

REMARKS BY SENATOR HUBERT H. HUMPHREY

DINNER HONORING STATE SENATOR JOSEPH KENNICK

LONG BEACH, CALIFORNIA

SEPTEMBER 10, 1971

We are here to honor a distinguished State Legislator, a distinguished Californian -- Joe Kennick.

I am struck by some parallels between Joe's career and my own.

We both have roots in rural America -- Joe's are in his native Saginaw, Michigan; mine are in rural South Dakota and Minnesota.

Both of us have had experience in local government -- Joe with the city of Long Beach; I in Minneapolis, where I was privileged to serve as mayor.

And we are both veterans of the legislative process -- Joe in both houses of the California Legislature, and I in the United States Senate.

We both have our scars, but we have our victories, too. And if you look at Joe Kennick's record over the years, you will find that he has been consistently on the side of the people -- not just the people of Long Beach; not just labor or minority groups or any particular single interest; but on the side of what's best for the people of the State of California.

And perhaps his proudest accomplishment has been his leadership -- along with other distinguished California legislators -- in building the California Legislature into the finest in the nation -- bar none.

This nation needs more state legislatures like California's. And this Administration needs the benefit of the thinking of California's Legislature and others in the nation.

I have called for regular conferences between officials of the National Administration at the highest level -- and I mean the President and his Cabinet officers -- with state legislative leaders on a regular basis. I'm not talking about social teas or shows for the benefit of the press. I'm talking about real working sessions where there is a genuine exchange of views and ideas.

I am concerned about the fact that the Executive Branch of the federal government is becoming increasingly isolated in its decision making.

Let me ask you this: Were any California legislators consulted on the Administration's so-called new economic policies? The answer is no.

Were labor leaders from California -- or anywhere else for that matter -- consulted? Again, the answer is no.

Only after the policies were announced did the President make even the most tentative gestures toward consulting with organized labor.

Only after the policies were announced did he decide to address a joint session of Congress.

The decisions were made behind closed doors. And that seems to me a strange way to build public confidence and trust in the Administration.

Adequate consultation might have prevented the barrage of criticisms that greeted the announcement of the new policies. More important, it might have resulted in earlier action by the Administration and in equitable policies for all elements of the economy, instead of the patently inequitable policies we have.

The economy is of crucial importance to all of us, and particularly to Californians. California is only one of the 50 states, but it has more than 10 percent of the nation's population, and that usually means more than 10 percent of its unemployment, more than 10 percent construction business, more than 10 percent of its business failures.

So I want to direct my remarks tonight toward the economy and the Administration's policies.

The evidence strongly suggests that the new economic game plan is still not a winner.

Let me tell you why:

At the heart of the so-called new policy is the old conservative economic theory of "trickle down" -- the theory that if business and management are given windfalls, the prosperity will eventually reach the working man and the consumer.

This theory is an old one. It has been tried and found wanting. It simply does not work.

The only thing new in this economic game plan is the quarterback -- President Nixon -- and he is still calling the same old signals.

What is needed is not trickle down, but percolate up.

Now what is our quarrel with the Administration proposals?

First, they are unforgiveably and tragically late.

Second, they are grossly inequitable. They place the burden for inflation control primarily on the worker, and they give too few benefits to the working man and the consumer.

-- Wages, prices, and rents are frozen, but there is no ceiling on interest rates or a limitation on profits.

-- Prices of land, capital gains, and dividends are exempt from the freeze.

-- Business gets tax relief of nearly 9 billion dollars. The individual is limited to a one time only tax benefit of less than one-third that given corporate business.

Third, the Administration proposes to scuttle the two proposals that are vital to the Nation's economic recovery and general well-being -- welfare reform and fiscal relief to state and local governments.

These economic proposals come only after a stubborn administration watched idly month after month as the unemployment lines lengthened and the cost of living climbed.

They come only after the national recession reached truly critical proportions and after public confidence in the Administration ability to deal with the mounting problems had become seriously eroded and perhaps permanently destroyed.

What this nation needs again is a new Economic Fair Deal.

Let me outline a few elements of a Fair Deal economic policy.

First, we must reject half policies that do little to revitalize the economy. We must reject half policies that emphasize control and freeze rather than revitalize economic expansion.

The best anti-inflationary medicine is improved productivity -- an economy that is operating at its highest level of capacity.

