SPEECH OF SENATOR HUBERT H. HUMPHREY TO THE ANNUAL CONFERENCE, TENNESSEE MUNICIPAL LEAGUE SHERATON PEABODY HOTEL MEMPHIS, TENNESSEE JUNE 22, 1971 It is good to be here in the land of TVA, and most particularly in the town that saved the TVA during the Dixon-Yates business that you all remember too well. As some of you know, I was once a mayor. Given the financial problems of our towns and cities today, I must say I admire anyone with the courage to take the job. Yes, there's trouble in River City -- trouble in many River Cities across this land. You need help, dollars and cents help -- now. In Toledo, Ohio, they have had to cut the number of hours that the swimming pools are open. No money. In New York and Cleveland, city employees are being laid off at a time when the demand for services is greater than ever. No money. In Atlanta, a gift of \$27,000 worth of trees had to be turned down because the city couldn't afford to water them. Cincinnati, Los Angeles, Kansas City, Detroit and Indianapolis are laying off teachers, establishing hiring freezes and dropping kindergartens. No money. You know the problems; I know the problems, and I want to help. I will vote for Senator Howard Baker's general revenue sharing bill. No politician likes to raise taxes, and I know very will that your property owners are in revolt. They are beginning to vote, "No" on bond issues of every kind. But look at the needs for basic services. -- We aren't beginning to keep up with the demand for housing. If your town is average, forty percent of its dwellings aren't up to basic standards. -- Those of you with traffic problems know that we must rely less and less on the private automobile, but there are presently no viable alternatives. -- The chances are you are having trouble just keeping your cities clean and your garbage collected. -- And how are we going to keep up with the demand for schools? And hospitals? And parks and playgrounds? Our cities have long since stopped planning for the future. Their primary preoccupation is survival almost from day to day. And the small towns are lined up for miles with requests for \$2.5 billion in water and sewer loans and grants that somehow never get approved. Small town Tennessee is turning the corner in one respect. Your people are tending less to move out of rural areas. But the migrations to the cities continues elsewhere, compounding the crisis of the cities and robbing rural areas of this most precious resource -- people. -1-

In the short period since World War II, our population has grown 40 percent. Four people stand today where three stood 25 years ago.

Three million farms have disappeared in technological revolution that is still sweeping agriculture. More than 20 million people have abandoned the farms and small towns for the city -- and they are still coming at a rate of 500,000 a year.

Seventy percent of our people are crowded into less than two percent of the land, while 30 percent occupy all the rest. The result has been a national crisis of the environment, and from this crisis, others have erupted all around us.

It is understandable that we are perplexed and frustrated. No nation in history has ever been so productive or so wealthy. Yet the shameful fact is that 25 million Americans live in poverty.

We are troubled as a nation because it need not have happened this way. We might have shaped our society better with consideration for resources, people

and space, demanding quality as well as quantity.

Instead, we have rushed pell mell in pursuit of progress, piling more and more people into less and less space. Our growth has been unplanned, wasteful, and costly -- both in human terms and in dollars and cents.

The present welfare system, for example, has become an insidious monster that eats away at human dignity, at financial resources, and at the very values of our nation. It must be reformed.

We must realize that welfare and poverty are not local functions. The problems are national, and they must be met with national action.

Complete federalization of welfare, both in its administration and cost, will provide the taxpayers in our cities and towns with substantial fiscal relief.

Federalization of welfare costs also will permit realistic assistance levels. It can permit -- if we act wisely -- adequate day care facilities -- day care that is not merely custodial, but which is concerned with the development and education of children of working mothers and which gives them the opportunity to get off welfare and into gainful employment.

But even if the Federal Government takes over

welfare, even if you get your share of the five billion dollar general revenue sharing pie, it will not be enough.

We are still far short of the mark. As a nation, we haven't given this job the priority it should have.

We haven't made up our minds to pay what it costs -both in resources and commitment.

I belive America needs a crusade for opportunity. It's not enough to be against slums. We must wipe them out.

It's not enough to be for adequate health care for all Americans. We must provide it.

It's not enough to call for an end to hunger in America. We must end it.

