

THE ANGRY AMERICANS:

CONSUMERS IN THE 1970'S

BY

SENATOR HUBERT H. HUMPHREY

AT

THE NATIONAL BROADCAST EDITORIAL
ASSOCIATION

JUNE 29, 1973

*Awesome Audience
Awesome Program*

THERE ARE 210 MILLION CONSUMERS IN AMERICA:

--THE CHILD WATCHING TELEVISION ON SATURDAY

MORNING

--THE HOUSEWIFE BUYING A NEW APPLIANCE

--THE WORKING MAN DRIVING TO THE FACTORY

--THE FARMER IN THE FIELD

--THE BUSINESS EXECUTIVE IN DOWNTOWN MANHATTAN

--AND GOVERNORS, CONGRESSMEN, SENATORS AND INDEED

A PRESIDENT--WE ARE ALL CONSUMERS.

TODAY, THERE IS A "CONSUMER GAP" BETWEEN THE
PROMISE OF ABUNDANCE IN AN AFFLUENT ORIENTED ECONOMY
AND THE MASSIVE FRUSTRATION THAT COMES FROM ESCALATING
PRICES...FACELESS SELLERS...PRODUCTS THAT DON'T WORK...
AUTOMOBILE RECALL LETTERS...REPAIRMEN WHO CAN'T REPAIR...
CORPORATIONS WITHOUT ACCOUNTABILITY...AND COMMERICALS
PEOPLE DON'T WANT TO WATCH.

Food - Fuel

CONSUMERISM IN AMERICA IS A CURIOUS MIXTURE
OF ANGER, SKEPTICISM AND FAITH.

IT IS FOUNDED ON A POPULATION WITH GREATER AND
GREATER EDUCATION CASTING OFF A PASSIVE RECEPTION TO
EVERY CLAIM, EVERY ADVERSITING MESSAGE AND BECOMING A
DEMANDING, DISCRIMINATING-QUALITY ORIENTED CONSUMER.

AMERICAN CONSUMERS WANT MANUFACTURES TO STAND
BEHIND THEIR CLAIMS, TO AVOID DECEPTION, TO MAKE PRODUCTS
THAT DON'T FAIL BEFORE THEY ARE PURCHASED.

AMERICAN CONSUMERS WANT ADVERTISERS TO STOP
MANIPULATING THE MIND OF YOUNG CHILDREN, TO STOP ASSULTING
THE SENSIBILITIES OF THINKING ADULTS, AND TO START
SUBSTANTIATING AND DOCUMENTING COMMERICALS.

AND, AMERICAN CONSUMERS WANT A GOVERNMENT THAT PROTECTS THEM...INSTEAD OF PROTECTING THE SPECIAL INTEREST...THOSE WHO CAN BUY INFLUENCE...OR THOSE WHO KNOW THE "RIGHT PEOPLE"...OR THOSE WHO CAN "GET TO SOMEBODY."

A PRIME EXAMPLE OF WHAT I AM TALKING ABOUT ARE THE SO CALLED "INDEPENDENT AND REGULATORY AGENCIES."

THESE AGENCIES WERE ORIGINALLY CREATED BY CONGRESS TO PROTECT THE INTEREST OF THE CONSUMER AND STRENGTH THE CAPABILITIES OF THE CONGRESS.

THEIR PRIME RESPONSIBILITY IS TO THE ELECTED REPRESENTATIVES OF CONGRESS. THE ONLY EXECUTIVE FUNCTION IS THAT OF APPOINTMENT, WITH RESULTING SENATE CONFIRMATION.

THE REGULATORY AGENCIES ARE INFECT AGENTS OF CONGRESS.

TODAY, WE MUST ASK HARD QUESTIONS ABOUT
THESE AGENCIES--FOR TOO OFTEN THEY HAVE BECOME
CAPTIVE OF THE INTEREST THEY WE'RE SUPPOSED TO
REGULATE.

AND, THE CONSUMER--TOO OFTEN--COMES IN LAST.

I WANT TO KNOW, FOR EXAMPLE,

-DOES THE CIVIL AERONAUTICS BOARD SET RATES
TO BENEFIT THE AIRLINES OR THE AIR PASSENGERS?