This is why programs to produce jobs must have priority. Public service employment, training, and re-training programs are necessary for all Americans -- particularly those groups suffering from the highest unemployment.

Second, we must end the freeze in 90 days.

And, it must be replaced by a Wage, Price, Profits Stabilization Board -- a board that has the real participation and support of labor, business, agriculture, consumers and the public.

The Administration's freeze is inflexible. While it may have been necessary to buy time to build a continuing means of guiding the economy, it ignores inequities, legitimate contract obligations, and the economic condition of thousands of small businessmen.

Along with the Stabilization Board, Productivity Councils must be established on a regional basis.

Third, we must stimulate consumer spending.

We need to pass a Consumer Tax Relief Act of 1971 that will speed up income tax relief, we should postpone increases in social security payroll taxes. And, we need to pass an extension of unemployment compensation.

Fourth, we need early passage of welfare reform --we must reform a system that fails both the recipient and the taxpayer.

Fifth, financial assistance to our cities and states is a must. We have to lighten the load of already over-burdened homeowners.

Sixth, the Federal Reserve Board should pursue a policy of monetary and fiscal expansion.

Seventh, we should enact an investment tax credit.

Finally, we need an economic policy that is more than a response to crisis -- an economic policy that looks to the future of this nation, beyond tomorrow, beyond 90 days, beyond the next election.

How are we going to create the 20 million new jobs we will need by 1976 -- the 200th Anniversary of our national birth?

How are we going to meet not only our economic needs, but our social needs -- in housing, in transportation, in health care, in education?

These are the questions that the so-called new economic policies fail to address. And, it is our job --yours and mine -- to see that they are addressed and soon.

Our goals are the same: A new economic policy, yes.

But a Fair Deal Economic policy for social justice -- a policy that looks to prosperity and the well-being of the worker, the businessman, the farmer, the professional, the consumer.

Sen Joe Kennick
 introduced me
 1964 - Recreation
 Park - Long Beach
fact of Campaign

Last Dinner in this Room
 Dec 8, 1967

" This is first dinner since
 I gave a speech about
 HMS. Queen Mary!

Pontoon Boat Lake Wawona

Mrs Kennick -
- father: mpls.

REMARKS BY SENATOR HUBERT H. HUMPHREY

much
 loved

State Sen Joseph Kennick
 DINNER HONORING STATE SENATOR JOSEPH KENNICK

LONG BEACH, CALIFORNIA

wife Ruth

~~Chairman~~
 (Mr Joseph Ball)

Senator Geo Moscone - mayor

assemblyman ~~Rep~~ Wally Kah Ray Bian mayor

✓ Cong. ^{Glenn} Anderson

✓ Mayor Wade

✓ Justice Stanley Mosk ^{Mrs Mosk}

✓ Sec of State ~~John Brown~~
Jerry Brown

Fagguato
(Bud Grant) Wings

Maynard - Key + clock -
(new mind the watch - look at the calendar)

h WE ARE HERE TO HONOR A DISTINGUISHED STATE LEGISLATOR,
A DISTINGUISHED CALIFORNIAN -- JOE KENNICK.

Recycling!

L I AM STRUCK BY SOME PARALLELS BETWEEN JOE'S CAREER
AND MY OWN.

L WE BOTH HAVE ROOTS IN RURAL AMERICA -- JOE'S ARE FROM
HIS NATIVE SAGINAW, MICHIGAN; ^{roots} MINE ARE IN RURAL SOUTH
DAKOTA AND MINNESOTA. - Mrs. mpls

L BOTH OF US HAVE HAD EXPERIENCE IN LOCAL GOVERNMENT --
JOE WITH THE CITY OF LONG BEACH; I IN MINNEAPOLIS, WHERE
I WAS PRIVILEGED TO SERVE AS MAYOR.

L AND WE ARE BOTH VETERANS OF THE LEGISLATIVE PROCESS
Assembly 1958
-- JOE IN BOTH HOUSES OF THE CALIFORNIA LEGISLATURE, AND

I IN THE UNITED STATES SENATE.

1/2 million people action 33rd Senatorial district 1966

and

WE BOTH HAVE OUR SCARS, ^{*also had*} BUT WE HAVE OUR VICTORIES!

and

AND IF YOU LOOK AT JOE KENNICK'S RECORD OVER THE

YEARS, YOU WILL FIND THAT HE HAS BEEN CONSISTENTLY

ON THE SIDE OF THE PEOPLE -- NOT JUST THE PEOPLE OF

LONG BEACH; NOT JUST LABOR OR MINORITY GROUPS OR ANY

PARTICULAR SINGLE INTEREST; BUT ON THE SIDE OF WHAT'S

BEST FOR THE PEOPLE OF THE STATE OF CALIFORNIA.

