REMARKS BY SENATOR HUBERT H. HUMPHREY

ASSESSMENT OFFICERS' CONFERENCE

Boston, Massachusetts September 21, 1971

Government at all levels in this nation is muscle bound, hard and ineffective.

It is big, it is costly, and it is seemingly unable to respond to the needs of people.

Citizens have a caseagainst government: Governments today over-promise and under-perform.

Let me give you an example. For years, the Federal government has touted the importance of urban development grants.

Through press releases and Presidential news conferences the expectations of officials over what these grants could mean to communities were increased.

But what happened?

The promise said grants would be available immediately. The performance said 4 1/2 years 1/2

-- That is 544 processing days for planning grants, 706 days for initial funding, and another 337 days for final project approval.

I ask you: is it any wonder that citizens believe they are not getting their money's worth from government?

The sad part is that this kind of track record is not limited to the Federal government alone. The fact is that the government closest to the people does not always operate with compassion, sympathy, or efficiency.

And so today, I want to talk to you about "street level government" and how we can turn it around and make it efficient.

To do so means we must take three immediate action steps. First, we must ask: What will be the future needs of this

nation. And, then we must reorient our resources accordingly. To plan, to create to think ahead -- these are the challenges

of our time. For, as John Galsworth once said, "If you do not think

about the future, then you can not have one." By the year 2,000, our population will reach 300 million people. Where are these people going to live? Are we going to continue to have the same settlement patterns that now mean 70 percent of the people live on two percent of the land?

Or consider health care. Last year, this nation spent collectively 67.2 billion dollars for health care -- that is 2 1/2 times the

amount spent just ten years ago. How are we going to have medical care for those who can not pay for it? And how many doctors, nurses, medical centers, clinics, or hospitals will we need in the years to come?

What will be our education needs in the next twenty years?

Will our schools be able to offer the education experience that will give students the ability to think, to maximize their potential? In short, do our present priorities reflect any emphasis on

what we should be doing now to meet our future needs? I say they do not. And, I say this is a national tragedy.

Look at the federal budget.

For every person in the United States, our government spends \$893. But, the lion's share goes to defense, military procurement, weapons research, and weapons development -- that is \$325.14 for every woman, man, and child in the United States.

Only \$16.71 is spent on community development -- that means \$5.49 for public facilities, \$.18 for planning, and \$6.62 for housing. Think of it \$6.62 to build and stimulate housing construction -in a nation that will need some 26 million units over the next decade.

And, on health care, we spend less than \$79 per person. Education gets even less -- \$35.92.

I happen to believe that we can do better in this nation. We need a new arithmetic in this nation -- one that can add,

subtract, multiply, and divide on the basis of human public interest, not the special, narrow interest.

If we are going to have efficient, responsive, accountable government, then our nation must make a commitment now to place a floor of basic services beneath every individual and family in this country. We need an income floor, a housing floor, a health floor, an educational floor, and an enrichment floor.

And we need them not only in urban areas and large cities, but in rural areas and small communities.

The 1970's should be a decade of domestic development.

The 1970's should be the decade when we correct the imbalances that have made this nation privately wealthy, but publicly poor. The second immediate step we must take is to reorganize our

governments.

We must move away from institutional creation and move towards institutional simplification.

I want to outline to you today three new programs that reward progress towards national goals, cut red tape, eliminate bureaucratic waste, and help improve the efficiency of city hall.

I propose that all Federal government departments realign their administrative regions so that there is only one set covering the entire United States. Under my plan, HEW and HUD plus all other Departments would have identical districts.

In each one, a high level, competent team of program expediters would be assigned to each city and state within that district.

The job of this team would be (1) to provide day by day liaison between the departments and the local community, (2) to assist in grant preparations that span two or more agencies in order to insure exact coordination, and (3) to guarantee that the bureaucratic maze becomes understandable to citizens.

In addition, each administrative region would have an executive officer who would be empowered to make final decisions on project applications. And, he would be required to do so within sixty days of submission.

Finally, each administrative region would have a direct representative of the President located in it. This Presidential Manager would report directly to the President. He would cut red tape, insure cooperation among agencies, and be personally available to local government officials for program consultation on their problems in their communities.

I propose the Local Communities Management Assistance Program.

This program would pay fifty percent of the local administrative cost of providing a local department of community development. It would pay fifty percent of the cost of hiring teams of systems experts to improve municipal budgeting procedures and accounting methods. In addition, all other administrative branches of the local government would be eligible for assistance if their programs were innovative and contributed to the efficiency of local government.

