

001018

Original copy of Senator's speech at Women's National Democratic Club was inadvertently cut up by a Congressional Fellow for insertion in the Record.

Here are:

the speech as it was returned from the Printer's office,
the speech as it was typed before the Senator delivered it,
and the speech as it appeared in the Record

Humphrey

001019

Humphrey 4
JH

PLEASE RETURN ALL OF
THIS COPY TO SENATOR
HUMPHREY'S OFFICE

REMARKS OF SENATOR HUMPHREY TO WOMEN'S NATIONAL
DEMOCRATIC CLUB ~~ON~~ ON THE PRESIDENT'S BUDGET

My fellow Democrats, we are hearing a lot these days about the conflict between the President and the Congress. Today, I want to talk about a chief cause of that conflict -- unilateral assertion of Presidential will and power, without consultation with the Congress.

Nowhere is such an unconstitutional assertion of Presidential will more evident than in the President's 1974 budget proposal, *in which he cuts back and cuts out dozens of programs without asking consent of the Congress.*

The more I look at this budget, the more I am convinced that it represents a policy of ~~xxxx~~ irresponsibility, deception and disengagement by the Federal government from the critical problems of urban decay and rural poverty .

This policy of disengagement is wrapped, of course, in the rhetorical sheep's clothing of decentralization and local self-determination.

But underneath this jargon is the most cogent expression of Republican do-nothingism that we have seen in recent years. One would not expect to see such an elaborate ideology hidden between the covers of such a tedious document as the budget. But there it is:

opening

It is particularly appropriate for me to speak to you,
~~at this time~~
 my fellow Democrats -- I don't know what else to say except
fellow Democrats, and anyway that's how I feel about you --
 it is particularly appropriate at this time when we are
 witnessing the re-emergence of the opposition party's ideology
 in such interesting and deceptive new wrappings.

I am referring to President Nixon's domestic policies,
wrapped in the rhetorical sheep's clothing of "decentralization"
and outlined in the President's 1974 budget proposal.

~~my friends~~, one would not expect to see the most cogent
 expression of Republican do-nothingism hidden between the
 covers of such a tedious document as the budget. But there
 it is.

-- Endless rhetoric about spending reform, and none about
tax reform.

-- Endless talk about Congressional overspending -- and
 "a father-knows-best" demand for a budget ceiling of exactly
\$268.7 billion. (No more, no less, now don't ask any questions,
 junior.) But no mention of the fact that Congress has commitment
 reduced President Nixon's budget for the year to be passed

-- Lots of talk about federal programs not working,

but no data on how effective or ineffective programs actually
are.

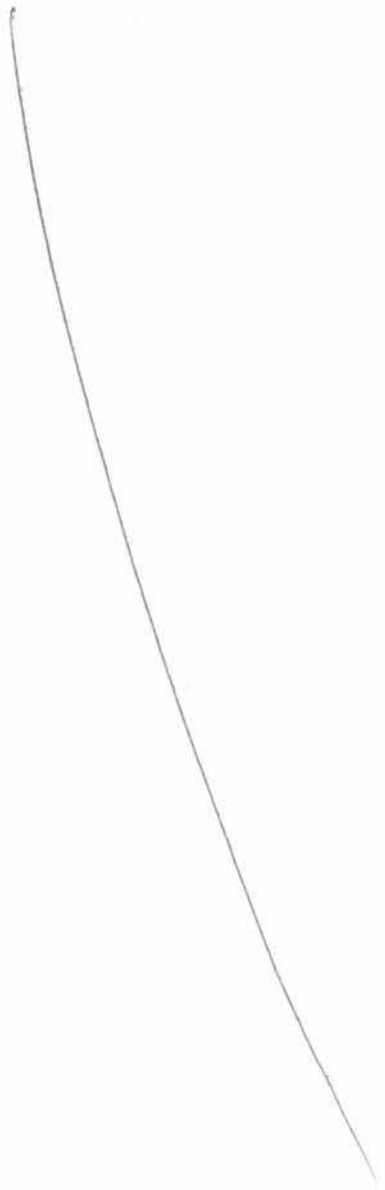
The more one examines the President's 1974 budget proposal,
 the more I am convinced that what we have
 here

-2-

-- Lots of talk about self-reliance -- but a wholesale dismantling of programs designed to help people become self-reliant -- in job training, ^{education,} health, ~~you name it.~~

[President Nixon may not "waste" his time talking to the American people about their domestic priorities, but he is not silent. He has articulated \$268.7 billion worth of

Lots of double talk about increasing funds when programs are actually being phased out, and saving funds when nothing was saved. Look at some of these deceptions in the budget:



Deception in the Budget

-- Mental health.

The administration says it is doubling the funds for Mental Health. And, if you look at the dollar amounts, they are: \$604,500,000 for 1973 and 1.2 billion for 1974.

But what they don't tell you is that ~~they are~~ phasing out ~~the~~ Community ~~max~~ Mental Health Centers, and that all the money for the eight-year ~~max~~ Phase-out is included in this year's budget.

\$472 million dollars is supposed to ~~xxx~~ last for eight years.

That's deceptive budgeting.

-- Social Services.

~~Social Service Savings.~~

The Administration claims it is saving \$2.7 billion from not spending social service money. But Congress enacted that ceiling last year. The extra money Nixon claims he is savings simply does not exist. It is a State "wish list:" ~~Here~~ Never programmed, never allocated.

-- ~~on~~ ^{President} Pollution control. Nixon claims he is ~~saving~~ putting more money into pollution control. But in fact what he is really doing is paying states back for the money they put into pollution control--water and sewer grants. There are no new water and sewer construction grants, in ~~this listing.~~ ^{new budget.}

-- Human Resources. The

Administration claims it is putting 47% of the new budget into Human Resources. But what they don't tell you is that Social Security trust funds are figured into that 47%

as well as housing, pollution
and transportation (26)

So if you take out the social security trust funds, the actual ~~amount~~ amount devoted to human resources is less than 25%

5. Not all the spending ~~amount~~ or budget authority will be spent or decided upon by Congress in this one fiscal year. Once all ~~future~~ future spending is eliminated ~~from~~ from the budget, the actual money ~~that~~ that Congress will decide appropriations on is less than \$175 billion dollars, and half of that money goes to defense.