We realize increasingly that the city itself is not the problem. The city is only the place where problems converge. And we have not yet developed that central, unifying idea which will be a rallying point for action.

That is why I have called for a Marshall plan for America's cities.

Last month, I introduced the National Development Bank Act of 1971.

It will provide a major new source of capital funds and technical assistance for cities, counties, towns, school districts and other local government bodies across the nation.

This legislation goes to the heart of the twin crisis facing our communities today -- the fiscal crisis and the development crisis.

The purpose is three-fold.

-- To help relieve the shortage of funds confronting nearly every government jurisdiction in the Nation, and provide them with the capital to move ahead on vitally needed public projects.

-- To facilitate economic development -- including development of depressed areas -- to provide jobs, and stimulate the domestic economy.

-- To help promote better balanced rural-urban

Simply stated, the National Domestic Development Bank will make long term loans to state and local governments -- and to private business and other institutions in some cases -- for a wide range of public construction.

Loans to state and local government will be made available at rates of interest no higher than tax exempt state or municipal bonds. Thus the new financing mechanism will provide relief to government jurisdictions on interest charges and on the need to continually raise property taxes.

We are the leading partner in an institution that has had significant impact on development abroad -- the World Bank. I propose that we now apply this approach to our pressing development needs at

I believe that a nation that can assist in the development of other nations around the world must be able to provide financing for the development of our cities and towns.

If we can build a better Rio de Janiero, why can't we build a better Memphis or Chattanooga? If we can assist a province in Peru, why can't we help Shelby County,

My proposal is fully consistent with this country's long-established principles of public finance.

There is abundant precendent in the Federal Land Banks, the Banks for Cooperatives, the Federal Intermediate Credit Banks and similar institutions.

All of them have been successful, both in terms of development and financial stability.

What I am proposing is a development program for all the communities of America.

It can mean schools and medical centers close to the people.

It can mean industrial parks and more jobs.

It can provide funds for desperately needed transit and transportation systems.

It can mean more parks and playgrounds, swimming pools and campsites.

It can provide funds for comprehensive day care and community service centers... centers for cultural activities and museums... job training facilities... low and moderate income housing... ambulance and rescue centers... nursing homes and clinics ... water purification facilities and waste disposal and treatment plants ... libraries... adult education centers and much more.

It can provide needed jobs in a slumping economy and trigger new private investment. It can make possible an overdue start on the renewal of business centers in our small towns and central cities, and a comprehensive attack on urban and rural blight.

The list of needed public projects is almost endless. We have neglected it too long, and we have succeeded in becoming a nation that is privately wealthy and publicly poor.

The time to redress that imbalance is now.

The cost to the Federal government in establishing the National Domestic Development Bank will be a small

fraction of the development value the Bank can generate. Let us begin now on our urgent domestic agenda.

The last several years have demonstrated the striking ability of citizens to assume major responsibility for shaping their own destinies -- on their block, in their neighborhood, and throughout their towns and cities.

But in many places this popular initiative has been thwarted by lack of operating funds, by an unresponsive or even hostile bureaucracy, or by unreasonable sets of rules, guidelines, regulations and procedures.

I know the weakness as well as the virtue of civic pride -- how easy it is to start something, and how hard it is to finish it.

I know every mistake we have made in building our cities is a human mistake -- which means it is within human capacity to correct.

within human capacity to correct.

We can't settle for minimum housing, minimum wages and minimum neighborhoods.

We can't settle for a minimum America.
With a little good sense -- and a lot of good
planning -- and with the spirit of working together
to solve our common problems, we can succeed.

We cannot afford to fail.

How. Dunn teharles cro wommayor Foch of memphis Mayor Rayers of Knowlindle-Mi Mert Brigham - your Speed Durston Port Brigham - Jour Speed Presidents SPEECH OF SENATOR HUBERT H. Mayor Beer Briefly - Mattroports. Northwestern Conference, Tennessee MUNICIPAL LEAGUE Mayor Ridley MEMPHIS, TENNESSEE Part Prend natural Sugar 7 extres Termen marged Leng. Hert Burgham - Regarded as one of the outstanding State munes. Lingue Rev. Grant.