I propose a nationwide Community Program Information Network -a cataloging of ongoing operating programs such as drug control, community relations, housing, social services, health planning, and other functions. This Information Network would make available the procedures and operating practices of successful ongoing programs for and from communities across the nation.

The essential idea is this: If there is a successful program dealing with drugs in one city or community, why not at least give it a try in other communities, adapting as necessary?

The Information Network would not be a scholars' catalogue. It would provide useful mechanical information on operating programs.

There is a final action step we must immediately take to make government efficient.

If we are really going to make government accountable and

efficient, then we must have a health fiscal climate in our communities. In short, we have to have an economy that grows without inflation, we have to have jobs, programs to match our needs, and a tax structure

that is fair and equitable. We need a strong health economy. And, we are not going to

get it from the half policies advocated by the Nixon Administration. We need policies that produce jobs, that increase productivity, and stabilize the cost of living.

A strong, healthy economy will give us an expanding tax base, but our taxes themselves must be equitable.

Right now, the top ten percent of the income population in the United States receives 30 percent of the total income, but pays only 9.8 percent of the total taxes.

On the other hand, the middle and moderate income groups receive only 11 percent of the income but they pay 25 percent of the taxes. And, the lowest tenth of the population receive 1 percent of the national income but pay about 4 percent of the taxes.

Is this fair? Is this equitable?

Look at your own communities. About 35 to 45 percent of your total revenue is raised from the property tax. But, who gets hit the hardest with the property tax? It is the moderate income, the middle income, and the low income taxpayers.

Is this fair? Is this equitable?

What we must do is to restructure our taxing system through this Nation. We need progressive, not regressive tax systems. And, we need a redistribution of wealth in this country. That is one reason why I have advocated some form of financial

That is one reason why I have advocated some form of financial assistance to cities and states that is tied to changes in the tax system.

We need fiscal relief for our cities. And, revenue sharing in some form is one part of the answer. Unlike the President, I believe it should be enacted now. I reject the President's request for delay. But, at the same time as we enact it, why not try to improve government? We should reward performance, and we should provide incentives for states to adopt progressive tax structures.

Another measure crucial to more rational financing is welfare reform.

And, I say to you that the President's recommendation that we postpone welfare reform is an outrageous example of mixed priorities.

Welfare reform has three purposes. First, to help those who really need help. Second, to retrain and employ those who are capable of work. Third, to alleviate the crushing property tax burden on state and city taxpayers.

All three of these purposes are vital. All three are necessary. Welfare reform must not be derailed or delayed.

Another needed financing program is the National Domestic Development Bank -- legislation I recently introduced to help cities, states, and towns finance vitally needed public projects.

I propose that we now apply accepted principles of international finance at home by providing long-term, low interest loans and couple that help with financial assistance.

This plan will allow our governments to move ahead on a wide range of urgently needed public construction.

It can provide jobs and stimulate the economy.

We have used this approach successfully overseas.

I say if we can help build a better Rio de Janeiro, then we can build a better Boston, or Milwaukee, or Pittsburgh, or Colorado. Next, we can and must enact the Consolidated Farm and Rural

Development Act of 1971. This legislation can help stem the tide of outmigration before