Further examples on next page

Underneath all this talk, all this deception;

newly-minted Republican ideology. Money talks, and Nixon's money is talking to the right people, the right political constituency.

Underneath all the ^{Republican} jargon about decentralization and local self-determination, what's going on is as simple as ABC -- or ^{Corporate} T&T. The President is doing his level best to protect the interests of business and the affluent, ~~the need~~ ^{no} help, and is asking the broad spectrum of Americans who are not so fortunate to pay the price of that protection.

What makes this strategy so dangerous is that the President knows that the number of Americans who need help is no longer an absolute majority.

Add up the disabled, the elderly, the unemployed, the rural poor, low-income students, welfare recipients, and the mentally ill. You get a huge number of people who cannot become self-reliant without some assistance. You get ~~of~~ millions of people, But the President knows that

you do not get a political majority.

His interest is in developing ^{his kind of} such a majority for the long-term health of the Republican party.

The President ^{is budgeting} ~~is trying to~~ divide this country into the haves and the have-nots with a vengeance. But he will not succeed. ^{not succeed}

He will not succeed, because the American taxpayer knows, ~~more than the President does~~, that the problems that the President is throwing back at state and local governments will cost money to solve.

The taxpayer knows that sales and property taxes will have to go up, as a result of the President's decision to disengage from our national domestic problems.

^{some} The taxpayer knows, ~~in his gut~~, that ^{and a privileged} corporations ~~are~~ getting away with tax murder, ~~and that the President couldn't care less.~~

^{fewer} Fact at the facts:

Only 16 percent of federal revenues comes from corporations today, compared to 30 percent two decades ago.

But ~~The~~ government collects twice as much from regressive payroll taxes. And it collects three times as much from personal income taxes, as it does from corporations.

Every reasonable person knows we need tax reform. But it's not mentioned once in the budget message.

The President couldn't care less about the inequities of these tax breaks to business -- he couldn't care less about the tens of billions of revenue dollars lost in his own recession. Because he firmly believes that more revenues would mean more government, and ^{to him} more government is bad.

The President's 1974 budget is Republican vintage, brought to us in a shiny new bottle -- packaged by the White House's Madison Avenue staff. Take off the shiny 1974 wrappings, and what's new? ~~the~~ ^{is} Republican ^{leaders,} and in particular, President Nixon, have a long history of opposition to federal aid to education, to Medicare, to low and moderate income housing, to programs that help the poor to get out of poverty, to tax justice for all Americans.

President Nixon ^{apparently} believes that the American public can buy solutions to our public problems in the private marketplace. ^{Seem to} He does not understand that our urgent human and community problems require the vigorous and concerted action of government at all levels, in partnership with the private sector.

^{Seem to} He does not understand the meaning of national priorities.

He talks about human resources, but as an abstraction, as a

budget item. ^{for educ, health, education etc} He lumps in Social Security trust funds with discretionary funds and proudly points to the total. ^{and other critical areas} The fact is that these ^{Security} trust funds are funded by individuals for themselves and cannot be used to forge public tools to deal with public problems, except of course, the important problem of ^{modest income & healthcare in old age.}

^{goes} The fact is that less than one quarter of the President's budget ^{goes} for developing public tools to solve such massive national problems as urban decay, crime, drugs, health, mental illness, low-income housing, job training, transportation, and pollution.

Does the President know that there are 18 million disabled people in this country, as he cuts back on training programs that could make some of them self-supporting?

Has he ever visited a vocational rehabilitation center or a community mental health center? ^{Programs his budget phases out?}

~~My friends~~ what the President has laid forth in this budget is his political philosophy. He has flung down the gauntlet, and the next move is up to us. ~~And I believe there are two things we must do.~~

things we must do

The first ^{is} ~~to~~ go back to the wellsprings of Democratic

philosophy~~My friends,~~

~~My friends,~~ *found in* the text for today -- the text for the coming

days of the 93rd Congress -- is the 1937 Inaugural Address

of President Roosevelt when ~~he~~ *he* looked out on a nation one

third "ill housed, ill clad, and ill-nourished" ~~he~~ *he* said,

"The test of our progress is not whether we add to the abundance of those who have much; it is whether we provide enough for those who have too little."

Where does the Nixon budget come out on this test? You tell me.

Where does the President come out on President Roosevelt's vision of a world founded upon four essential freedoms? We must recall them, and re-dedicate ourselves to them:

-- The first is freedom of speech and expression, everywhere in the world.

His administration
Does ~~the~~ President understand this? Does he understand that the most unique aspect of the American system is the extraordinary latitude given to the press -- the constitutional assertion in the first amendment that "no law" shall abridge the freedom of the Press? Does he understand this as he moves to increase government secrecy, intimidate television

Keep
Do not delete

Keep
networks, deny journalists the right to confidential news sources, and threaten loss of licenses for local TV stations who fail to censor "elitist gossip" from network news programs?

-- The second is freedom of every person to worship God in his own way -- everywhere in the world.

do not delete
I am happy to report that the President seems to understand this particular freedom.

-- The third is freedom from want. For this, the President would substitute self-reliance.

but we
~~The Democratic party knows~~ *P* people want to be self-reliant, *we* also know that before you can be self-reliant you need education, you need to be healthy, you need to have a job skill. We know that the federal government has *helped to* ~~provided~~ these things because in the past local and state governments did not *or could not*.

provide
-- The fourth freedom is freedom from fear.

This the President understands all too well. He knows that *many* Americans are afraid -- afraid to go out at night; afraid of busing; afraid of economic and social change. ~~because that change has been so rapid.~~

The President knows full well that fear paralyzes.