LIT IS GOOD TO BE HERE IN THE LAND OF TVA, AND

MOST PARTICULARLY IN THE TOWN THAT SAVED THE TVA

DURING THE DIXON-YATES BUSINESS THAT YOU ALL REMEMBER

TOO WELL.

As some of you know, I was once a mayor, Given

THE FINANCIAL PROBLEMS OF OUR TOWNS AND CITIES TODAY,

I MUST SAY I ADMIRE ANYONE WITH THE COURAGE TO TAKE

YES, THERE'S TROUBLE IN RIVER CITY -- TROUBLE IN MANY RIVER CITIES ACROSS THIS LAND YOU NEED HELP.

DOLLARS AND CENTS HELP -- NOW.

IN TOLEDO, OHIO, THEY HAVE HAD TO CUT THE NUMBER OF HOURS THAT THE SWIMMING POOLS ARE OPEN NO MONEY.

IN NEW YORK AND CLEVELAND, CITY EMPLOYEES

ARE BEING LAID OFF AT A TIME WHEN THE DEMAND FOR SERVICES

IN ATLANTA, A GIFT OF \$27,000 WORTH OF TREES

HAD TO BE TURNED DOWN BECAUSE THE CITY COULDN'T AFFORD

WATER THEM.

CINCINNATI, LOS ANGELES, KANSAS CITY, DETROIT AND

INDIANAPOLIS ARE LAYING OFF TEACHERS, ESTABLISHING

HIRING FREEZES AND DROPPING KINDERGARTENS, NO MONEY.

Major Stuffer 7 Ditroit -2 fulfet - Surveyal Disaster. Busel of Dall Kalfor (30-Resum)

You know the problems; I know the problems, And

I WANT TO HELP.

I WILL VOTE FOR STATES HOUSE TAKE

REVENUE SHARING BILL.

No Politician likes to raise taxes, and I know

VERY WELL THAT YOUR PROPERTY OWNERS ARE IN REVOLT

THEY ARE BEGINNING TO VOTE, "No" ON BOND ISSUES

OF EVERY KIND.

BUT LOOK AT THE NEEDS FOR BASIC SERVICES.

-- WE AREN'T BEGINNING TO KEEP UP WITH THE DEMAND

FOR HOUSING IF YOUR TOWN IS AVERAGE, FORTY PERCENT OF

ITS DWELLINGS AREN'T UP TO BASIC STANDARDS.

1266

Those of you with traffic problems know

THAT WE MUST RELY LESS AND LESS ON THE PRIVATE

AUTOMOBILE, BUT THERE ARE PRESENTLY NO VIABLE ALTERNATIVES.

THE CHANCES ARE YOU ARE HAVING TROUBLE JUST

KEEPING YOUR CITIES CLEAN AND YOUR GARBAGE COLLECTED.

AND HOW ARE WE GOING TO KEEP UP WITH THE DEMAND FOR SCHOOLS? AND HOSPITALS? AND PARKS AND PLAYGROUNDS?

OUR CITIES HAVE LONG SINCE STOPPED PLANNING FOR THE FUTURE. THEIR PRIMARY PREOCCUPATION IS SURVIVAL ALMOST FROM DAY TO DAY.

Charles Miles

AND THE SMALL TOWNS ARE LINED UP FOR MILES WITH REQUESTS FOR \$2.5 BILLION IN WATER AND SEWER LOANS AND GRANTS THAT SOMEHOW NEVER GET APPROVED ... SMALL TOWN TENNESSEE IS TURNING THE CORNER IN ONE RESPECT PEOPLE ARE TENDING LESS TO MOVE OUT OF RURAL AREAS BUT THE MIGRATIONS TO THE CITIES CONTINUES ELSEWHERE COMPOUNDING THE CRISIS OF THE CITIES AND ROBBING RURAL AREAS OF THIS MOST PRECIOUS RESOURCE -- PEOPLE.

IN THE SHORT PERIOD SINCE WORLD WAR II, OUR

POPULATION HAS GROWN 40 PERCENT. FOUR PEOPLE STAND

TODAY WHERE THREE STOOD 25 YEARS AGO.

