

REMARKS BY SENATOR HUBERT H. HUMPHREY

ANNUAL CONVENTION - ILLINOIS STATE FEDERATION OF LABOR

Springfield, Illinois
October 7, 1971

My friends, those of us in political life are often called upon to present awards or to nominate people for various honors. I receive many requests to do this.

Unfortunately, no one asks my advice when the Emmy awards for television are presented.

If I had the privilege of suggesting a worthy nominee for one of the great honors that television bestows -- that of "best dramatic appearance" -- I would suggest that we award President Nixon this singular distinction for his nationwide appearance on August 15 in the play entitled "The Great Freeze of 1971." And I would suggest that the award for best supporting actor be shared this year by John Connally and George Shultz.

Their performances were admirable.

As high drama, the President's August 15 announcement had all of us on the edge of our seats. Meanwhile the American economy was teetering on the edge of crisis.

I am not saying that we shouldn't have drama associated with the highest office in our land. It may be needed and necessary as we confront great challenges and important tasks.

But I believe that President Nixon is substituting drama, shock, and surprise for real economic leadership.

Instead of thoughtful leadership, we have dramatic appeals for sacrifice. Sweeping plans and new policies are announced without public consultation.

President Nixon's announcement affected 200 million Americans and countless millions around the world. But only a handful of men hurriedly and in total secrecy formulated what was to be the most important economic announcement of the post-war era.

We must all ask: Why the drama? Why the secrecy?

I believe that all Americans now understand that drama and secrecy were necessary devices to help obscure the 2 1/2 year failure of the Administration's economic policies which, in fact, were not policies, but only promises and hopes.

We now await another dramatic announcement in which the President must not again avoid proposing fair policies that deal with the hard, economic realities of October, 1971.

-- President Nixon must deal with a Gross National Product -- the measure of a nation's overall productivity -- that will not reach his predicted level of \$1,065 trillion. Part of the GNP's sluggishness is a result of plants operating at 73 percent of capacity and of an 8 percent decline in industrial production in August. It is now 6.1 percent below its 1969 high.

-- The President must deal with inflation that keeps taking a bigger and bigger bite out of the dollars you earn. Since 1970, food costs are up 3.5 percent; home ownership costs increased nearly 5 percent and health costs are up 6.6 percent.

-- The President must deal with unemployment which is now at the alarming level of 6.1 percent.

-- 5.1 million Americans are without a job.

-- the Black unemployment level now stands at 9.8 percent; 7.6 percent of blue collar workers are unemployed; white teenagers have a 13.5 percent unemployment rate and 33.5 percent of Black teenagers are out of work.

-- unemployment among construction workers is 10.2 percent and among factory workers 6.9 percent. And to make matters worse, thousands of workers are exhausting their unemployment compensation at the tragic rate of 45,000 per week.

-- The President must deal with a three-year spiral of rising interest rates. Interest rates are so high today that the average man can't afford to buy a home.

-- The President must deal with a crisis of consumer and business confidence in the economy. Americans would rather save than spend their hard-earned dollars, and businessmen are not investing at this time of uncertainty. And the Harris poll recently said that 63 percent of the population believes that this country is in a recession.

These are the issues on the economic front burner. No amount of presidential rhetoric and drama can give a man a job or tell a mother she can buy her children school clothes this fall if she simply can't afford them.

Policies are needed. But realistic and fair policies. Fifty-two days have elapsed since President Nixon promised us policies that would usher in the "new prosperity." But his policies of August 15:

-- discriminated against the workingman

-- provided insufficient tax relief to stimulate consumer spending

-- and created inadequate machinery to administer the freeze.

But most important of all, President Nixon's new economic policies do not create jobs now for the millions who are jobless.

Jobs mean food on the table, clothing for the kids, adequate health care, recreating on weekends. Jobs mean that families can stay together.

But where are the jobs, Mr. President?

To speak of a "new prosperity" without jobs, to plan for Phase II when Phase I is clearly inadequate in its provision of jobs is to enter an unreal world where policies do not help people.

Job creation must be the standard by which we judge the quality of a nation's economic policies.

And the President's proposals thus far fall short of meeting the urgent needs of the American people for millions of jobs now and 25 million new jobs in the next five years.

What about the future?

All of us -- labor, business, the public, the Congress, wait anxiously for the Phase II plans.

President Nixon told the nation that he would consult with labor, business and consumers in his Phase II planning. But, I believe the so-called consultations that have taken place are no real substitute for what should be an on-going, working relationship between those who are making the plans and those who will be most affected by what the President says.

If Phase II is to be more than an expansion of the announcement of August 15, I believe that the President should seriously consider the following programs to stimulate job creation and job opportunities:

1. Programs that stimulate housing construction and additional public service employment.
2. Retroactive tax exemptions to January 1, 1971.
3. An increase in the minimum standard deduction.
4. Alternative forms of taxing -- such as corporate taxes -- and removal of accelerated depreciation.

5. An increase in social security benefits of 10 percent.
6. Extended unemployment benefits.
7. Release of the billions of dollars in funds appropriated by Congress, but frozen by the President.
8. Enactment of welfare reform.
9. Enactment of financial assistance to our cities, states, and counties to permit them to provide basic services and ease the crushing burden of property taxes.

The machinery needed to administer this program should be a Wage, Price, and Profits Stabilization Board with representatives of labor, business and the public appointed by the President and confirmed by the Senate. This Board should be completely independent of the Executive Branch and Congress.

The Board should set policies, require advance notice of price increases, hold public hearings on price and wage increases and publish finding of fact.

It should seek voluntary compliance through the force of public opinion, negotiations and presidential persuasion.

And its prime concern should be fairness.

My friends, it is clear that the economic programs of this administration do not provide this nation with the policies that look to our future needs in health, housing, education, elimination of hunger and poverty, and control of pollution.

If our tomorrows are like our yesterdays we will never escape government by crisis and government by proclamation. What we need now are policies that encourage confidence in the economy.

What we need now is leadership that calms and unites, not drama that merely shocks and confuses.

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Thanks

Good for labor good for country

Adlai Stevenson

CPG

Adlai Stevenson

Senior to me!

REMARKS BY SENATOR HUBERT H. HUMPHREY

Recycle!

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SPRINGFIELD, ILLINOIS

OCTOBER 7, 1971

President Stanley Johnson

Bob Johnson - Sec-Treas

19. V. P. S -

1 million members

#2 - but ~~Adlai~~ Presidential!
Hopful!

See remarks for October 7, 1971

Allied Industrial Workers' Convention
St. Louis, Missouri

identical speeches



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