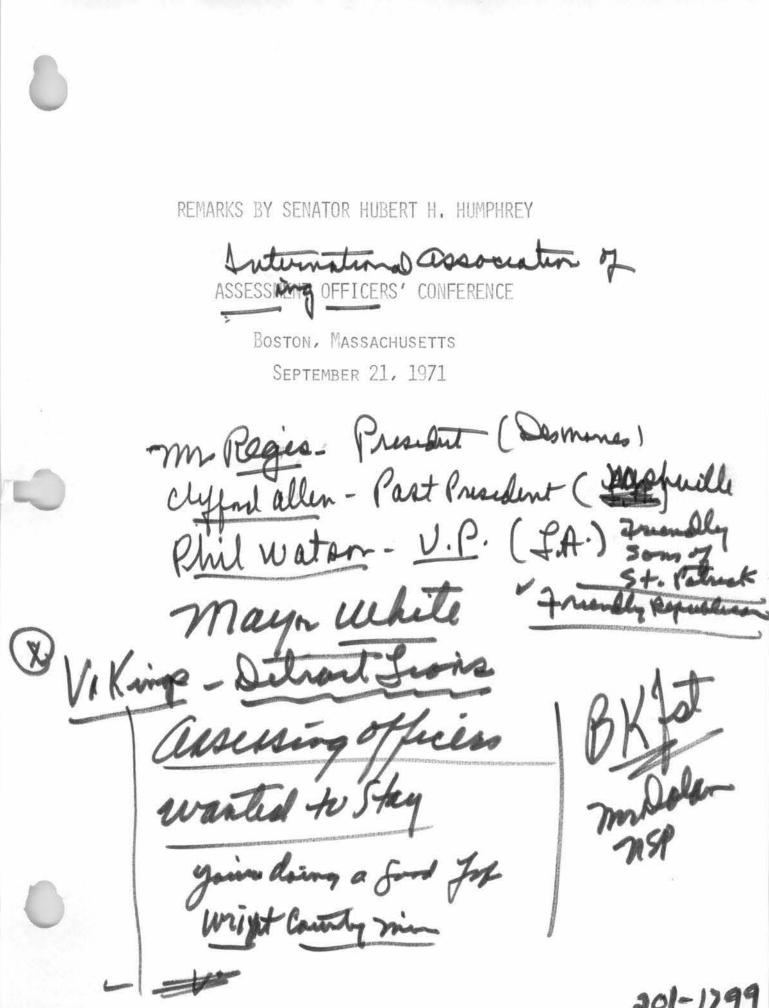
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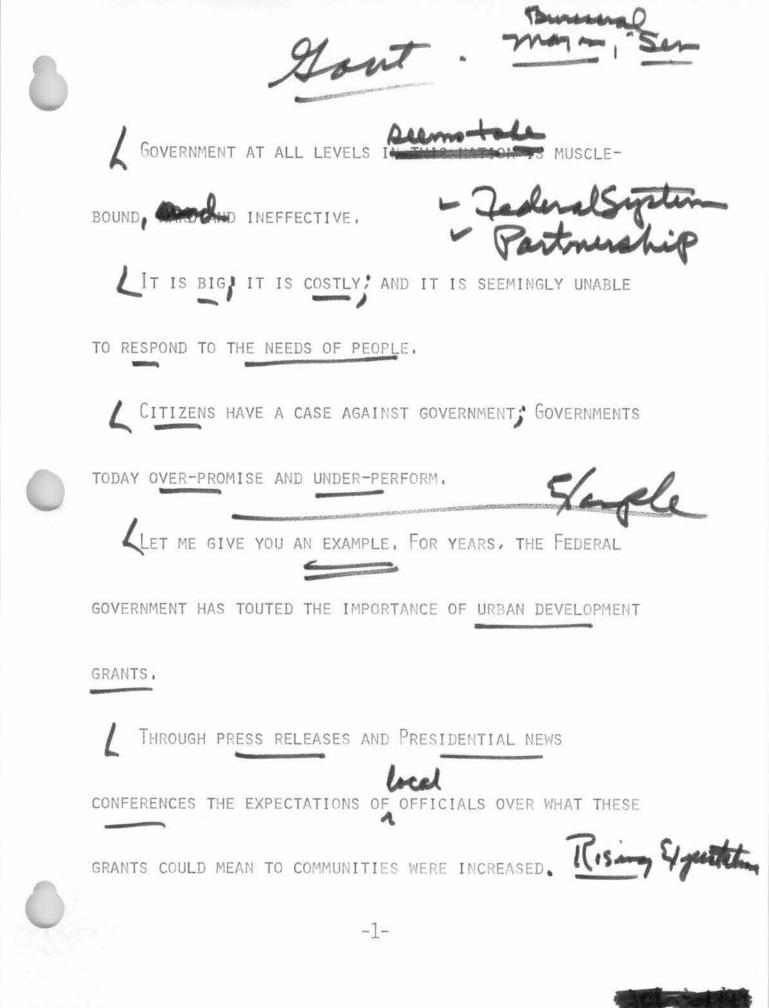
The legislation creates a Federal Rural Development Credit Agency to be an expeditier of community programs. It is a bill that will help small communities conserve their most basic resource -- people -- people who can rebuild and revitalize their communities.

In the final analysis though, to make a government efficient, responsible, and accountable does not just take institutional change, or departmental reorganization or fair taxes.

It takes political leadership -- leadership dedicated to providing people with whey they expect: honest government, fair government, and responsive government.