Ond in less than 30 years 100 million

1368

THREE MILLION FARMS HAVE DISAPPEARED IN TECHNOLOGICAL REVOLUTION THAT IS STILL SWEEPING AGRICULTURE.

MORE THAN 20 MILLION PEOPLE HAVE ABANDONED THE FARMS

AND SMALL TOWNS FOR THE CITY -- AND THEY ARE STILL

COMING AT A RATE OF 500,000 A YEAR.

SEVENTY PERCENT OF OUR PEOPLE ARE CROWDED INTO

LESS THAN TWO PERCENT OF THE LAND, WHILE 30 PERCENT

OCCUPY ALL THE REST. THE RESULT HAS BEEN A NATIONAL

CRISIS OF THE ENVIRONMENT, AND FROM THIS CRISIS,

OTHERS HAVE ERUPTED ALL AROUND US.

IT IS UNDERSTANDABLE THAT WE ARE PERPLEXED AND FRUSTRATED NO NATION IN HISTORY HAS EVER BEEN SO PRODUCTIVE OR SO WEALTHY. YET THE SHAMEFUL FACT IS THAT 25 MILLION AMERICANS LIVE IN POVERTY.

WE ARE TROUBLED AS A NATION BECAUSE IT NEED NOT

HAVE HAPPENED THIS WAY WE MIGHT HAVE SHAPED OUR

SOCIETY BETTER WITH CONSIDERATION FOR RESOURCES, PEOPLE

AND SPACE, DEMANDING QUALITY AS WELL AS QUANTITY.

Instead, we have rushed pell mell in pursuit

of progress, piling more and more people into less

and less space Our growth has been unplanned, wasteful,

and costly -- both in human terms and in dollars

AND CENTS

THE PRESENT WELFARE SYSTEM, FOR EXAMPLE, HAS

BECOME AN INSIDIOUS MONSTER THAT EATS AWAY AT HUMAN

DIGNITY, AT FINANCIAL RESOURCES, AND AT THE VERY VALUES

OF OUR NATION IT MUST BE REFORMED.

WE MUST REALIZE THAT WELFARE AND POVERTY ARE NOT LOCAL FUNCTIONS. THE PROBLEMS ARE NATIONAL, AND THEY MUST BE MET WITH NATIONAL ACTION.

COMPLETE FEDERALIZATION OF WELFARE, BOTH IN ITS

ADMINISTRATION AND COST, WILL PROVIDE THE TAXPAYERS

IN OUR CITIES AND TOWNS WITH SUBSTANTIAL FISCAL

RELIEF.

FEDERALIZATION OF WELFARE COSTS ALSO WILL PERMIT REALISTIC ASSISTANCE LEVELS IT CAN PERMIT -- IF WE ACT WISELY -- ADEQUATE DAY CARE FACILITIES -- DAY CARE THAT IS NOT MERELY CUSTODIAL, BUT WHICH IS CONCERNED WITH THE DEVELOPMENT AND EDUCATION OF CHILDREN OF WORKING MOTHERS AND WHICH GIVES THEM THE OPPORTUNITY GET OFF WELFARE AND INTO GAINFUL EMPLOYMENT BUT EVEN IF THE FEDERAL GOVERNMENT TAKES OVER WELFARE EVEN IF YOU GET YOUR SHARE OF THE FIVE BILLION DOLLAR GENERAL REVENUE SHARING PIE, IT WILL NOT BE

WE ARE STILL FAR SHORT OF THE MARK. AS A NATION,
WE HAVEN'T GIVEN THIS JOB THE PRIORITY IT SHOULD HAVE.

1372

WE HAVEN'T MADE UP OUR MINDS TO PAY WHAT IT COSTS --BOTH IN RESOURCES AND COMMITMENT.

I BELIVE AMERICA NEEDS A CRUSADE FOR OPPORTUNITY.

IT'S NOT ENOUGH TO BE AGAINST SLUMS. WE MUST WIPE

THEM OUT - and build modern those

It's not enough to be for adequate health care

FOR ALL AMERICANS. WE MUST PROVIDE IT-

IT'S NOT ENOUGH TO CALL FOR AN END TO HUNGER

and assure an adequal IN AMERICA. WE MUST END IT.

