicago, that has had all sorts of problems. I was there two weeks ago and I saw my friends here from the Chicago press as I came in. I visited the urban progress centers. I would be the last person to tell you that the program works with complete effectiveness. I will only say that all the stories that are written about the lack of coordination, the over amount of duplication... that those stories could be rewritten if some of the observers would go to where the work is being done.

Seven urban progress centers in seven slum areas; seven urban progress centers where young people that were considered to be "gang" boys; adults that were considered to be unemployable... are literally recruited from the slums and the taverns and the back-alleys and the pool halls, where they have been hiding out in shame because they knew they could not meet the job standards and the shame became a habit and they became apathetic, indifferent, despairing. And through community representatives from the poor themselves, these people have been recruited. They have been

brought in to an orientation center. They've been taught the simplest things in life... how to stay clean, personal hygiene, how to board a bus from your home, so to speak, and get to the place of employment, what to do in terms of consumer economics, how to punch a time clock, how to deal with a union shop steward, what to do in the coffee break, and how to stay on the job and learn. A coach was appointed for every 10-12 as a follow-through man, to see that human resources are not wasted.

You see, I happen to believe that the way we're going to rebuild the city that everyone now talks about is by rehabilitating the human being that lives in the city. Man is effected by his environment, but man also affects his environment. And if a man has come to the point where he no longer cares about himself, has lost his sense of self-respect and dignity, then the environment that he lives in literally reflects that evaluation of himself. It is without dignity. It is dirty. It is obsolete. It at times is degrading.

So we're engaged today in a tremendous effort in America not only to improve "things" but to improve people; not only to upgrade thequitity of our goods but the quality of our life. And I call upon people here to have a sense of mission... a sense of mission to know thatyou can literally bring back to life people who for all practical purposes are the walking dead. Dead of spirit, dead of hope, dead of opportunity. They can have hope, they can have spirit, they can have opportunity... but it will take some doing.

And this is what I call the partnership that I speak of. A partnership of government and people; a partnership of government and private enterprise that cuts across all barriers; a partnership which cuts across old jurisdictions and old myths and animosities. The question is how can we build a better and stronger America in which all will participate and benefit?

I grew up at a time in this country, as a boy, when the Federal government did very little to fulfill one of the major purposes ...continued.

of our constitution... to promote the general welfare. That was the battle which Franklin Roosevelt and his New Deal fought and in part won... to get the Federal government to assume and fulfill its share of responsibility for the general welfare of the American people. Now some people feel that Mr. Roosevelt and his New Dealers gave us an overdose of what they called governmental paternalism.

Now please note that I have been talking about the share that the government ought to assume. I think it's now fair to say that some of us recognize that it is just as wrong for the Federal government to attempt to do too much as it is for it to do too little. Moderation in all things - balance is needed.

Now most of our problems we know are best challenged where they arise, at the local levels. Your problems are not in Washington... not yours... yours are where you live. That's where the violence takes place; that's where the lawlessness is to be found; that's where the poor housing is; that's where the good jobs are. That's where the good schools are or that's where the bad schools are.

Washington reflects much of what goes on in the nation... and thereby is in a sense a meter. But the problems that affect your life are where you live. Therefore it means that we have programs and projects that must be locally inspired, locally developed and locally administered. But in the context of a broader plan or pattern that included state and regional development, backed up and supported by Federal assistance.

This is what we mean by partnership. Not a monolith, but a mosaic in which every part is distinct but each part adds to a beautiful pattern. Not a structure in which there is a dominating force but in which there are cooperating elements. And I would be the last person to tell you that we've worked out this formula. We're struggling with it. We're a pragmatic people. We do it by trial and error. We're trying now more than ever

before in our national history to make this federal system work. And we're beginning to understand more than we ever did before that while government has an important role to play it is not all-important. It is a vital role, but it's not the only role. And therefore, I come to you, not as an official of government, but rather as members of a private sector to ask you to take your leadership and put your leadership to the task of helping this country.

Washington abounds with all kind of proposals, for example, for federal revenue sharing. It's always easy to get somebody else to raise the taxes... and then you just kind of reach in and get it. I was the mayor of a city for two terms, the city of Minneapolis. Nothing ever seemed to excite me more than to be able to get some revenue from somebody else other than that which we had to raise at home... and I might add that I saw the problems of local government close at hand.