His strategy seems to be to play on those fears.

seems to be to
 His strategy ~~is to~~ play on those fears. ~~He offers no~~
~~solutions to the social and economic changes which will~~
~~inevitably come, regardless of who is President. No, he~~
~~offers a reassuring rhetoric -- a Madison Avenue illusion~~
~~that the changes will not come.~~

God
~~I said there were two things we must do.~~ *So* The first *thing we must do* is to
 reassert the values of the Democratic Party against the Nixon
 ideology of domestic disengagement, *retreat and defeat,*
~~place to start than with FDR.~~

thing we must do
 The second is to take a fresh look at how these Democratic
 values are to be implemented. There is no better place to
 start than with Congress.

Clearly, the Congress has already been taking some steps
 to implement these values. We have cut defense spending, *space +*
foreign aid and increased social programs. And this is why the President
 is angry.

But Congress must do much more. ←

-- It must create new mechanisms to put its house in order:
An Office of Budget Analysis and Program Evaluation; a re-
alignment of committee jurisdictions.

-- It must take a hard look at the tax laws and pass
tax reform measures.

*It must take the initiative -
 Set priorities, Reevaluate
 + up date existing programs.*

-- And, most important, it must assert the people's will as to national priorities -- not the will of anonymous OMB bureaucrats and an isolated President.

We need a whole new way of looking at national priorities. ~~We need to think bigger than we have been, and smaller than we have been.~~

We need to think bigger about the long-term growth of this vast nation. What will be our needs ten, twenty years from now? Change has accelerated so fast that we can no longer afford to plan only one or two years ahead.

Many of the programs that are on the books are geared to present needs only. They are potentially obsolete.

The answer is not Nixon's -- to scrap them, without developing new answers -- and to simply depend on underfinanced local government to develop *local* solutions to national problems -- problems which are unmanageable if attacked only on the local level.

↳ The answer is to think in fresh terms about solutions.

to think about a Domestic

We need to think about a ^aBalanced National Growth and Development Policy, so that we can plan for the future, and spend our money wisely. We ~~it~~ will not ~~x~~ be able to deal with the energy crisis or the transportation crisis without such planning. ~~and~~ The lack of such planning is, in fact, why we now face such crises.

So ~~We~~ need brainpower for planning. We also need manpower for our plans. financing. We need to think about a Domestic Development Bank, to deal with the financial crisis of our cities, and the economic disintegration of our rural areas.

-10-

~~as well as moneypower for financing.~~

These are mechanisms. Maybe they're not perfect ones. The point is that the Democratic party must vigorously examine what mechanisms must be developed to assure the ~~economic~~ *social* health of our nation, ~~in the broad and narrow sense of~~ the word:

-- The health of children, and their right to a childhood which nurtures rather than warps

-- The health of adult men and women, and their right to live in a decent neighborhood and have ~~a decent job~~ *Productive employment.*

-- The health of the elderly, and their right to an old age with dignity *and security.*

And ~~we must think really hard~~ *up* we must start thinking about how to make government more responsive to people at the neighborhood level.

Simply dumping problems back into the laps of state and local government, as the President proposes, does not mean that the average person is going to get more ~~back~~ for his tax money. Given the almost certain increase in regressive local and state taxes that is sure to follow he will undoubtedly get less.

-11-

Lets have Some Fresh Thinking

~~Lets start thinking~~ ~~about~~ ~~the~~ ~~relationship~~
between government and neighborhoods.

Perhaps we should have neighborhood revenue sharing, to assure that people can get their money's worth back in services.

Perhaps we should create incentives in the tax system so that Americans can get some tax credit for the time they put in on public-service work -- just as the affluent get credit for cash contributions -- thus stimulating a new dimension of public service activity, *at the neighborhood level and beyond.*

Some such means is needed to match up our unused human resources with the vast unmet needs of people who need help -- or just friendship. There are literally millions of women, youth, and others who would take advantage of such a tax incentive to help rehabilitate:

- mental hospital inmates
- prisoners
- the elderly
- the disabled

Such a tax mechanism, combined with neighborhood revenue sharing, *-- and even computer-matching --* could lead to a revitalization and rehumanization of

move to
p. 12

neighborhoods through exchange of services -- and cut down spawning government bureaucracy

-- non working mothers providing child-care to *children of* working mothers

-- teenage youth tutoring younger youth

-- neighbors providing car transportation for the elderly

→ *Bring in from p. 11*
Perhaps we ^{also} need to establish productivity guidelines for public municipal services, as is being done in New York.

Perhaps we should create a new role for working people -- steelworkers as well as doctors and lawyers -- in our schools, to give desperately needed vocational guidance to our children.

Perhaps we need new incentives for neighborhoods to share cars, electric lawnmowers, and snowplows, to cut down noise and air pollution, and meet the impending energy crisis.

These are just some small ideas -- people-level neighborhood-level ideas. *They should be explored.*

We must try.

FDR
opinion
But the point is that President Nixon has put a freeze on experimentation, on thinking fresh in big ways or small ways -- about the nation as a whole or your neighborhood in particular. His is an attempt to recapture some

Again, we must remember what ~~the~~ FDR said:

"The country needs ... bold, persistent experimentation. It is common sense to take a method and try it. If it fails, admit it frankly and try another. But above all, try something."

imaginary past, where technological and economic and social change did not require new, vigorous governmental mechanisms at both national and local levels.

To me, this^e challenge to the Democratic Party is clear. There is a vacuum of national domestic leadership in the nation. The Democratic Party and the Congress must fill it.

to testify should contact the committee clerk as soon as possible.

ADDITIONAL STATEMENTS

THE BUDGET—ADDRESS BY SENATOR HUMPHREY TO WOMEN'S NATIONAL DEMOCRATIC CLUB

Mr. HUMPHREY. Mr. President, on February 15, I spoke to the Women's National Democratic Club, regarding the President's 1974 budget proposal. As I note in my remarks, the more I analyze this budget, the more I find in the way of deception, disengagement, and abandonment of the idea that the purpose of government is to lead the Nation in finding solutions to our problems.

Mr. President, I ask unanimous consent that these remarks be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR HUMPHREY TO WOMEN'S NATIONAL DEMOCRATIC CLUB, ON THE PRESIDENT'S BUDGET

My fellow Democrats, we are hearing a lot these days about the conflict between the President and the Congress. Today, I want to talk about a chief cause of that conflict—unilateral assertion of Presidential will and power, without consultation with the Congress.

