

*Billy*

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(NOISE)

Well, we wanted to talk of the bill in here.

Answer: Well, let me... I just said that I don't want to discuss the details of the Humphrey-Hawkins Bill while I am here at this convention. I do that in my office and when I refresh my memory on every detail because I have to live compartmentalized. I concentrate.

Question: Okay. The question that I guess that we were really asking at discussions was about a bill and I wonder if that is not now a dead issue because it would be a different bill than Congress finally tackles.

Answer: Well, Let's just put it in proper perspective. The Bill that was introduced a few months ago was the second Humphrey-Hawkins bill, the first one was <sup>a</sup>very preliminary/ <sup>attempt.</sup> The second bill which was a product of several of careful study and negotiations as a result of hearings all over the country that bill has now has now had all its hearings before the House committees and before the Senate committee. The House Labor committee has reported the bill favorably with a majority vote and it will be acted

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I suppose in the House , it is scheduled to be acted upon in the house. The bill in the Senate has had much more critical examination,

There will be modifications of that bill which is not unusual in any piece of legislation. I am author of about as much legislation as any man authored in all of his life. I have never had a bill yet like we have introduced them. One shouldn't expect that. The purpose of the bill is to concentrate people's attention on a problem and then to refine that legislative instrument as best as you can. To first of all get its passage, get its adoption, and hopefully to target it toward the objective that you have in mind. So there will undoubtedly be in the Senate some modifications, for example, in the anti-inflation section, which has been the subject of such considerable editorial attack we have will undoubtedly be more specific. Quite frankly, I thought it was better for us not to be that specific because you don't quite know what a president will offer. The bill however, mandates that the President must present an anti-inflation program if the attainment of the goal of employment brings about any inflationary pressure and rather than trying to prescribe for President

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Ford or President Carter, or whoever else it may be what the details of the anti-inflation program, what it says is as a matter of congressional policy that the President must present with his statement of objectives and policies for full employment the necessary incomes policy or anti-inflation policy to hold down prices. We have got to present a program. I thought that was much more sensible because if I were to write it out, I would come out with certain things that might not meet all the needs. I don't know what pressures are going to be available or going to be present at that particular moment. But we will therefore specify in more detail in the Senate bill as it is reported out of committee. We will say for example that there should be wage price guidelines that the wage price stability council shall be strengthened and outline how it should be strengthened with its subpoena power with the right of withholding the certain price and wage increases for a period of time in selective industries where there seems to be strong forces that can manage both prices and wages. There will be several items like that that will spell out in some more detail what we want in an anti-inflation policy. Also we may very well set an anti-infla-

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tion goal. I mean, that the objective shall be to bring inflation down to 3%; like the Senate did pass a bill that put the objective at 2½%. That is the subject of some argument. The second thing on the prevailing wage. It appears to me that we will be amending the bill so that there will, it will not require that in the emergency public works jobs or federal government jobs, federally sponsored jobs. That you would have to pay the prevailing wage in a particular category or a particular skill. That there can be a variable. Particularly as it relates to emergency programs. That I think will be adopted. Now that will remove in the / <sup>Senate</sup> of the two main criticisms fo the bill. Title one of the bill is not subject to any real opposition. Title one requires, is that portion of the bill which sets up the coordinated economic policy mechanism. That seems to have general approval. Even if we only got that much it would be a substantial step forward because that requires a much closer coordination of activities between the office of management and budget the council of economic advisors and the federal reserve system. That those three instruments are brought in to better harmony and synchronization. That title also

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requires the President to present to the Congress after his consultation with these particular instruments that I have mentioned, the goals of production of income and employment. That part is almost without criticism. I think even the more conservative members of Congress feel that that much of Federal Government Planning is required.

QUESTION: Does it bother you that the track record for income policies everywhere not just in the United States have been very bad?

ANSWER: Yes, that is true, it does. It bothers me, but like many other things, sometimes you have to settle for less than what you think is the better, for less than what is effective. I'm a pharmacist, originally and I know that there are a certain number of medications aren't particularly effective but they are better than none. You sometimes have to use some of these income <sup>-price</sup> policies, wage/guideline policies in the hopes that they will modify or moderate but I am opposed to wage-price controls and I did not want to put that, I did not want

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lend myself by word, by direction or indirection to support of firm wage price controls unless we get into a terribly difficult and nationally emergency. I did not want that to look like the easy out. A lot of people wanted us to put that in the legislation. But I agree with you that the so called incomes policies proposals have not been too effective. I thought they were more effective in the Johnson years, to be honest, than they have been at anytime and mainly because of the President because he was a tough minded man who was on top of labor and industry and beat them down. They tried to bring them into some sense of public responsibility. The best answer to inflation is production and productivity administered and also to watch these so-called ~~administered~~ price structure and monopolistic practices on labor. I mean I don't think anybody can fail to understand, or fail to see that when you loose competition that it tends to bolster the price structure. When labor has too much power, it tends to exaggerate wage, what we may call wage increases. So far we have had a pretty good record in the recovery period. I must say on the part of labor particularly. The testimony that we had from Dr. Greenspan and from Arthur Burns