Johnny

AND PERHAPS HIS PROUDEST ACCOMPLISHMENT HAS BEEN

HIS LEADERSHIP -- ALONG WITH OTHER DISTINGUISHED CALIFORNIA

LEGISLATORS -- IN BUILDING THE CALIFORNIA LEGISLATURE INTO

THE FINEST IN THE NATION -- BAR NONE.

Youth
Public
Transportation
Air Pollution
Higher
Edue

Calif Legis

*Speaker Moretti - (Pres Pro Temp - Jim Mills.
may leader Wally Kohn Rayburn (assembly
may leader Alvin Moscone (Senate*

L THIS NATION NEEDS MORE STATE LEGISLATURES LIKE
CALIFORNIA'S. ~~AND THIS ADMINISTRATION NEEDS THE BENEFIT~~
~~OF THE THINKING OF CALIFORNIA'S LEGISLATURE AND OTHERS IN~~
~~THE NATION.~~ *Govt Partnership*
conferences

I HAVE CALLED FOR REGULAR CONFERENCES BETWEEN OFFICIALS
OF THE NATIONAL ADMINISTRATION AT THE HIGHEST LEVEL -- AND
I MEAN THE PRESIDENT AND HIS CABINET OFFICERS -- WITH
STATE LEGISLATIVE LEADERS ON A REGULAR BASIS. *Legis Congress*

TALKING ABOUT SOCIAL TEAS OR SHOWS FOR THE BENEFIT OF THE
PRESS. I'M TALKING ABOUT REAL WORKING SESSIONS WHERE THERE
IS A GENUINE EXCHANGE OF VIEWS AND IDEAS.

L I AM CONCERNED ABOUT THE FACT THAT THE EXECUTIVE
BRANCH OF THE FEDERAL GOVERNMENT IS BECOMING INCREASINGLY
ISOLATED IN ITS DECISION MAKING. !

L LET ME ASK YOU THIS: WERE ANY CALIFORNIA LEGISLATORS
CONSULTED ON THE ADMINISTRATION'S SO-CALLED NEW ECONOMIC

POLICIES? THE ANSWER IS NO.

*Were Business Leaders -
no.*

L WERE LABOR LEADERS FROM CALIFORNIA -- OR ANYWHERE
ELSE FOR THAT MATTER -- CONSULTED? AGAIN, THE ANSWER IS

NO.

Was Congress - no -

L ~~ONLY AFTER THE POLICIES WERE ANNOUNCED DID THE~~
~~PRESIDENT MAKE EVEN THE MOST TENTATIVE GESTURES TOWARD~~
CONSULTING WITH ORGANIZED LABOR.

ONLY AFTER THE POLICIES WERE ANNOUNCED DID HE
DECIDE TO ADDRESS A JOINT SESSION OF CONGRESS.

THE DECISIONS WERE MADE BEHIND CLOSED DOORS, AND
THAT SEEMS TO ME A STRANGE WAY TO BUILD PUBLIC CONFIDENCE
AND TRUST IN THE ADMINISTRATION,

~~ADEQUATE CONSULTATION MIGHT HAVE PREVENTED THE
BARRAGE OF CRITICISMS THAT GREETED THE ANNOUNCEMENT OF THE
NEW POLICIES. MORE IMPORTANT, IT MIGHT HAVE RESULTED IN
EARLIER ACTION BY THE ADMINISTRATION AND IN EQUITABLE
POLICIES FOR ALL ELEMENTS OF THE ECONOMY, INSTEAD OF THE
PATENTLY INEQUITABLE POLICIES WE HAVE.~~

THE ECONOMY IS OF CRUCIAL IMPORTANCE TO ALL OF US,
AND PARTICULARLY TO CALIFORNIANS. CALIFORNIA IS ONLY ONE
OF THE 50 STATES, BUT IT HAS MORE THAN 10 PERCENT OF
THE NATION'S POPULATION, AND THAT USUALLY MEANS MORE THAN
10 PERCENT OF ITS UNEMPLOYMENT, MORE THAN 10 PERCENT
CONSTRUCTION BUSINESS, MORE THAN 10 PERCENT OF ITS
BUSINESS FAILURES.