Nowhere is such an unconstitutional assertion of Presidential will more evident than in the President's 1974 budget proposal, in which he cuts back and cuts out dozens of programs without asking consent of the Congress.

The more I look at this budget, the more I am convinced that it represents a policy of irresponsibility, deception and disengagement by the Federal government from the critical problems of urban decay and rural poverty.

This policy of disengagement is wrapped, of course, in the rhetorical sheep's clothing of decentralization and local self-determination.

But underneath this jargon is the most cogent expression of Republican do-nothingism that we have seen in recent years. One would not expect to see such an elaborate ideology hidden between the covers of such a tedious document as the budget. But there it is:

Endless rhetoric about spending reform, and none about tax reform.

Endless talk about Congressional overspending—and "a father-knows-best" demand for a budget ceiling of exactly \$268.7 billion. (No more, no less, now don't ask any questions, junior.) But no mention of the fact that Congress has consistently reduced President Nixon's budgets.

Lots of talk about federal programs not working, but no data on how effective or ineffective programs actually are.

Lots of talk about self-reliance—but a wholesale dismantling of programs designed to help people become self-reliant—in job training, education, health.

Lots of double talk about increasing funds when programs are actually being phased out, and saving funds when nothing was saved. Look at some of these deceptions in the budget:

Mental health. The administration says it is doubling the funds for Mental Health. And, if you look at the dollar amounts, they are: \$604,500,000 for 1973 and \$1.2 billion for 1974. What we aren't told is that the President is phasing out Community Mental Health Centers and that all the money for the eight-year phase-out is included in this year's

budget. \$472 million dollars is supposed to last for eight years. That's deceptive budgeting.

Social services. The administration claims it is saving \$2.7 billion from not spending social service money. But Congress enacted that ceiling last year. The extra money Nixon claims he is saving simply does not exist. It is a State "wish list": Never programmed, never allocated.

Pollution control. President Nixon claims he is putting more money into pollution control. But in fact what he is really doing is paying States back for the money they put into pollution control—water and sewer grants. There are no new water and sewer construction grants in this budget.

Human resources. The administration claims it is putting 47% of the new budget into Human Resources. But what they don't tell you is that Social Security trust funds are figured into that 47%.

So if you take out the Social Security trust funds, the actual amount devoted to human as well as housing, pollution and transportation is less than 25%.

Underneath all this talk, all this deception, what's going on is as simple as ABC—or IT&T.

The President is doing his level best to protect the interests of corporate business and the affluent, and is asking the broad spectrum of Americans who are not so fortunate to pay the price of that protection.

What makes this strategy so dangerous is that the President knows that the number of Americans who need help is no longer an absolute majority.

Add up the disabled, the elderly, the unemployed, the rural poor, low-income students, welfare recipients, and the mentally ill.

You get a huge number of people who cannot become self-reliant without some assistance.

You get millions of people. But the President knows that you do not get a political majority.

His interest is in developing this kind of majority for the long-term health of the Republican party.

The President's budget program divides this country into the haves and the have-nots with a vengeance.

But he will not succeed.

He will not succeed, because the American taxpayer knows that the problems that the President is throwing back at State and local governments will cost money to solve.

The taxpayer knows that sales and property taxes will have to go up, as a result of the President's decision to disengage from our national domestic problems.

The taxpayer knows, that some corporations and a privileged few are getting away with tax murder.

Look at the facts:

Only 16 percent of federal revenues comes from corporations today, compared to 30 percent two decades ago.

The government collects twice as much from regressive payroll taxes. And it collects three times as much from personal income taxes as it does from corporations.

Every reasonable person knows we need tax reform. But it's not mentioned once in the budget message.

The President couldn't care less about the inequities of these tax breaks to business—he couldn't care less about the tens of billions of revenue dollars lost in his own recession. Because he firmly believes that more revenues would mean more government, and to him more government is bad.

The President's 1974 budget is Republican vintage, brought to us in a shiny new bottle—packaged by the White House's Madison Avenue staff. Take off the shiny 1974 wrappings, and what's new?

Republican leaders, and in particular, President Nixon, have a long history of opposi-

tion to federal aid to education, to Medicare, to low and moderate income housing, to programs that help the poor to get out of poverty, to tax justice for all Americans.

President Nixon apparently believes that the American public can buy solutions to our public problems in the private market-places.

He does not seem to understand that our urgent human and community problems require the vigorous and concerted action of government at all levels, in partnership with the private sector.

He does not seem to understand the meaning of national priorities. He talks about human resources, but as an abstraction, as a budget item.

He lumps in Social Security trust funds with funds for education, health, environment, and proudly points to the total.

The fact is that these social security trust funds are funded by individuals for themselves and cannot be used to forge public tools to deal with public problems, except of course, the important problem of modest income and health care in old age.

The fact is that less than one quarter of the President's budget goes for developing public tools to solve such massive national problems as urban decay, crime, drugs, health, mental illness, low-income housing, job training, transportation, and pollution.

Does the President know that there are 18 million disabled people in this country, as he cuts back on training programs that could make some of them self-supporting?

Has he ever visited a vocational rehabilitation center or a community mental health center—programs his budget phrases out.

What the President has laid forth in this budget is his political philosophy. He has flung down the gauntlet, and the next move is up to us.

The first thing we must do is to go back to the wellsprings of Democratic philosophy.

The text for today—the text for the coming days of the 93rd Congress—is found in the 1937 Inaugural Address of President Roosevelt when he said, "The test of our progress is not whether we add to the abundance of those who have much; it is whether we provide enough for those who have too little."

Where does the Nixon budget come out on this test? You tell me.

Where does the President come out on President Roosevelt's vision of a world founded upon four essential freedoms? We must recall them, and re-dedicate ourselves to them:

The first is freedom of speech and expression, everywhere in the world.