-DOES THE CAB HAVE PROCEDURES, STANDARDS,
AND OPERATIONS TO GIVE FAIR AND EQUITABLE TREATMENT
TO ALL AIRLINE ROUTE APPLICANTS.

-DOES THE FEDERAL COMMUNICATIONS COMMISSION ACT
AGAINST DECEPTIVE BROADCAST PRACTICES?

-DOES THE FCC AFFORD PROTECTION TO LICENSEES
THAT MEET THEIR LICENSE RESPONSIBILITIES?

- DOES THE FEDERAL TRADE COMMISSION PROTECT THE
PUBLIC AGAINST MISLEADING AND MANIPULATIVE ADVERTISING?

-DOES THE FTC AFFORD PROTECTION TO LEGITIMATE
BUSINESS AGAINST PREDATORY BUSINESS?

-DOES THE FEDERAL RESERVE BOARD, WHEN IT SETS
MONETARY POLICY, ACT AT THE BEHEST OF THE WALL STREET
BANKS OR THE MAIN STREET CONSUMER?

-DOES THE GENERAL SERVICE ADMINISTRATION--
THE PURCHASING AGENT FOR THE GOVERNMENT--REPRESENT
THE INTEREST OF THE TAXPAYER WHEN IT CONTRACTS FOR
GOODS OR SERVICES?

I BELIEVE THAT CONGRESS AND THE AMERICAN PUBLIC
SHOULD KNOW THE ANSWER TO THESE AND OTHER QUESTIONS
INVOLVING THE WHOLE GAMUT OF FEDERAL INDEPENDENT AND
REGULATORY AGENCIES---

THOSE ALREADY MENTIONED PLUS OTHER AGENCIES SUCH AS THE FEDERAL HOME LOAN BANK BOARD, THE FEDERAL DEPOSIT INSURANCE CORPORATION, THE CIVIL SERVICE COMMISSION, THE ATOMIC ENERGY COMMISSION, THE FEDERAL MARITIME COMMISSION, THE EQUAL EMPLOYMENT OPPORTUNITY COMMISSION, THE SECURITIES AND EXCHANGE COMMISSION, AND OTHER INDEPENDENT AGENCIES.

FOR THAT REASON, I AM CALLING FOR THE ESTABLISHMENT OF A SELECT CONGRESSIONAL COMMITTEE TO RE-EVALUATE AND INVESTIGATE THE ACTIVITIES, THE FUNCTIONS, AND THE ROLE OF THE REGULATORY AGENCIES.

THIS SHOULD BE A TOP-LEVEL, PROFESSIONAL, INTENSIVE INVESTIGATION--SIMILAR TO THE LANDIS REPORT OF 1960 ISSUED TO PRESIDENT-ELECT JOHN F. KENNEDY.

THE INVESTIGATION SHOULD EXAMINE THE CHARTER, THE STANDARDS, THE STATUTES, THE ORGANIZATION OF THE REGULATORY AGENCIES.

THERE HAVE BEEN GREAT CHANGES IN OUR COUNTRY
SINCE THAT LANDIS' REPORT.

TODAY, GOVERNMENT IS UNDER MORE SCRUTINY THAN
EVER BEFORE, THE PUBLIC HAS BECOME INCREASINGLY
SUSPECIOUS OF GOVERNMENT INSTITUTIONS. AND, THE PUBLIC
HAS BECOME INCREASINGLY CYNICAL OF REGULATORY AGENCIES
THAT PURPORT ~~TO~~ TO REPRESENT THE PUBLIC INTEREST-WHILE
MAKING DECISIONS THAT COST THE PUBLIC MONEY.

I BELIEVE THAT A DETAILED, BROAD, BIPARTISAN
EXAMINATION OF THESE AGENCIES WILL CLEAR THE AIR. IT
WILL HELP CLEANSE THE REGULATORY PROCESS.

IT WILL STRENGTHEN THE CAPABILITIES OF CONGRESS.

AND, IT WILL ADD IMMEASURABLY TO PUBLIC CONFIDENCE
IN THE ACTIONS AND ACTIVITIES OF GOVERNMENT.

the Congress and would add immeasurably to public confidence in the actions and activities of government. Thank you very much.

Dressler

Okay. The Senator does have time to take a few questions.