SO I WANT TO DIRECT MY REMARKS TONIGHT TOWARD THE
ECONOMY AND ~~THE ADMINISTRATION'S POLICIES.~~

*(Br. Partisan
Dinner)*

THE EVIDENCE STRONGLY SUGGESTS THAT THE NEW ECONOMIC
GAME PLAN IS STILL NOT A WINNER.

LET ME TELL YOU WHY:

*✓ Rehabilitation
✓ Reconstruction
✓ Reaffirmation*

*✓ Cities to Rebuild -
✓ 100 million more
americans
Where to Live
How
what kind of life*

~~FOURTH, WE NEED EARLY PASSAGE OF WELFARE REFORM --~~

~~WE MUST REFORM A SYSTEM THAT FAILS BOTH THE RECIPIENT AND~~

~~THE TAXPAYER.~~

~~FIFTH, FINANCIAL ASSISTANCE TO OUR CITIES AND STATES~~

~~IS A MUST. WE HAVE TO TO LIGHTEN THE LOAD OF ALREADY~~

~~OVER-BURDENED HOMEOWNERS.~~

~~SIXTH, THE FEDERAL RESERVE BOARD SHOULD PURSUE A~~

~~POLICY OF MONETARY AND FISCAL EXPANSION.~~

~~SEVENTH, WE SHOULD ENACT AN INVESTMENT TAX CREDIT.~~

~~FINALLY, WE NEED AN ECONOMIC POLICY THAT IS MORE THAN~~

~~A RESPONSE TO CRISIS -- AN ECONOMIC POLICY THAT LOOKS TO~~

~~THE FUTURE OF THIS NATION, BEYOND TOMORROW, BEYOND 90~~

~~DAYS, BEYOND THE NEXT ELECTION.~~

Welfare

Aid to Cities

Response to Crisis

L HOW ARE WE GOING TO CREATE THE 20 MILLION NEW JOBS

WE WILL NEED BY 1976 -- THE 200TH ANNIVERSARY OF OUR

NATIONAL BIRTH?

L HOW ARE WE GOING TO MEET NOT ONLY OUR ECONOMIC NEEDS,

BUT OUR SOCIAL NEEDS -- IN HOUSING, IN TRANSPORTATION,

IN HEALTH CARE, IN EDUCATION?

Recon

L THESE ARE THE QUESTIONS THAT THE SO-CALLED NEW
ECONOMIC POLICIES FAIL TO ADDRESS. AND, IT IS OUR JOB --

YOURS AND MINE -- TO SEE THAT THEY ARE ADDRESSED AND SOON.

~~OUR GOALS ARE THE SAME. A NEW ECONOMIC POLICY, YES.~~

*We have a nation to build, to conform --
many Lewis - councilwoman, City Bellflower*

Pledge of Allegiance

Reconciliation, Reconstruction, Reaffirmation!

BUT A FAIR DEAL ECONOMIC POLICY FOR SOCIAL
JUSTICE -- A POLICY THAT LOOKS TO PROSPERITY AND THE
WELL-BEING OF THE WORKER, THE BUSINESSMAN, THE FARMER,
THE PROFESSIONAL, THE CONSUMER.

#

AT THE HEART OF THE SO-CALLED NEW POLICY IS THE OLD CONSERVATIVE ECONOMIC THEORY OF "TRICKLE DOWN" -- THE THEORY THAT IF BUSINESS AND MANAGEMENT ARE GIVEN WINDFALLS, THE PROSPERITY WILL EVENTUALLY REACH THE WORKING MAN AND THE CONSUMER.

THIS THEORY IS AN OLD ONE. IT HAS BEEN TRIED AND FOUND WANTING. IT SIMPLY DOES NOT WORK.

THE ONLY THING NEW IN THIS ECONOMIC GAME PLAN IS THE QUARTERBACK -- PRESIDENT NIXON -- AND HE IS STILL CALLING THE SAME OLD SIGNALS.

WHAT IS NEEDED IS NOT TRICKLE DOWN, BUT PERCOLATE UP.

NOW WHAT IS OUR QUARREL WITH THE ADMINISTRATION PROPOSALS?

FIRST, THEY ARE UNFORGIVEABLY AND TRAGICALLY LATE.