Does his Administration understand this? Does he understand that the most unique aspect of the American system is the extraordinary latitude given to the press—the constitutional assertion in the first amendment that "no law" shall abridge the freedom of the Press? Does he understand this as he moves to increase government secrecy, intimidate television networks, deny journalists the right to confidential news sources, and threaten loss of licenses for local TV stations who fail to censor "elitist gossip" from network news programs?

The second is freedom of every person to worship God in his own way—everywhere in the world.

I am happy to report that the President seems to understand this particular freedom.

The third is freedom from want. For this, the President would substitute self-reliance.

People want to be self-reliant but we also know that before you can be self-reliant you need education, you need to be healthy, you need to have a job skill. We know that the federal government has helped to provide these things because in the past local and state governments did not or could not.

The fourth freedom is freedom from fear,

REMARKS OF SENATOR HUMPHREY
WOMENS NATIONAL DEMOCRATIC CLUB
WASHINGTON, D. C., FEBRUARY 15, 1973

IT IS PARTICULARLY APPROPRIATE FOR ME TO SPEAK TO YOU, MY FELLOW DEMOCRATS -- I DON'T KNOW WHAT ELSE TO SAY EXCEPT FELLOW DEMOCRATS, AND ANYWAY THAT'S HOW I FEEL ABOUT YOU -- IT IS PARTICULARLY APPROPRIATE AT THIS TIME WHEN WE ARE WITNESSING THE RE-EMERGENCE OF THE OPPOSITION PARTY'S IDEOLOGY IN SUCH INTERESTING AND DECEPTIVE NEW WRAPPINGS.

I AM REFERRING TO PRESIDENT NIXON'S DOMESTIC POLICIES, WRAPPED IN THE RHETORICAL SHEEP'S CLOTHING OF "DECENTRALIZATION" AND OUTLINED IN THE PRESIDENT'S 1974 BUDGET PROPOSAL.

MY FRIENDS, ONE WOULD NOT EXPECT TO SEE THE MOST COGENT EXPRESSION OF REPUBLICAN DO-NOTHINGISM HIDDEN BETWEEN THE COVERS OF SUCH A TEDIOUS DOCUMENT AS THE BUDGET. BUT THERE IT IS.

-- ENDLESS RHETORIC ABOUT SPENDING REFORM, AND NONE ABOUT TAX REFORM.

-- ENDLESS TALK ABOUT CONGRESSIONAL OVERSPENDING -- AND A FATHER-KNOWS-BEST DEMAND FOR A BUDGET CEILING OF EXACTLY \$268.7 BILLION. (NO MORE, NO LESS, NOW DON'T ASK ANY QUESTIONS JUNIOR.) BUT NO MENTION OF THE FACT THAT CONGRESS HAS REDUCED PRESIDENTIAL BUDGETS EVERY YEAR FOR THE LAST 26.

-- LOTS OF TALK ABOUT FEDERAL PROGRAMS NOT WORKING, AND NO DATA ON HOW EFFECTIVE OR INEFFECTIVE PROGRAMS ACTUALLY ARE.

-2-

-- LOTS OF TALK ABOUT SELF-RELIANCE -- BUT A WHOLESALE DISMANTLING OF PROGRAMS DESIGNED TO HELP PEOPLE BECOME SELF-RELIANT -- IN JOB TRAINING, HEALTH, YOU NAME IT.

PRESIDENT NIXON MAY NOT "WASTE" HIS TIME TALKING TO THE AMERICAN PEOPLE ABOUT THEIR DOMESTIC PRIORITIES, BUT HE IS NOT SILENT. HE HAS ARTICULATED \$268.7 BILLION WORTH OF NEWLY-MINTED REPUBLICAN IDEOLOGY. MONEY TALKS, AND NIXON'S MONEY IS TALKING TO THE RIGHT PEOPLE, THE RIGHT POLITICAL CONSTITUENCY.

UNDERNEATH ALL THE JARGON ABOUT DECENTRALIZATION AND LOCAL SELF-DETERMINATION, WHAT'S GOING ON IS AS SIMPLE AS ABC -- OR AT&T. THE PRESIDENT IS DOING HIS LEVEL BEST TO PROTECT THE INTERESTS OF BUSINESS AND THE AFFLUENT WHO NEED NO HELP, AND IS ASKING THE BROAD SPECTRUM OF AMERICANS WHO ARE NOT SO FORTUNATE TO PAY THE PRICE OF THAT PROTECTION.

WHAT MAKES THIS STRATEGY SO DANGEROUS IS THAT THE PRESIDENT KNOWS THAT THE NUMBER OF AMERICANS WHO NEED HELP IS NO LONGER AN ABSOLUTE MAJORITY.

ADD UP THE DISABLED, THE ELDERLY, THE UNEMPLOYED, THE RURAL POOR, LOW-INCOME STUDENTS, WELFARE RECIPIENTS, AND THE MENTALLY ILL. YOU GET A HUGE NUMBER OF PEOPLE WHO CANNOT BECOME SELF-RELIANT WITHOUT SOME ASSISTANCE. YOU GET TENS AND TENS OF MILLIONS OF PEOPLE. BUT THE PRESIDENT KNOWS THAT

YOU DO NOT GET A POLITICAL MAJORITY.

HIS INTEREST IS IN DEVELOPING SUCH A MAJORITY FOR THE LONG-TERM HEALTH OF THE REPUBLICAN PARTY.

THE PRESIDENT IS TRYING TO DIVIDE THIS COUNTRY INTO THE HAVES AND THE HAVE-NOTS WITH A VENGEANCE. BUT HE WILL NOT SUCCEED.

HE WILL NOT SUCCEED, BECAUSE THE AMERICAN TAXPAYER KNOWS, MORE THAN THE PRESIDENT DOES, THAT THE PROBLEMS THAT THE PRESIDENT IS THROWING BACK AT STATE AND LOCAL GOVERNMENTS WILL COST MONEY TO SOLVE.

THE TAXPAYER KNOWS THAT SALES AND PROPERTY TAXES WILL HAVE TO GO UP, AS A RESULT OF THE PRESIDENT'S DECISION TO DISENGAGE FROM OUR NATIONAL DOMESTIC PROBLEMS.