I think you ought to know that there is substantial sharing already. You might be surprised to know that state and local government will provide over 17% of their total revenue this year from the federal treasury. This is not to be interpreted to reject proposals for further revenue sharing, because I think we need to take a good look at this matter. I do not think, for example, that the federal government would be keeping proper faith with you if tax revenues were to be handed over with no strings attached, as some have proposed... to state and local governments which might not be ready by organization or authority to effectively use those revenues.

Methods of distribution will have to be devised. Problems of allocation among states and various levels of government will have to be solved. Tax sharing, which is a good slogan down here, is not a panacea for local problems. It should not be over-simplified. It is, however, worth serious consideration and thorough debate. But money alone is not the answer to the needs of our states and cities.

Now I know that somebody once said that money was the best thing in the world and somebody else said, no, it's not, but it sure makes a good second best. And I think there is something to that. As a former practitioner of political science, may I say that we used to give a simple definition of good government and that was "Good people and money". If you have good people, professionally trained people, and resources, you can generally have good government. But money alone won't do the job... and I'm going to lay it on the line to you. Better management and better organization is urgently required as well. Merely to ask for another \$50 million does not solve the question at all, nor solve the problem.

Many of our state constitutions, the basic legal structure that affects your daily lives, can either impede or facilitate social progress. And many of them are out of date. They are as out of date as the old wireless and gramaphone. Many of our city charters, and I'm familiar with them, deny city government both the authority and the resources to do the job that needs to be done in your city.

So I call upon people who have an impact on the life of this nation to think these problems through because we're going to have to face up to the question where our people live. And either we're going to repair the structure at the local and state level or you are going to face an ever-increasing encroachment of federal authority, federal activity, without local responsibility. That we should not hope for. We should hope rather that we can do it at our own hometown level.

And I ask you, therefore, when you return to your communities to ask some questions about your state and local governments... ask the question "are we organized properly in our community", for air pollution control, for example. Can you have air pollution control on one city and have a jurisdictional line that gives another city right next door, without any air control? I think not.

Are we organized and tooled-up to meet the responsibilities of tomorrow? Arethe departments and the agencies of your state government prepared by professional personnel, by modern organization, prepared to manage and administer, to mix the programs required to meet the problems of urbanized society? Do you really have a transportation authority in your state... or are we just talking about traffic congestion? Do you really have traffic engineers in your town, enough of them to meet the traffic problems, or do you prefer mainly to cuss out the police department for the tickets, the parking tickets?

You see, you can't solve these problems from this hotel or from Capitol Hill. We're going to have to do it out where we live. Are the committees of your state legislature, ladies and gentlemen, equipped to analyze and oversee these same problems? What is their professional staff? What kind of research is being done? Do we need laws and working statutes, new laws and ordinances? Do we need reorganization and consolidation of local government or do you really think you can work with 1400 separate jurisdictions of government in greater New York and have a pattern of unified activity? Is there regional cooperation in your area, between your states and your counties on a functional basis?

You see, I think we need more effective and streamlined government at all levels, not just here in Washington, where it's surely needed. We need better and more efficient sources and uses of revenue. We need people in all areas of public life better trained and seasoned by experience. But I want to stress some new ways that your sector of the economy, private enterprise, can contribute to the solution of our national problem.

You see, I happen to believe that this is where the main strength of America is. It's in our factories, our banks, our shops, our newspapers, our media. This is the two-thirds or the three-fourths of America that needs to be put to work.

I believe in the profit system and I believe it can work more effectively than it has for the public good as well as for private gain. For too long business and government have entrenched themselves on opposite sides of an imaginary line... and line that divides the so-called private sector from the public sector and they have glowered at each other like moral enemies. And political demagogues have had a field day working you over, putting one of you against another, saying that it's government doing this to you and somebody else saying that you're going this to government. We have more fight promoters per square mile in Washington, D. C. than any other place in the world... always promoting some struggle.

Now some businessmen suspect the government of an insatiable appetite to expand its functions, to encroach upon private enterprise and ultimately to stifle it. And you've read a thousand editorials about this. Some government officials, I might say, with equal candor have regarded business as apparently oblivious or even antagonistic to the public interest. Why some even regard profits as actually immoral, rather than as an incentive essential to efficiency. Yes, even the communists are now coing to recognize the necessity of profit as an incentive.