WE REALIZE INCREASINGLY THAT THE CITY ITSELF IS

NOT THE PROBLEM, THE CITY IS ONLY THE PLACE WHERE

PROBLEMS CONVERGE.

AND WE HAVE NOT YET DEVELOPED THAT CENTRAL, UNIFYING

IDEA WHICH WILL BE A RALLYING POINT FOR ACTION,

THAT IS WHY I HAVE CALLED FOR A MARSHALL PLAN

FOR AMERICA'S CITIES.

LAST MONTH, I INTRODUCED THE NATIONAL DEVELOPMENT

BANK ACT OF 1971.

BANK

IT WILL PROVIDE A MAJOR NEW SOURCE OF CAPITAL FUNDS

AND TECHNICAL ASSISTANCE FOR CITIES, COUNTIES, TOWNS,

SCHOOL DISTRICTS AND OTHER LOCAL GOVERNMENT BODIES

ACROSS THE NATION.

THIS LEGISLATION GOES TO THE HEART OF THE TWIN

CRISIS FACING OUR COMMUNITIES TODAY -- THE FISCAL CRISIS

AND THE DEVELOPMENT CRISIS.

THE PURPOSE IS THREE-FOLD.

-- To help relieve the shortage of funds confronting

NEARLY EVERY GOVERNMENT JURISDICTION IN THE NATION

AND PROVIDE THEM WITH THE CAPITAL TO MOVE AHEAD ON

VITALLY NEEDED PUBLIC PROJECTS

-- To FACILITATE ECONOMIC DEVELOPMENT -- INCLUDING

DEVELOPMENT OF DEPRESSED AREAS -- TO PROVIDE JOBS.

AND STIMULATE THE DOMESTIC ECONOMY.

-- To HELP PROMOTE BETTER BALANCED RURAL-URBAN
GROWTH.

SIMPLY STATED, THE NATIONAL DOMESTIC DEVELOPMENT

BANK WILL MAKE LONG TERM LOANS TO STATE AND LOCAL
GOVERNMENTS -- AND TO PRIVATE BUSINESS AND OTHER

INSTITUTIONS IN SOME CASES -- FOR A WIDE RANGE OF

PUBLIC CONSTRUCTION and public faculties.

LOANS TO STATE AND LOCAL GOVERNMENT WILL BE

MADE AVAILABLE AT RATES OF INTEREST NO HIGHER THAN

TAX EXEMPT STATE OR MUNICIPAL BONDS.

Thus the New Financing Mechanism will provide Relief
To government Jurisdictions on interest charges and
ON THE NEED TO CONTINUALLY RAISE PROPERTY TAXES.

We are the Leading Partner in an Institution

THAT HAS HAD SIGNIFICANT IMPACT ON DEVELOPMENT

ABROAD -- THE WORLD BANK. I PROPOSE THAT WE NOW APPLY

THIS APPROACH TO OUR PRESSING DEVELOPMENT NEEDS AT

HOME.

I BELIEVE THAT A NATION THAT CAN ASSIST IN THE

DEVELOPMENT OF OTHER NATIONS AROUND THE WORLD MUST

BE ABLE TO PROVIDE FINANCING FOR THE DEVELOPMENT

OF OUR CITIES AND TOWNS

IF WE CAN BUILD A BETTER RIO DE JANIERO, WHY

CAN'T WE BUILD A BETTER MEMPHIS OR CHATTANOOGA? IF

WE CAN ASSIST A PROVINCE IN PERU, WHY CAN'T WE HELP

SHELBY COUNTY, TENNESSEE?

MY PROPOSAL IS FULLY CONSISTENT WITH THIS

COUNTRY'S LONG-ESTABLISHED PRINCIPLES OF PUBLIC

FINANCE.

THERE IS ABUNDANT PRECENDENT IN THE FEDERAL

LAND BANKS, THE BANKS FOR COOPERATIVES, THE FEDERAL

INTERMEDIATE CREDIT BANKS AND SIMILAR INSTITUTIONS.