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ut_as the Pro -3-AND SO TODAY, I WANT TO TALK TO YOU ABOUT "STREET LEVEL GOVERNMENT" AND HOW WE CAN TURN IT AROUND AND MAKE IT KANN FIRST, WE MUST ASK: WHAT WILL BE WE FUTURE NEEDS AND, THEN WE MUST REORIENT OUR RESOURCES THIS NATION ACCORDINGLY. TO PLAN, TO CREATE TO THINK AHEAD -- THESE ARE THE uble n riso uri NOT

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ONLY \$16.71 IS SPENT ON COMMUNITY DEVELOPMENT -- THAT MEANS \$5.49 FOR PUBLIC FACILITIES, FOR PLANNING, AND \$6.62 FOR HOUSING. THINK OF IT! \$6.62 TO BUILD AND STIMULATE HOUSING (893) CONSTRUCTION -- IN A NATION THAT WILL NEED SOME 26 MILLION MUL-UNITS OVER THE NEXT DECADE LAND, ON HEALTH CARE, WE SPEND LESS THAN \$79 PER PERSON. (\$93) [EDUCATION GETS EVEN LESS -- \$35.92. (893.) I HAPPEN TO BELIEVE THAT WE CAN DO BETTER, A PHIS NATION. I DE Y MANDED IX IDE CO

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-7-_____IF WE ARE GOING TO HAVE EFFICIENT, RESPONSIVE, ACCOUNTABLE THEN MUST MAKE A COMMITMENT NOW TO GOVERNMENT, THEN OFFICE PLACE A FLOOR OF BASIC SERVICES BENEATH EVERY INDIVIDUAL AND FAMILY IN THIS COUNTRY WE NEED AN INCOME FLOOR, A HOUSING FLOOR, A HEALTH FLOOR, AN EDUCATIONAL FLOOR, AND AN ENRICHMENT FLOOR . AND WE NEED THEM NOT ONLY IN URBAN AREAS AND LARGE CITIES, BUT IN RURAL AREAS AND SMALL COMMUNITIES. the THE 1970'S SHOULD BE A DECADE OF DOMESTIC DEVELOPMENT, as speep

THE 1970'S SHOULD BE THE DECADE WHEN WE CORRECT THE

IMBALANCES THAT HAVE MADE THIS NATION PRIVATELY WEALTHY, BUT PUBLICLY POOR.

-8-THE SECOND IMMEDIATE STEP - IS TO REORGANIZE Modern OUR GOVERNMENTS. LATION AND MOVE TOWARDS INSTITUTIONAL SIMPLIFICATION, I WANT TO OUTLINE TO YOU TODAY THREE NEW PROGRAMS THAT REWARD PROGRESS TOWARD NATIONAL GOALS, CUT RED TAPE, ELIMINATE BUREAUCRATIC WASTE, AND HELP IMPROVE THE EFFICIENCY OF CITY HALL. I PROPOSE THAT ALL FEDERAL GOVERNMENT DEPARTMENTS REALIGN THEIR ADMINISTRATIVE REGIONS SO THAT THERE IS ONLY ONE set covering the entire United States Under my plan, HEW and Dept Labor HUD PLUS ALL OTHER DEPARTMENTS WOULD HAVE IDENTICAL DISTRICTS L IN EACH THE, A HIGH LEVEL, COMPETENT TEAM OF PROGRAM EXPEDITERS WOULD BE ASSIGNED TO EACH CITY AND STATE WITHIN

THAT DISTRICT.

THE JOB OF THIS TEAM WOULD BE (1) TO PROVIDE DAY BY DAY A LIAISON BETWEEN THE DEPARTMENTS AND THE LOCAL COMMUNITY. (2) TO ASSIST IN GRANT PREPARATIONS THAT SPAN TWO OR MORE AGENCIES IN ORDER TO INSURE EXACT COORDINATION, AND (3) TO GUARANTEE THAT THE BUREAUCRATIC MAZE BECOMES UNDERSTANDABLE TO CITIZENS. L IN ADDITION, EACH ADMINISTRATIVE REGION WOULD HAVE AN EXECUTIVE OFFICER WHO WOULD BE EMPOWERED TO MAKE FINAL DECISIONS ON PROJECT APPLICATIONS, AND, HE WOULD BE REQUIRED TO DO SO WITHIN SIXTY DAYS OF SUBMISSION. FINALLY, EACH ADMINISTRATIVE REGION WOULD HAVE A

DIRECT REPRESENTATIVE OF THE PRESIDENT LOCATED IN IT



PRESIDENTIAL MANAGER WOULD REPORT DIRECTLY TO THE PRESIDENT.