Now these are old suspicions and I lay them out here for you because we have to take a look at them. But they are rapidly receding into history... and I think a new spirit of mutual confidence and cooperation is replacing them. You see, I don't believe the government has any monopoly on wisdom. I think we need to draw upon the ability, the energy and the talents of all the elements in the society in dealing with our problems. The problems are too massive today for any one of us... far too great. I believe that we should seek to make meeting public need actually profitable, for private enterprise.

I doubt that public servants before have talked about meeting public need as a profit making venture for private enterprise. We ought to create markets in meeting these needs for which companies can compete just as they do in designing and selling automobiles and television sets.

I'm pleased that in our war on poverty, for example, we haven't relied entirely on government. We've reached out to corporations to operate our job centers and our job core facilities... and indeed to compete in seeing who can do the best job. I am convinced that once business has the real taste of meeting public needs and finding out that in meeting public needs you do not destroy your own resources, I'm convinced that once you've had the taste of helping the poor and doing it profitably we will have come a long way in fully harnessing the energy and ingenuity that is in our country.

Profit and morality are a hard combination to beat. Now we have many people that preach morality. We have a larger number that preach profits. I should like to take a moment to ask you to have the two going together in wedlock... morality and profits.

Now let me give you an example of what I mean. Until recently public housing and private home building seemed like complete east and west, never the twain shall meet. But with new and imaginative adjustments in government procedures, we have made it possible for home builders to carry housing projects from the start to the finish, from assembling the land to turning the keys over to the local housing authority. And you know what the result is? We've been saving from 15 to 20% on housing costs and getting a better product.

We're also using this same term key system for literally rehabilitating thousands of rundown houses and neighborhoods that ought to be reclaimed. Now we have the bull-dozer mentality in this country at times. Every time we see something that looks a little tarnished or a little old, somebody says, "Well let's run the big machinery through it and tear it down".

The trouble is that there are people who live there. What we need to do is run our minds into there and figure out how we can build it up, to revitalize that neighborhood, to save that which is good, to discard that which is bad... and to give people the chance to enjoy some reasonably good living.

This has become known as a home rehabilitation industry and it has a huge potential market of nearly 8 million rundown dwelling units throughout this country. We should be able, for example, to put people to work in these same areas, building and rebuilding their own homes, thus acquiring what has been called a "sweat equity" in their own home construction.

Now can we do it? Am I talking theory? No. We're drawing right now upon the inventiveness of one of our great industries, as well as the experience of the building industry. I think, for instance, of the new techniques of the U. S. Gypsum Corporation that it is trying out in the rehabilitation of Harlem tenaments. And it's working. Oh I know it isn't working well enough... but it's working. The first printing press didn't work too well either. The first airplane only flew 12 seconds. It didn't work too well, but the breakthrough has been made.

There's been another promising innovation in the creation of wider markets in the field of school construction. We've been going around building schools as if some how or another we'd only need about one a year. Thirteen school districts in California recently got together and agreed to build 22 schools under a single contract, at one time. Five years ago that would have been impossible.

Rather than inviting separate bids for buildings, for air conditioning, lighting, etc. they wrapped up everything in a single package for 22 buildings in one contract... and saved the tax payers millions of dollars. They made the package big enough and potentially profitable enough to induce interested bidders to come up with more efficient and more economical designs for the schools.

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The result for the school districts concerned will be first-rate, modern, flexible schools costing about 18% less than the conventional schools of the same capacity in the neighboring communities. It can be done. You as taxpayers ought to get excited about it... unless you just want to give away the 18%.

This is the simple and effective technique which I believe can be applied to many areas. I see great opportunities for a brand new type of business enterprise which has emerged in our times, and I call it the problem solving corporations. Instead of just having another federal bureaucracy make it a business proposition. These companies first came into being to meet our requirements in defense and space. There is no reason why they cannot become more active in other fields.

Why should it be in this country that we rely upon private initiative and enterprise for our new weapons systems, for our great strategic and tactical designs, for our space program. But when it comes to people's living conditions we say let's do it the same old way we've always done it.

What the federal government did in the aerospace field was to set forth in broad terms the problems for which it needed solutions and then to turn to these new types of private corporations to devise the solutions. And it has been done. I left such a conference this morning before I came here.

We wouldn't be the powerful nation we are today had we adhered to the same old practices. Well now, what happened? These corporations developed new and effective management skills and methods. It's called systems analysis. Well if systems analysis is good for war, it's good for peace. If systems analysis can work in taking in lives, it can work in saving lives. If systems analysis can work in putting a man on the moon, I think it can work to help put a man on his feet right here on earth... if you have enough get-up-and-go to get at it.