THE TAXPAYER KNOWS, IN HIS GUT, THAT CORPORATIONS ARE GETTING AWAY WITH TAX MURDER, AND THAT THE PRESIDENT COULDN'T CARE LESS.

LOOK AT THE FACTS:

ONLY 16 PERCENT OF FEDERAL REVENUES COMES FROM CORPORATIONS TODAY, COMPARED TO 30 PERCENT TWO DECADES AGO.

BUT THE GOVERNMENT COLLECTS TWICE AS MUCH FROM REGRESSIVE PAYROLL TAXES. AND IT COLLECTS THREE TIMES AS MUCH FROM PERSONAL INCOME TAXES, AS IT DOES FROM CORPORATIONS.

-4-

EVERY REASONABLE PERSON KNOWS WE NEED TAX REFORM. BUT IT'S NOT MENTIONED ONCE IN THE BUDGET.

THE PRESIDENT COULDN'T CARE LESS ABOUT THE INEQUITIES OF THESE TAX BREAKS TO BUSINESS -- HE COULDN'T CARE LESS ABOUT THE TENS OF BILLIONS OF REVENUE DOLLARS LOST IN HIS OWN RECESSION. BECAUSE HE FIRMLY BELIEVES THAT MORE REVENUES WOULD MEAN MORE GOVERNMENT, AND MORE GOVERNMENT IS BAD.

THE PRESIDENT'S 1974 BUDGET IS REPUBLICAN VINTAGE, BROUGHT TO US IN A SHINY NEW BOTTLE -- PACKAGED BY THE WHITE HOUSE'S MADISON AVENUE STAFF. TAKE OFF THE SHINY 1974 WRAPPINGS, AND WHAT'S NEW? MOST REPUBLICANS, AND IN PARTICULAR, PRESIDENT NIXON, HAVE A LONG HISTORY OF OPPOSITION TO FEDERAL AID TO EDUCATION, TO MEDICARE, TO LOW AND MODERATE INCOME HOUSING, TO PROGRAMS THAT HELP THE POOR TO GET OUT OF POVERTY, TO TAX JUSTICE FOR ALL AMERICANS.

PRESIDENT NIXON TRULY BELIEVES THAT THE AMERICAN PUBLIC CAN BUY SOLUTIONS TO OUR PUBLIC PROBLEMS IN THE PRIVATE MARKETPLACE. HE DOES NOT UNDERSTAND THAT OUR URGENT HUMAN AND COMMUNITY PROBLEMS REQUIRE THE VIGOROUS AND CONCERTED ACTION OF GOVERNMENT AT ALL LEVELS, IN PARTNERSHIP WITH THE PRIVATE SECTOR.

HE DOES NOT UNDERSTAND THE MEANING OF NATIONAL PRIORITIES. HE TALKS ABOUT HUMAN RESOURCES, BUT AS AN ABSTRACTION, AS A

BUDGET ITEM. HE LUMPS IN SOCIAL SECURITY TRUST FUNDS WITH DISCRETIONARY FUNDS AND PROUDLY POINTS TO THE TOTAL. THE FACT IS THAT THESE TRUST FUNDS ARE FUNDED BY INDIVIDUALS FOR THEMSELVES AND CANNOT BE USED TO FORGE PUBLIC TOOLS TO DEAL WITH PUBLIC PROBLEMS, EXCEPT OF COURSE, THE IMPORTANT PROBLEM OF OLD AGE.

THE FACT IS THAT LESS THAN ONE QUARTER OF THE PRESIDENT'S BUDGET WOULD GO FOR DEVELOPING PUBLIC TOOLS TO SOLVE SUCH MASSIVE NATIONAL PROBLEMS AS URBAN DECAY, CRIME, DRUGS, HEALTH, MENTAL ILLNESS, LOW-INCOME HOUSING, JOB TRAINING, MASS TRANSPORTATION, AND POLLUTION.

DOES THE PRESIDENT KNOW THAT THERE ARE 18 MILLION DISABLED PEOPLE IN THIS COUNTRY, AS HE CUTS BACK ON TRAINING PROGRAMS THAT COULD MAKE SOME OF THEM SELF-SUPPORTING?

HAS HE EVER VISITED A VOCATIONAL REHABILITATION CENTER OR A COMMUNITY MENTAL HEALTH CENTER?

MY FRIENDS, WHAT THE PRESIDENT HAS LAID FORTH IN THIS BUDGET IS HIS POLITICAL PHILOSOPHY. HE HAS FLUNG DOWN THE GAUNTLET, AND THE NEXT MOVE IS UP TO US. AND I BELIEVE THERE ARE TWO THINGS WE MUST DO.

THE FIRST IS TO GO BACK TO THE WELLSPRINGS OF DEMOCRATIC LIBERALISM.

-6-

MY FRIENDS, THE TEXT FOR TODAY -- THE TEXT FOR THE COMING DAYS OF THE 93RD CONGRESS -- IS THE 1937 INAUGURAL ADDRESS OF PRESIDENT ROOSEVELT WHEN HE LOOKED OUT ON A NATION ONE THIRD "ILL-HOUSED, ILL-CLAD, AND ILL-NOURISHED." HE SAID, "THE TEST OF OUR PROGRESS IS NOT WHETHER WE ADD TO THE ABUNDANCE OF THOSE WHO HAVE MUCH; IT IS WHETHER WE PROVIDE ENOUGH FOR THOSE WHO HAVE TOO LITTLE."

WHERE DOES THE NIXON BUDGET COME OUT ON THIS TEST? YOU TELL ME.

WHERE DOES THE PRESIDENT COME OUT ON PRESIDENT ROOSEVELT'S VISION OF A WORLD FOUNDED UPON FOUR ESSENTIAL FREEDOMS? WE MUST RECALL THEM, AND RE-DEDICATE OURSELVES TO THEM:

-- THE FIRST IS FREEDOM OF SPEECH AND EXPRESSION, EVERYWHERE IN THE WORLD.