Floor

Senator, Agriculture Secretary Butz and you seem to agree in results of such things as the soybean import embargo....

Humphrey

Export.

Floor

export embargo - sorry. However, he blames the entire movement that made that necessary really on pressures from the Congress of the United States and specifically the Democratic caucus which came before the bill could come to the floor for the new freeze. That led to such moves as this.

Humphrey

That's a lot of poppycock. A man that talks like that shouldn't be Secretary of Agriculture. That's just a plain load of bunk.

Floor

What led to it then?

Humphrey

Well, a shortage of supply. What led to that: the failure of the Department of Agriculture to anticipate anything at all. Now, some of us have been telling this department for years that the acreage in soybeans was too small. In fact, Hubert Humphrey has begged them for years to increase the acreage up to five million acres and the department as said, "Okay. No, we have plenty of beans." We're always worried; they have plenty of beans. Now, listen, I have tried to get what we call a consumer and marketing reserve program set up in this Congress by the government here and through the Congress (I haven't even been successful in the Congress) for years. Robert Bergland from Minnesota is another one. Neil Smith from Iowa is another one that's tried this.

Now, what is the purpose of this strategic reserve? We've got a stockpile in this country of metals that, you know, if we ever go to war or anything, we've got to have tin and aluminum, you know, and coal, lead and zinc. So we've got huge investments in stockpiles. No one's ever complained about that at all. They're stored, they're purchased. Costs the government a lot, but we've always said, "Well, that's good, because if we run short of copper, we ought to have a stockpile." So, even to protect the consumer if the price of copper start to skyrocket, as they did, for example, under the Johnson Administration, we were able to reach into that copper stockpile, release some into the market, get the prices back to reasonable degree of stability, break up some of the combines that were rigging the prices. We've done the same think in aluminum; we've done the same thing in half a dozen metals. So we have had this strategic stockpile of metals.

Now, Hubert Humphrey has said that this economy of ours, on the agricultural side, is so volatile, so unpredictable, due to weather, pest and the many things that affect a crop, and due to the uncertainty, may I say also, of the political decisions that are made by other countries to purchase, that we ought never to catch ourselves in a position where we do not have adequate reserves held aside under proper control so as not to unfairly depress a market, on the one hand, or to skyrocket the prices, on the other. And there's a triggering mechanism that's not at all to make that operative. But to have, for example, 40 million tons of corn in reserve: that's three months. That's all. To have 150 million bushels in reserve: that's three months. That's all. To have 500 million bushels of wheat in reserve: that's approximately four months. That's all. And why? Because we're the kind of economy that depends on being - if we're going to be an export, an agricultural export economy, we've got to have reliability of delivery; absolutely essential to be able to fulfill the contract. Furthermore, we never know when we're going to have what we had this past couple of years: a combination of weather, bad weather - that, all over the world, just had a catastrophic effect on production so that in recent days, there's a tremendous demand on the major world reserve of agricultural producers, the United States. You've got to have that protection.

We live in a high-cost, highly productive, highly efficient economy and when you go into animal husbandry, as we do, large numbers of cattle, pork, and in the poultry business, where you sue high-cost feeds and where your agricultural plant is very expensive, you cannot afford to run the risk that we're running right now. And the result of the failure to plan is here. The result of the failure to have reserves is here. Now, I offered, on the Senate floor this year, a program that was worked about by some of the best technicians in the world on the whole subject of reserves. I went to Europe to discuss it with them. I've been in Japan to discuss it with them. I've taken the best agricultural economists in America from Iowa State University, from the land-grant colleges, from the Library of Congress. We've perfected a program. We didn't get one line of space about it. Nobody knew that it ever happened. Hell, they didn't care. For years I've been telling the American people that we were going to run into a food crisis. But you have been telling the people, as many others have, that all we had was a surplus. We've never really had a surplus. We've had a reserve and that reserve was very minimum.

The average person doesn't realize that 40 million tons of corn is nothing. That's peanuts. That, even itself, is a dangerous, low level, but that's at least a reserve level. 150 million - you know how many bushels of soybeans you've got in this country today? 30 million. You know how much that's good for? One and a half to two weeks. You don't even know where they are. And most of those beans are in ports ready to be shipped. Now they've been stopped. How're you going to get them back from the ports to the processors? You haven't got any box-



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