ALL OF THEM HAVE BEEN SUCCESSFUL, BOTH IN TERMS

OF DEVELOPMENT AND FINANCIAL STABILITY.

WHAT I AM PROPOSING IS A DEVELOPMENT PROGRAM

FOR ALL THE COMMUNITIES OF AMERICA. - adecade

1 Auch point for an experience

It can mean schools and medical centers close

TO THE PEOPLE.

It can mean industrial parks and more Jobs.

IT CAN PROVIDE FUNDS FOR DESPERATELY NEEDED

TRANSIT AND TRANSPORTATION SYSTEMS.

IT CAN MEAN MORE PARKS AND PLAYGROUNDS, SWIMMING POOLS AND CAMPSITES.

1379

LIT CAN PROVIDE FUNDS FOR COMPREHENSIVE DAY CARE AND COMMUNITY SERVICE CENTERS... CENTERS FOR CULTURAL ACTIVITIES AND MUSEUMS... JOB TRAINING FACILITIES... LOW AND MODERATE INCOME HOUSING... AMBULANCE AND RESCUE CENTERS... NURSING HOMES AND CLINICS ... WATER PURIFICATION FACILITIES AND WASTE DISPOSAL AND TREATMENT PLANTS ... LIBRARIES... ADULT EDUCATION CENTERS AND MUCH MORE.

IT CAN PROVIDE NEEDED JOBS IN A SLUMPING ECONOMY AND TRIGGER NEW PRIVATE INVESTMENT.

IT CAN MAKE POSSIBLE AN OVERDUE START ON THE RENEWAL OF

BUSINESS CENTERS IN OUR SMALL TOWNS AND CENTRAL

CITIES, AND A COMPREHENSIVE ATTACK ON URBAN AND

RURAL BLIGHT

THE LIST OF NEEDED PUBLIC PROJECTS IS ALMOST

ENDLESS. WE HAVE NEGLECTED IT TOO LONG, AND WE HAVE

SUCCEEDED IN BECOMING A NATION THAT IS PRIVATELY

AND PUBLICLY POOR.

THE TIME TO REDRESS THAT IMBALANCE IS NOW.

THE COST TO THE FEDERAL GOVERNMENT IN ESTABLISHING

THE NATIONAL DOMESTIC DEVELOPMENT BANK WILL BE A SMALL

FRACTION OF THE DEVELOPMENT VALUE THE BANK CAN GENERATE.

LET US BEGIN NOW ON OUR URGENT DOMESTIC AGENDA.

THE LAST SEVERAL YEARS HAVE DEMONSTRATED THE

STRIKING ABILITY OF CITIZENS TO ASSUME MAJOR RESPONSIBILITY

FOR SHAPING THEIR OWN DESTINIES -- ON THEIR BLOCK,

IN THEIR NEIGHBORHOOD, AND THROUGHOUT THEIR TOWNS

AND CITIES.

BUT IN MANY PLACES THIS POPULAR INITIATIVE HAS

BEEN THWARTED BY LACK OF OPERATING FUNDS. BY AN

UNRESPONSIVE OR EVEN HOSTILE BUREAUCRACY, OR BY

UNREASONABLE SETS OF RULES, GUIDELINES, REGULATIONS

AND PROCEDURES.

I KNOW THE WEAKNESS AS WELL AS THE VIRTUE OF CIVIC PRIDE -- HOW EASY IT IS TO START SOMETHING, AND HOW HARD IT IS TO FINISH IT.

I KNOW EVERY MISTAKE WE HAVE MADE IN BUILDING OUR CITIES IS A HUMAN MISTAKE -- WHICH MEANS IT IS WITHIN HUMAN CAPACITY TO CORRECT.

WE CAN'T SETTLE FOR MINIMUM HOUSING, MINIMUM WAGES AND MINIMUM NEIGHBORHOODS.

We can't settle for a MINIMUM AMERICA.

WITH A LITTLE GOOD SENSE -- AND A LOT OF GOOD

PLANNING -- AND WITH THE SPIRIT OF WORKING TOGETHER

TO SOLVE OUR COMMON PROBLEMS, WE CAN SUCCEED.

WE CANNOT AFFORD TO FAIL.

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