Now I come to people in private life to ask them to demand their place at the table of public interest and public development. What the government has done in aerospace is to make a market large enough to attract or bring into being high technology firms. This is the way we get the designs for the supersonic transport plans. It had to be big. Problem solving corporations are already at work in such new fields as the commercial development of atomic power; water de-salinazation and the exploitation of mineral resources of the oceans.

But what about other challenges... the rising cost of medical care, and this is the largest single element in the cost of living increase. We're still operating hospitals like they did at the time of Florence Nightingale in most places. Not long ago the defense department began to apply to the design and operation of military hospitals the concepts developed in the designs for new weapons systems. Preliminary studies indicated that military hospitals, like other in the United States, had traditionally been designed to minimize construction costs... but that within 18 to 36 months after the hospital was constructed, the operating costs added up to more than the construction costs. Clearly such highhoperating costs suggested there was a need for a greater initial investment in design and construction... and particularly in labor-saving devices which might reduce the cost of hospital care.

Beyond this it was found that rapidly evolving medical technology often required alterations in the hospital even as it was being constructed. After preliminary competition by a number of outstanding firms, four industrial teams led by defense companies were awarded contracts to prepare detail studies. They've now been completed and are being used in formulating a program for truly modern, efficient military hospitals at greatly reduced operating costs. Now I suspect the new designs being developed will lead the way to more efficient hospitals and less expensive medical care throughout the country. I'm happy to tell my friends who may be here from Minnesota that one of the best experimental hospitals in this field is in Rochester, Minnesota, associated with the Mayo Clinic. ...continued...

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And we hope to be able to reduce substantially medical costs. Why? Because we went to the private sector with government assistance, as a team, not as competitors, not as enemies, but as partners.

But the biggest challenge of all is in the slums of our great cities. For many Americans our urban ghettos seem far more remote than the most distant corner of the developing countries of Asia, Africa and Latin America. There are more people, I suspect, in many of the audiences that come to Washington that have traveled to Asia and Africa and Latin America than have been on the other side of the tracks in our own hometown. I believe we approach the problem of our ghettos with no less than the methods with which we approach the problems of a developing country.

Let me say quite frankly, my fellow Americans, many of the people living in our slums today are like immigrants from another society. There is the other America... the America of the poor, the America of those who hide behind the walls of a different set of social standards. And I submit that we're going to have to treat those areas and those people in very much the same way that we lend our efforts towards other nations and other peoples in other parts of the world.

Just as we've used an array of weapons in the fight for a better life for the peoples of the poor nations, such as feasibility studies, long term-low interest loans, investment guarantees for private enterprise, action teams of trained experts. that's what we send into South America; that's what we do in Colombia; that's what we're doing in Vietnam; that's what we're doing in India... and we're spending billions to do it. I suggest the same techniques and the same enthusiasm be applied to our own fellow Americans in our own hometowns.

Just as industrialized nations join in consortia to help needy nations, so government, business, labor and our universities should combine and coordinate their resources in consortia... and their creative capacities tomeet the great overriding need



of making our cities fit places in which to live. Please not that I've cited here for the first time universities... and I want you to go home and talk to your universities. These universities have no right to be meadows of meditation, alone, or to be nice islands for retreat and reflection. A university should be at the center of action. It should be teeming with vitality for constructive purposes. And the professors and the theoriticians can refine their theories and their intellectual capacities by getting into the fight... applying themselves to the job that is at hand.

Our universities have too long been on the sidelines as observers of this struggle... this struggle for social betterment. They are almost pacifist observers... when what we need are militant warriors to get into the fight. Yes we need the articles. Yes, I know we need the dissertations. I know we need the sociological studies. But after the study we need to have a man bloody himself a bit in the battle for a better life. He'll be a better teacher; he'll be a better research; and what is more, they are all on the public payroll one way or another and they ought to be helping to meet the public needs in every city, town and hamlet of the United States (applause).

So today I come to you with a sober message, not a message of what some people might call super-patriotism, even though I believe that the most patriotic thing you can do is help build a better life for your neighbor... to share of your talent, to give of your leadership, to encourage opportunity. I stress the responsibility of the private sector. I believe it should be encouraged to take a fresh look at old ways of doing things... and not rely entirely on government to be the innovator... whether it be in health or in education, in transportation and housing, in information systems or the development of human resources. And I believe that this encouragement should come not merely as a gift from an affluent business or social-economic organization, but rather in the form of profit incentive.