DOES THE PRESIDENT UNDERSTAND THIS? DOES HE UNDERSTAND THAT THE MOST UNIQUE ASPECT OF THE AMERICAN SYSTEM IS THE EXTRAORDINARY LATITUDE GIVEN TO THE PRESS -- THE CONSTITUTIONAL ASSERTION IN THE FIRST AMENDMENT THAT "NO LAW" SHALL ABRIDGE THE FREEDOM OF THE PRESS? DOES HE UNDERSTAND THIS AS HE MOVES TO INCREASE GOVERNMENT SECRECY, INTIMIDATE TELEVISION NETWORKS, DENY JOURNALISTS THE RIGHT TO CONFIDENTIAL NEWS SOURCES, AND THREATEN LOSS OF LICENSES FOR LOCAL TV STATIONS WHO FAIL TO CENSOR "ELITIST GOSSIP" FROM NETWORK NEWS PROGRAMS?

-7-

-- THE SECOND IS FREEDOM OF EVERY PERSON TO WORSHIP GOD IN HIS OWN WAY -- EVERYWHERE IN THE WORLD.

I AM HAPPY TO REPORT THAT THE PRESIDENT SEEMS TO UNDERSTAND THIS PARTICULAR FREEDOM.

-- THE THIRD IS FREEDOM FROM WANT. FOR THIS, THE PRESIDENT WOULD SUBSTITUTE SELF-RELIANCE.

THE DEMOCRATIC PARTY KNOWS PEOPLE WANT TO BE SELF-RELIANT. WE ALSO KNOW THAT BEFORE YOU CAN BE SELF-RELIANT YOU NEED EDUCATION, YOU NEED TO BE HEALTHY, YOU NEED TO HAVE A JOB SKILL. WE KNOW THAT THE FEDERAL GOVERNMENT HAS PROVIDED THESE THINGS BECAUSE IN THE PAST LOCAL AND STATE GOVERNMENTS DID NOT.

-- THE FOURTH FREEDOM IS FREEDOM FROM FEAR.

THIS THE PRESIDENT UNDERSTANDS ALL TOO WELL. HE KNOWS THAT AMERICANS ARE AFRAID -- AFRAID TO GO OUT AT NIGHT; AFRAID OF BUSING; AFRAID OF ECONOMIC AND SOCIAL CHANGE, PRECISELY BECAUSE THAT CHANGE HAS BEEN SO RAPID.

THE PRESIDENT KNOWS FULL WELL THAT FEAR PARALYZES. HIS STRATEGY IS TO PLAY ON THOSE FEARS. HE OFFERS NO SOLUTIONS TO THE SOCIAL AND ECONOMIC CHANGES WHICH WILL INEVITABLY COME, REGARDLESS OF WHO IS PRESIDENT. NO, HE OFFERS A REASSURING RHETORIC -- A MADISON AVENUE ILLUSION THAT THE CHANGES WILL NOT COME.

I SAID THERE WERE TWO THINGS WE MUST DO. THE FIRST IS REASSERT THE VALUES OF THE DEMOCRATIC PARTY AGAINST THE NIXON IDEOLOGY OF DOMESTIC DISENGAGEMENT. THERE IS NO BETTER PLACE TO START THAN WITH FDR.

THE SECOND IS TO TAKE A FRESH LOOK AT HOW THESE DEMOCRATIC VALUES ARE TO BE IMPLEMENTED. THERE IS NO BETTER PLACE TO START THAN WITH CONGRESS.

CLEARLY, THE CONGRESS HAS ALREADY BEEN TAKING SOME STEPS TO IMPLEMENT THESE VALUES. WE HAVE CUT DEFENSE SPENDING AND INCREASED SOCIAL PROGRAMS. AND THIS IS WHY THE PRESIDENT IS ANGRY.

BUT CONGRESS MUST DO MUCH MORE.

-- IT MUST CREATE NEW MECHANISMS TO PUT ITS HOUSE IN ORDER: AN OFFICE OF BUDGET ANALYSIS AND PROGRAM EVALUATION; A REALIGNMENT OF COMMITTEE JURISDICTIONS.

-- IT MUST TAKE A HARD LOOK AT THE TAX LAWS AND PASS TAX REFORM MEASURES.

-- AND, MOST IMPORTANT, IT MUST ASSERT THE PEOPLE'S WILL AS TO NATIONAL PRIORITIES -- NOT THE WILL OF ANONYMOUS OMB BUREAUCRATS AND AN ISOLATED PRESIDENT.

WE NEED TO THINK BIGGER ABOUT THE LONG-TERM GROWTH OF THIS VAST NATION. WHAT WILL BE OUR NEEDS TEN, TWENTY YEARS FROM NOW. CHANGE HAS ACCELERATED SO FAST THAT WE CAN NO LONGER AFFORD TO PLAN ONLY ONE OR TWO YEARS AHEAD.

MANY OF THE PROGRAMS THAT ARE ON THE BOOKS ARE GEARED TO PRESENT NEEDS ONLY. THEY ARE POTENTIALLY OBSOLETE.

THE ANSWER IS NOT NIXON'S -- TO SCRAP THEM, WITHOUT DEVELOPING NEW ANSWERS -- AND TO SIMPLY DEPEND ON UNDERFINANCED LOCAL GOVERNMENT TO DEVELOP NEW SOLUTIONS TO NATIONAL PROBLEMS -- PROBLEMS WHICH ARE UNMANAGEABLE IF ATTACKED ONLY ON THE LOCAL LEVEL.

THE ANSWER IS TO THINK IN FRESH TERMS ABOUT SOLUTIONS.

WE NEED TO THINK ABOUT A DOMESTIC DEVELOPMENT BANK, TO DEAL WITH THE FINANCIAL CRISIS OF OUR CITIES, AND THE ECONOMIC DISINTEGRATION OF OUR RURAL AREAS.

WE NEED TO THINK ABOUT A BALANCED NATIONAL GROWTH AND DEVELOPMENT POLICY, SO THAT WE CAN PLAN FOR THE FUTURE, AND SPEND OUR MONEY WISELY. WE NEED BRAINPOWER FOR PLANNING, AS WELL AS MONEYPower FOR FINANCING.