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shows that the national labor movement in the main has been very responsible. Restrained and responsible. Now Jack Javits and Hubert Humphrey are strong supporters of these productivity councils of trying to get the productivity<sup>improvement</sup>~~movement~~ out in the field. Not in the Washington level but out at every plant and in every area of the around Jamestown, New York and places like that that have done some experimentation with this and has had some good effect. I also feel<sup>if</sup> that title one of this bill is properly used where<sup>that</sup> fiscal policy comes in and federal reserve policy, / there can be much greater investment opportunity for business to improve their productivity by the placing in of modern plants and of better tools that really helps. The other point, the thing that I guess that I bristle at there is a tendency to, now I don't say this about Business Week, cause I happen to think that you have a great publication. I'm not trying to flater you but I have learned alot from it. It's about the only publication of the economics that interprets the economics so that the people can understand it. The real proof is that countries other than ours while they have different demographic patterns than ours have done

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very well in providing full employment. What worries me Gentlemen is that we are being conditioned in this country to accept high levels of unemployment. That is just like being conditioned to pay off somebody that is threatening you.

Yes, we know that, And I think ...  
QUESTION: / We are editorially against unemployment.

Yes, we know that. And I think...  
ANSWER: / Yes, it's a terrible waste. But as long as we have got unemployment compensation, food stamps and welfare, etc. it is easy to kind of pay<sup>it</sup> off. To say you know it's kind of better to just kind of take care of the folks than it is to figure out how you're going to put them to work and I worry about that; I really have a feeling about that. In fact , where's my speech that I have given today. I want to tell you what I'm saying about that. It's just to give you a little idea of my concern.

QUESTION: WE're going to be there. I hope we can hear it.



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ANSWER: I hope you can too. Well,....

In the 1960's I say the right to a job and the full participation in the economic life of our nation is a birth right of every American until we assure this freedom and this right to all Americans we cannot call ourselves truly free. In the 1960's a relatively few Americans out of <sup>million</sup> our twohundred/were involved directly in the War in Vietnam. It was a war ten thousand miles away. Its burden was borne by a few. Nonethe less the <sup>pain and suffering</sup> ~~descension~~ of those grew into a wide spread guilt and ~~excuse~~ and bitterness of home and the whole spirit of this nation was saddened. Today, just as the war in Vietnam altimately poisoned the whole body of politic in America so will the continued loss of income and the failure to provide jobs for the minority of our people altimately sap our strength and the spirit of our people. I believe this. I believe that this is kind of a pernicious anemia It just grows on you and what happens is that you start to develop a separate society and that is why we've got to move against it. Whether the Humphrey-Hawkins bill is the best way or not is obviously subject to debate but

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the necessity of moving against the acceptance of five percent of unemployment and six percent and really that is what is really being talked about.

QUESTION: Do you see this kind of legislation as being the center piece for the Democratic party in the upcoming campaign?

ANSWER: Not a center piece but I will tell you what I think it is. I think that a campaign ought to something else besides bombasts and charges. I think it ought to inform people or alert people to basic fundamental changes that may take place and may be necessary to take place. Lloyd and I were talking on the way going down to Lunch. Here's a government that next year is going to spend over 420 billions of dollars of the federal revenues that doesn't include items. off budget/ Then there are state and local government One third of the gross national product of this country is going to be expended in the public sector. For that to be expended without any regard on an annual basis

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to  
without regard/what its implications are and its impact  
is on future decisions is to me, is just...the word is  
not ridiculous but it is so foolish and so dangerous.  
Therefore what I have tried to get at is that I think  
the concentration on what is in the Humphrey-Hawkins  
Bill poses the issues to the American public. What is  
the proper range of forecasting, of budget outreach,  
or to use the word that frightens people, planning?  
But without the use of federally generated funds. I'm  
not talking about planning how much, how many magazines  
you're going to print, or planning how many acre of  
ground the farmer out in Waverly, Minnesota can have but  
I'm talking about how, how should that some \$400 some  
billion be used; what are the implications, how should  
the credit policies of the federal government be used?  
Because the federal government has a tremendous impact  
upon the credit policies without regard to federal reserve.  
I mean just what we do in Farmers Home Administration,  
Farmers Credit Administration and all the things that  
we do so that I believe that we're at a point where we  
need to be thinking about the better management of our  
economy with the pressure on our resources with the unique  
problems that we have

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with black youth and other minority youth with the incredible difficulties in the technological changes in our economy. What is the proper role for the governmental structure in this area? That is what it really boils down to. Now Humphrey, Hawkins is just a way to focus attention on that. I don't propose to you nor should I ever that it is the alpha and/ <sup>omega.</sup> I use the simple old analogy that you're so familiar with about the old farmer that hit the old mule between the ears with a two by four to get his attention. In a very real sense, what we are doing here and this is one of my purposes in public life is to get people's attention on issues that I think we've got to come to grips with. It is not a question of whether or not Hubert Humphrey is right as of July 12, or 13th. It is a question of whether or not I can get controversy dialogue, debate which is of course is exactly what your publications/ <sup>have helped us do.</sup> Mr. Risten comes down from City Bank and he argues about this and then we have the professors coming in and they are on the other side. We've got bankers coming on in and saying you're right, Humphrey, you're in the right ball park. We've got someone else come in and says not

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We've got to get, once we've got over the election, we'll be able to get this in some kind of forum that will permit rational discussion of it. The elections will be a lot of fire, charges and counter-charges. But you'll come out of there knowing that this is an issue that you've got to face up to ultimately. And that is what we're trying to do.