It was said here today that when I first came to the United States Senate that my friend Adlai Stevenson said, "Hubert Humphrey is a politician with more solutions than there were problems". That's right... but that was 1949. And I don't think I'll retract that statement at all. There may have been some truth in it. I doubt it, but there may have been. But today I'd be the first person to admit... and I think you'd agree with me... that we have many more problems than we have solutions. And I know for one that I don't have all the answers and I didn't come here to give you answers. I came here to in a sense arouse your concern... to ask you to think out loud with me... and above all to go home, where you really live, and ask the people there "what are we doing to help ourselves? what more can we do? how do we build a partnership?"

I'm sure of this. Unless we want to go down in history as a people who could send a man to the moon, as I said, and five vending machines along with him most likely... but could not help put a man on his feet here on earth, we'd better get busy in putting our public and private resources to even better use than we have thus far today.

We're trying to do that here, some of us. We're trying to do it here in the federal government. Thousands of people are trying to do this same thing in state houses, court houses, city halls around the country. But I would be less than honest with you if I didn't tell you that all of this will fail unless you too help... unless you make it your business. I want you to make it your business to go home and activate your community for youth employment opportunities; I want you to make it your business to go home and analyze your school system and ask somebody else to do it. Why the school drop-outs?

I want you to find out why it is that some communities have been able to cure the school drop-out problem and others haven't.

I want you to ask yourself in even a rich society can we afford to have hundreds of thousands of people who are permanently on public assistance when they ought not to be if they were but trained and developed.

I want you to ask yourself whether America can continue to bear the burden that it will be compelled to bear in the years ahead unless we have everybody helping and sharing in that responsibility. Because just as President Johnson said that we must open opportunities for all Americans here at home, he also said and rightly so, we must be able to fulfill our international commitments and responsibilities as well.

I think so. Our nation today is a world leader, not by design, maybe by accident. But whatever the reason, we are a leader. Leadership, my fellow Americans, does not give you privilege or luxury. You know that. Leadership imposes upon you duties and responsibilities. It is not a cloak of comfort... but rather a robe of responsibility. And that leadership that I speak of doesn't mean that the government does it alone, internationally or at home. Real leadership means that you point the way; you harness the resources; you help direct the energy; you inspire; you arouse; you get people to do what they ought to do anyway. And America today abroad is attempting to help lead a world in the path of peace, knowing that there is no instant solution to international problems; knowing that the words of Scripture which say blessed are the peace-makers bears with it a tremendous implication... the peace-makers... not paraders, not speakers, not talkers or wishers, but makers. And you make peace block by block, stone by stone, item by item development and construction. You make it patiently, perseveringly and with indomitable will. And only a fool believes that peace comes instantly. Like maturity, it takes time. Like life itself, it requires nourishment.

And just as we must have peace-makers on the international scene, we must have peace builders and makers on the domestic scene. What makes you think we can get peace among the nations of the world if we're incapable of having peace amongst our own fellow citizens?

...continued...

We therefore need to apply the basic lessons of our experience to building peace and tranquility and social justice here at home. This is not a goal beyond our reach because we have so much to do with... the richest nation on the face of the earth beyond comparison; an economic system that has shown vitality beyond human comprehension; a standard of living for the most of us that exceeds our wildest expectations of even a decade ago; a nation with technology and science that is a marvel of the world; all that we need to do is have the will and determination and the creativeness to put those resources to work.

We will be judged in history not because the many had much... but because we were able to see to it that the few who were poor had a chance to get something out of their life through their own endeavors.

I come here to this audience really with a fervent plea. We are at a parting point... or should I say at a decision point... in our national life... whether or not we are going to build the kind of America in which every citizen is proud of that citizenship and recognizes that with that citizenship not only comes all the rights and privileges that you and I enjoy, but also the duties and responsibilities that we know we have.

I ask you as community leaders now, not as advertising men, but as mothers and fathers, as citizens and brothers and sisters, and as citizens of this republic, I ask you to go back to your base and see whether or not the things that can be done and are being done elsewhere are being done in your town. And if they are being done there remember that America is the sum total of its individuals and it is the aggregate of its communities. It is a nation of individuals and places. Make your individual life one that will be remembered and make your place one that reflects your standards, one that reflects your goals... and if so I have a feeling that we will be on the way to whatever you may wish to call it... Great Society... or just a Great America. Thank you very much.

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