SECOND, THEY ARE GROSSLY INEQUITABLE. THEY PLACE

THE BURDEN FOR INFLATION CONTROL PRIMARILY ON THE WORKER,

AND THEY GIVE TOO FEW BENEFITS TO THE WORKING MAN AND

THE CONSUMER.

-- WAGES, PRICES, AND RENTS ARE FROZEN, BUT THERE

IS NO CEILING ON INTEREST RATES OR A LIMITATION ON PROFITS.

-- PRICES OF LAND, CAPITAL GAINS, AND DIVIDENDS

ARE EXEMPT FROM THE FREEZE.

-- BUSINESS GETS TAX RELIEF OF NEARLY \$9 BILLION

DOLLARS. THE INDIVIDUAL IS LIMITED TO A ONE TIME ONLY TAX

BENEFIT OF LESS THAN ONE-THIRD THAT GIVEN CORPORATE BUSINESS.

THIRD, THE ADMINISTRATION PROPOSES TO SCUTTLE THE TWO PROPOSALS THAT ARE VITAL TO THE NATION'S ECONOMIC RECOVERY AND GENERAL WELL-BEING -- WELFARE REFORM AND FISCAL RELIEF TO STATE AND LOCAL GOVERNMENTS.

THESE ECONOMIC PROPOSALS COME ONLY AFTER A STUBBORN ADMINISTRATION WATCHED IDLY MONTH AFTER MONTH AS THE UNEMPLOYMENT LINES LENGTHENED AND THE COST OF LIVING CLIMBED.

THEY COME ONLY AFTER THE NATIONAL RECESSION REACHED TRULY CRITICAL PROPORTIONS AND AFTER PUBLIC CONFIDENCE IN THE ADMINISTRATION ABILITY TO DEAL WITH THE MOUNTING PROBLEMS HAD BECOME SERIOUSLY ERODED AND PERHAPS PERMANENTLY DESTROYED.

WHAT THIS NATION NEEDS AGAIN IS A NEW ECONOMIC FAIR
DEAL.

LET ME OUTLINE A FEW ELEMENTS OF A FAIR DEAL ECONOMIC
POLICY.

FIRST, WE MUST REJECT HALF POLICIES THAT DO LITTLE TO
REVITALIZE THE ECONOMY. WE MUST REJECT HALF POLICIES THAT
EMPHASIZE CONTROL AND FREEZE RATHER THAN REVITALIZE
ECONOMIC EXPANSION.

THE BEST ANTI-INFLATIONARY MEDICINE IS IMPROVED
PRODUCTIVITY -- AN ECONOMY THAT IS OPERATING AT ITS HIGHEST
LEVEL OF CAPACITY.

THIS IS WHY PROGRAMS TO PRODUCE JOBS MUST HAVE
PRIORITY. PUBLIC SERVICE EMPLOYMENT, TRAINING, AND
RE-TRAINING PROGRAMS ARE NECESSARY FOR ALL AMERICANS --
PARTICULARLY THOSE GROUPS SUFFERING FROM THE HIGHEST
UNEMPLOYMENT.

SECOND, WE MUST END THE FREEZE IN 90 DAYS.

AND, IT MUST BE REPLACED BY A WAGE, PRICE, PROFITS
STABILIZATION BOARD -- A BOARD THAT HAS THE REAL PARTICIPATION
AND SUPPORT OF LABOR, BUSINESS, AGRICULTURE, CONSUMERS
AND THE PUBLIC.

THE ADMINISTRATION'S FREEZE IS INFLEXIBLE. WHILE IT MAY HAVE BEEN NECESSARY TO BUY TIME TO BUILD A CONTINUING MEANS OF GUIDING THE ECONOMY, IT IGNORES INEQUITIES, LEGITIMATE CONTRACT OBLIGATIONS, AND THE ECONOMIC CONDITION OF THOUSANDS OF SMALL BUSINESSMEN.

ALONG WITH THE STABILIZATION BOARD, PRODUCTIVITY COUNCILS MUST BE ESTABLISHED ON A REGIONAL BASIS.

THIRD, WE MUST STIMULATE CONSUMER SPENDING.

WE NEED TO PASS A CONSUMER TAX RELIEF ACT OF 1971 THAT WILL SPEED UP INCOME TAX RELIEF, WE SHOULD POSTPONE INCREASES IN SOCIAL SECURITY PAYROLL TAXES. AND, WE NEED TO PASS AN EXTENSION OF UNEMPLOYMENT COMPENSATION.



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