THESE ARE MECHANISMS. MAYBE THEY'RE NOT PERFECT ONES. THE POINT IS THAT THE DEMOCRATIC PARTY MUST VIGOROUSLY EXAMINE WHAT MECHANISMS MUST BE DEVELOPED TO ASSURE THE HEALTH OF OUR NATION, IN THE BROAD AND NARROW SENSE OF THE WORD:

-- THE HEALTH OF CHILDREN, AND THEIR RIGHT TO A CHILDHOOD WHICH NURTURES RATHER THAN WARPS

-- THE HEALTH OF ADULT MEN AND WOMEN, AND THEIR RIGHT TO LIVE IN A DECENT NEIGHBORHOOD AND HAVE A DECENT JOB

-- THE HEALTH OF THE ELDERLY, AND THEIR RIGHT TO AN OLD AGE WITH DIGNITY

AND WE MUST THINK SMALL, TOO. WE MUST START THINKING ABOUT HOW TO MAKE GOVERNMENT MORE RESPONSIVE TO PEOPLE AT THE NEIGHBORHOOD LEVEL.

SIMPLY DUMPING PROBLEMS BACK INTO THE LAPS OF STATE AND LOCAL GOVERNMENT, AS THE PRESIDENT PROPOSES, DOES NOT MEAN THAT THE AVERAGE PERSON IS GOING TO GET MORE BACK FOR HIS TAX MONEY. GIVEN THE ALMOST CERTAIN INCREASE IN REGRESSIVE LOCAL AND STATE TAXES THAT IS SURE TO FOLLOW HE WILL UNDOUBTEDLY GET LESS.

LET'S START THINKING INNOVATIVELY ABOUT THE RELATIONSHIP BETWEEN GOVERNMENT AND NEIGHBORHOODS.

PERHAPS WE SHOULD HAVE NEIGHBORHOOD REVENUE SHARING, TO ASSURE THAT PEOPLE CAN GET THEIR MONEY'S WORTH BACK IN SERVICES.

PERHAPS WE SHOULD CREATE INCENTIVES IN THE TAX SYSTEM SO THAT AMERICANS CAN GET SOME TAX CREDIT FOR THE TIME THEY PUT IN ON PUBLIC-SERVICE WORK -- JUST AS THE AFFLUENT GET CREDIT FOR CASH CONTRIBUTIONS -- THUS STIMULATING A NEW DIMENSION OF PUBLIC SERVICE ACTIVITY.

SOME SUCH MEANS IS NEEDED TO MATCH UP OUR UNUSED HUMAN RESOURCES WITH THE VAST UNMET NEEDS OF PEOPLE WHO NEED HELP -- OR JUST FRIENDSHIP. THERE ARE LITERALLY MILLIONS OF WOMEN, YOUTH, AND OTHERS WHO WOULD TAKE ADVANTAGE OF SUCH A TAX INCENTIVE TO HELP REHABILITATE:

- MENTAL HOSPITAL INMATES
- PRISONERS
- THE ELDERLY
- THE DISABLED

SUCH A TAX MECHANISM, COMBINED WITH NEIGHBORHOOD REVENUE SHARING, COULD LEAD TO A REVITALIZATION AND REHUMANIZATION OF NEIGHBORHOODS THROUGH EXCHANGE OF SERVICES -- AND CUT DOWN SPAWNING GOVERNMENT BUREAUCRACY

- NON WORKING MOTHERS PROVIDING CHILD-CARE TO WORKING MOTHERS
- TEENAGE YOUTH TUTORING YOUNGER YOUTH
- NEIGHBORS PROVIDING CAR TRANSPORTATION FOR THE ELDERLY

PERHAPS WE NEED TO ESTABLISH PRODUCTIVITY GUIDELINES FOR PUBLIC MUNICIPAL SERVICES, AS IS BEING DONE IN NEW YORK.

PERHAPS WE SHOULD CREATE A NEW ROLE FOR WORKING PEOPLE -- STEELWORKERS AS WELL AS DOCTORS AND LAWYERS -- IN OUR SCHOOLS, TO GIVE DESPERATELY NEEDED VOCATIONAL GUIDANCE TO OUR CHILDREN.

-12-

PERHAPS WE NEED NEW INCENTIVES FOR NEIGHBORHOODS TO SHARE CARS, ELECTRIC LAWNMOWERS, AND SNOWPLOWS, TO CUT DOWN NOISE AND AIR POLLUTION, AND MEET THE IMPENDING ENERGY CRISIS.

THESE ARE JUST SOME SMALL IDEAS -- PEOPLE-LEVEL, NEIGHBORHOOD-LEVEL IDEAS. MAYBE THEY'RE THE WRONG ONES. BUT THE POINT IS THAT PRESIDENT NIXON HAS PUT A FREEZE ON EXPERIMENTATION, ON THINKING FRESH IN BIG WAYS OR SMALL WAYS -- ABOUT THE NATION AS A WHOLE OR YOUR NEIGHBORHOOD IN PARTICULAR. HIS IS AN ATTEMPT TO RECAPTURE SOME IMAGINARY PAST, WHERE TECHNOLOGICAL AND ECONOMIC AND SOCIAL CHANGE DID NOT REQUIRE NEW, VIGOROUS GOVERNMENTAL MECHANISMS AT BOTH NATIONAL AND LOCAL LEVELS.

TO ME, THIS CHALLENGE TO THE DEMOCRATIC PARTY IS CLEAR. THERE IS A VACUUM OF NATIONAL DOMESTIC LEADERSHIP IN THE NATION. THE DEMOCRATIC PARTY AND THE CONGRESS MUST FILL IT.



Minnesota Historical Society

Copyright in this digital version belongs to the Minnesota Historical Society and its content may not be copied without the copyright holder's express written permission. Users may print, download, link to, or email content, however, for individual use.

To request permission for commercial or educational use, please contact the Minnesota Historical Society.



www.mnhs.org