

REMARKS BY SENATOR HUBERT H. HUMPHREY

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## CHANGING UNIVERSE OF AMERICAN ECONOMY

The American economy has not remained static. Besides the number of unemployed or high degree of inflation, there have been far-reaching changes in (1) nature of economic environment (2) economic attitude of American people, and (3) government's role as an economic participant.

### I. Economic Environment Changes

#### A. Framing of the demand.

L The free and unencumbered market does not exist. The market today is ~~manipulated~~ <sup>designed</sup> to curtail the risk for business, to obtain more stable job patterns for labor, and create a sustained consumer demand.

Much of it occurs <sup>through Print & Electronic</sup> ~~via~~ advertising -- and television-- that creates a market for products -- stimulates a demand, and drives one to buy.

#### B. Nature of Economic Institutions.

The old trichotomy of business, labor and agricultures has vanished.

It has been replaced by a series of complexes -- groups of consumers and producers oriented inward toward one another:



We have the social policy complex, the service care complex, the poverty complex, the educational complex, the urban improvement complex, and the familiar military industrial complex.

Each complex has a defined goal -- to obtain and control as much of the resource pie that goes toward its particular functions as possible.

C. Finally, the environment has been changed by the advances in technology.

Advances in technology not only mean better products, but they also mean serious problems: what do we do with the people we put out of work? The familiar line is that automation creates jobs. It does. But it does not necessarily create jobs for the person who loses his job directly because of automation. Job retraining, relocation, is inevitable.

## II. Attitude of People

A. The battle of a balanced budget is over. Almost all Americans accept some form of deficit financing -- and indeed, the government cannot live without it.



- B. Americans are caught in a buying cult -- credit is the most critical financing variable in money markets today. We are a credit-based society.
- C. Americans expect that their government will follow policies that eliminate the gross dislocations of economic fluctuations. They expect some stability in their economic condition. And, they believe that government should be the breakwater against economic catastrophe.

III. Role of Government

- A. Need for New Political Institutions.

With changes in economy, we need new political institutions that take account of the new expected role of government. - Govt - Private Partnership

*mit* Foremost, we need a Wage and Price Stabilization Board to stabilize economic fluctuation, control inflation, spur productivity, and decrease unemployment.

- B. Role of government is now to promote an economy of purpose. - Private - Goals -



We need to banish the Alice-in-Wonderland attitude of the only thing that matters is profits, buying and selling. *more than*

To bring purpose to our economy requires that we add another economic dimension: We must calculate what it will cost future generations if we do not control and stop pollution; what it will cost and who will pay the bill if we do not reform welfare and provide for higher social security benefits; who will pay the bill in the future if we do not have an economy that allows us to have health care at reasonable rates.

~~but on a financial balance~~  
Purpose to our economy means we have to refocus attention on the basics that mean things to people: government services, family, children, and life.

Purpose to our economy means a need to answer questions about how we are going to have 25 million jobs in the next five years. How much investment will it take? And, what will be government's role in investment?



Purpose to our economy means that we have to have a normalization of our trade relationships with the world community.

And, purpose to our economy means that we have to be future thinkers -- what will be our needs in energy, in health care, in education, in transportation, and what kind of economy is necessary to provide for these needs.

*Natl Growth Policy*  
Urban - Rural



• American Dream - can it come true

(Peaceful Engagement - d)

(Disarming world)

- Media Education - Communication

1960's - Disorder - Discovery - Decision!

Race - Poverty, Hunger, Aged, Handicapped, Environment

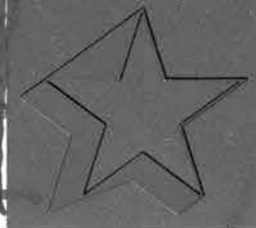
Power + its limitations - Private wealth + Public

✓ Mobility, Science, Urban-Rural - Technology

made Public Decisions - 1970's Decade of  
Domestic Develop



② Ted Kennedy  
(President  
Candidate)



Jim Shepley

- Jim Shepley --
- 12 U.P. - Beane Press
  - 10 - by American
  - 1 - Updated + then elects

# MENU

## DINNER

The Madison Hotel

Wednesday, October 6, 1971

Some Hope!  
no Business men  
no Editors ever  
Elected President

#2 Weakness  
Recycle

③ In many - even President -  
under 2 Senators

Handing Kennedy, Johnson  
Wellied Madriene  
Rosette of Sour Cream

Filet of Pompano Sauté au Beurre

War - (the chicken) chicken chicken chicken  
Stuffed Cornish Hen Perigourdine  
U.S. International Role Bouquetiere of Vegetables  
U.S. Economy Bibb Salad  
It's important Fresh Strawberries Romanoff  
Here & Abroad Coffee  
Liqueurs

World not just  
OECD -  
Brethren not

Isolationism, Protectionism - Nationalism

Fumé Blanc, Mondavi 1969  
Cabernet Sauvignon, Beaulieu

Privately Rich - Publicly Poor!

Nat Growth Policy.

Role?  
Govt?

1951





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