HE WOULD CUT RED TAPE INSURE COOPERATION AMONG AGENCIES, AND BE PERSONALLY AVAILABLE TO LOCAL GOVERNMENT OFFICIALS FOR PROGRAM CONSULTATION ON THEIR PROBLEMS IN THEIR COMMUNITIES. # I PROPOSE THE LOCAL COMMUNITIES MANAGEMENT ASSISTANCE PROGRAM. THIS PROGRAM WOULD PAY FIFTY PERCENT OF THE LOCAL ADMINISTRATIVE COST OF PROVIDING A LOCAL DEPARTMENT OF COMMUNITY DEVELOPMENT IT WOULD PAY FIFTY PERCENT OF THE COST OF HIRING TEAMS OF SYSTEMS EXPERTS TO IMPROVE MUNICIPAL IN ADDITION BUDGETING PROCEDURES AND ACCOUNTING METHODS. ADMINISTRATIVE BRANCHES OF THE LOCAL GOVERNMENT WOULD BE ELIGIBLE FOR ASSISTANCE IF THEIR PROGRAMS WERE INNOVATIVE AND CONTRIBUTED TO THE EFFICIENCY OF LOCAL GOVERNMENT

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LI PROPOSE A NATIONWIDE COMMUNITY PROGRAM INFORMATION NETWORK -- A CATALOGING OF ONGOING OPERATING PROGRAMS AS DRUG CONTROL, COMMUNITY RELATIONS, HOUSING, SOCIAL SERVICES, HEALTH PLANNING, AND OTHER FUNCTIONS THIS INFORMATION NETWORK WOULD MAKE AVAILABLE THE PROCEDURES AND OPERATING PRACTICES OF SUCCESSFUL ONGOING PROGRAMS FOR AND FROM COMMUNITIES ACROSS THE NATION. \angle The essential idea is this: If there is a successful PROGRAM DEALING WITH DRUGS IN ONE CITY OR COMMUNITY, WHY NOT AT LEAST GIVE IT A TRY IN OTHER COMMUNITIES, ADAPTING

AS NECESSARY?



-12-THE INFORMATION NETWORK WOULD NOT BE A SCHOLARS' CATALOGUE, (IT WOULD PROVIDE USEFUL PROVIDE USEFUL INFORMATION ON OPERATING PROGRAMS But, reforms a TOM tion are. IF WE ARE REALLY GOING TO MAKE GOVERNMENT ACCOUNTABLE fiscal climate AND EFFICIENT, THEN WE MUST HAVE A IN OUR COMMUNITIES. IN SHORT, WE HAVE TO HAVE AN ECONOMY THAT GROWS WITHOUT MUM INFLATION WE HAVE TO HAVE JOBS - PROFINITE EDIN AND A TAX STRUCTURE THAT IS FAIR AND EQUITABLE.

- 14 -Halad Mini and Market an _____ RIGHT NOW, THE TOP TEN PER CENT OF THE INCOME POPULATION IN THE UNITED STATES RECEIVES 30 PER CENT OF THE TOTAL INCOME BUT PAYS ONLY 9.8 PER CENT OF THE TOTAL TAXES THE MIDDLE AND MODERATE INCOME GROUPS RECEIVE ONLY 11 per cent of the income but THEY PAY 25 PER CENT OF THE TAXES, AND, THE LOWEST TENTH OF THE POPULATION RECEIVE 1 PER CENT OF THE NATIONAL INCOME BUT PAY ABOUT 4 PER CENT OF THE TAXES.

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Dif School - 15 -OOK AT YOUR OWN COMMUNITIES. ABOUT 35 TO 45 PER CENT OF YOUR TOTAL REVENUE IS RAISED FROM THE PROPERTY TAX, BUT, WHO GETS HIT THE HARDEST WITH THE PROPERTY TAX? IT IS THE MODERATE INCOME, THE MIDDLE priority of metons INCOME, AND THE LOW INCOME TAXPAYERS. DA nome goals. PHOTORE OUR TAXING SYSTEM, TO DOGE THIS NATION. WE NEED PROGRESSIVE, NOT REGRESSIVE TAX SYSTEMS. AND, WE NEED A to revenues + weath Z THAT IS ONE REASON WHY I HAVE ADVOCATED SOME FORM OF FINANCIAL ASSISTANCE TO CITIES AND STATES THAT IS TIED TO CHANGES IN THE TAX SYSTEM. Payments in leeve 7 Takes Fed Property

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- 16 - local Summer REVENUE SHARING IN SOME FORM IS ONE PART OF THE ANSWER. UNLIKE THE PRESIDENT, I BELIEVE IT SHOULD BE ENACTED NOW . L BUT, AT THE SAME TIME AS WE ENACT IT, WHY NOT TRY TO IMPROVE GOVERNMENT? WE SHOULD REWARD PERFORMANCE, AND WE SHOULD PROVIDE INCENTIVES FOR STATES TO ADOPT PROGRESSIVE TAX STRUCTURES, - uelfare ANOTHER MEASURE CRUCIAL TO MORE RATIONAL FINANCING IS WELFARE REFORM. SAY TO YOU THE PRESIDENT'S RECOMMENDATION THAT WE POSTPONE WELFARE REFORM IS AN EXAMPLE OF MIXED PRIORITIES.

- 17 -Welfare reform has three purposes. First, to help those who really need help, Second, to retrain and employ those who are capable of work. Third, to alleviate the crushing property tax burden on state and city taxpayers.

ALL THREE OF THESE PURPOSES ARE VITAL, ALL THREE ARE NECESSARY. WELFARE REFORM MUST NOT BE DERAILED OR DELAYED. ANOTHER NEEDED FINANCING PROGRAM IS THE NATIONAL DOMESTIC DEVELOPMENT BANK -- LEGISLATION I RECENTLY INTRODUCED TO HELP CITIES, STATES, AND TOWNS FINANCE VITALLY NEEDED PUBLIC PROJECTS.

- 18 -L I PROPOSE THAT WE NOW APPLY ACCEPTED PRINCIPLES OF INTERNATIONAL FINANCE AT HOME BY PROVIDING LONG-TERM, LOW INTEREST LOANS AND COUPLE THAT HELP WITH FINANCIAL ASSISTANCE. THIS PLAN WILL ALLOW OUR GOVERNMENTS TO MOVE AHEAD ON A WIDE RANGE OF URGENTLY NEEDED PUBLIC CONSTRUCTION & Auring IT CAN PROVIDE JOBS AND STIMULATE THE ECONOMY. WE HAVE USED THIS APPROACH SUCCESSFULLY OVERSEAS. I SAY IF WE CAN HELP BUILD A BETTER RIO DE JANEIRO, THEN WE CAN BUILD A BETTER BOSTON, OR MILWAUKEE, OR PITTSBURGH, OR COLORADO. Next, we can and must enact the Consolidated Farm AND RURAL DEVELOPMENT ACT OF 1971.

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THIS LEGISLATION CAN HELP STEM THE TIDE OF OUTMIGRATION

BEFORE IT BECOMES A FLOOD,

THE LEGISLATION CREATES A FEDERAL RURAL DEVELOPMENT

CREDIT AGENCY TO BE AN EXPEDITER OF COMMUNITY PROGRAMS. It is legistation designed to help non - metropolito COMMUNITIES CONSERVE THEIR MOST BASIC RESOURCE -- PEOPLE -- PEOPLE WHO CAN

REBUILD AND REVITALIZE THEIR COMMUNITIES.

IN THE FINAL ANALYSIS THOUGH, TO MAKE & GOVERNMENT EFFICIENT, RESPONSIBLE, AND ACCOUNTABLE DOES NOT JUST TAKE INSTITUTIONAL CHANGE, OR DEPARTMENTAL REORGANIZATION

OR FAIR TAXES.

Z IT TAKES POLITICAL LEADERSHIP -- LEADERSHIP

DEDICATED TO PROVIDING PEOPLE WITH WHAT THEY EXPECT:

HONEST GOVERNMENT, FAIR GOVERNMENT, AND RESPONSIVE GOVERNMENT.

- 20 -IF WE DO NOT HAVE THE LEADERSHIP, THEN WE CAN HAVE

ALL THE BUREAUS AND SHORT CUTS IN THE WORLD, AND,

GOVERNMENT WILL REMAIN BIG AND COSTLY, AND INSENSITIVE,

THE KEY IS THIS: AN ACTIVE AND ALERT CITIZENRY,

AND A COMPASSIONATE, SYMPATHETIC PUBLIC LEADERSHIP,

THIS IS THE ONLY WAY THAT THE HOPE OF A RESPONSIVE GOVERNMENT BECOMES A RESPONSIVE GOVERNMENT.

AND, IT IS THE ONLY WAY THAT GOVERNMENT CAN CONTINUE TO BE OF THE PEOPLE, IT THE PEOPLE, AND I

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