QUESTION: Let me throw a question at you along these lines. A year from now we may have a Carter Administration. tell our readers Now we're all struggling this week trying to/ what kind of world it's going to be. On the record or off the record, how do you stop to think if Jimmy Carter as president/ What kind of administration will that be? Will it be kind of mainstream Democratic Administration people talk about the FDR coalition being put together?

ANSWER: Well, while we were visiting here a moment ago, when our friend, Pete Lisagor was in here, Pete was saying that he sensed a more recent contacts that he had had with Carter and his people that they have returned to a good deal of conventional democratic campaigning and conventional democratic policy. But I don't think

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it will be just the same. There isn't any doubt in my mind that Mr. Carter will want to shake up the government. This is what he said. I think reorganization is a fact and will be a fact of the Administration and a necessary one. The government always needs that. That is necessary and I think that in light of the fact that there hasn't been a basic reorganization since the Hoover commission days that it is long overdue. And that is necessary so you'll have a, hopefully a more streamline efficient type of government. Secondly, I think that Carter because he has been a governor will be more suseptable to the use fo Federal funding at state and local levels rather than just fedreal operations. There is alot of difference between federal operations paid for out fo the federal revenues than it is federal funding at state and local levels. Now revenue sharing was a beginning of much of that. Of course the grants-in-aid programs. We've gone a long way. Now I happen to be one of those demo-crats who believes that state government has improved so dramatically in the last ten to fifteen years that we in the congress have failed to keep abreast of what they can do out there. I don't want Minnesota's policies to be

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governed by all the standards that are required for New York City. We are a different people and you're different here, they're different here. It isn't whose better, whose worse.

QUESTIONS: Ronald Reagan told us exactly the exact

same thing. ANSWER: Well it is true, I mean, I feel that way and I don't know what this makes me in terms of ideology but I have been a mayor of a city, I know my city and the effectiveness of the government is based very much on the human principle of understanding of the people with whom you're working; the nature of the problems with which you are working and agriculture policy. You can have the national standards and national goals but you've got to have some variables and this is where the problem comes. See, always people say someone is getting the better end of the deal but we have got to run that risk. I think that Carter will do that. I think Carter as a governor will be more sympathetic to an effective federal system. A federal system is not Washington. It's Washington and state government. I think you'll have that. I believe that will be healthy for us. I think that

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Mr. Carter will be job oriented. In other words, compared to Ford, as I know him so far in the contest with Reagan which I think has colored all his approaches that you will see Mr. Carter willing to do more on the job economic front by an action oriented federal government. That's why he has come around more so to the Humphrey-Hawkins concept. He's come... I think you'll see more of that, you'll obviously see Mr. Carter having to face up to the national health issue and that is absolutely essential. The cost of medical care in this country is getting out of hand for a large number of people. Now, what kind of a system he'll come up with is yet another question. I don't think anybody can predict that. I notice that he's had something about social security funds and not of the general revenues. Well, you see, that is different than some people have had in mind. My judgement is that it may not all be just governmental it may be some kind of a system in which you use existing institutions as well as add ons from the government. Because you're going to have the big battle over this anyway; the veterans are not going to want to give up their veteran medical care. You'll have all these interest groups so



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to simplify Carter will be an action, a strong president. In other words, the anti-Washington rhetoric of the primary will be lost in the general campaign and when he becomes president, he will be a man of purpose. He is a decisive man, prudent, moves cautiously, but when he's made a decision, he's made it. He follows a plan of action and he has a planning mind, strangely enough, I'm a guy who advocates alot of planning, I have less of a planning mind than he has. He is a methodical man from what I've read and what I know about him personally but what I've read about him and as I've observed him, so I would expect that you will see a man who has a sense of direction that is quite a well organized man. He'll not be quite the same subjective presidency you've had under a Lyndon Johnson but within the democratic tradition of a strong active federal government. That is how I look at it. I don't know how you've felt about it but that is about the way we see it.

On the issue of these human rights issues, I think he'll be very good. I think his heart is in that. What the mind tells him is one thing, because it is very difficut to know how to deal with busing and

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how to deal with all the problems of prejudice in many areas of our economy but I think his heart is in it. I believe that he'll use the powers of presidential persuasion. I think this has been one of the great, one of the areas of weakness under Johnson and Nixon-- Ford. They never quite ever used that great forum of the oval office. Woodrow Wilson called it the nation's classroom and the man that occupys it, the nation's teacher. I think that you'll see that Carter because he's talked a little about the fireside chat concept but whatever method that is used he'll be talking to the people. He'll be talking to the people and all of the things that I see about him is that he is a willful man. He's not flabby.

QUESTION: Well, we'll get out of here. We're going to come down and see you in Washington and put together this piece. Because I would agree that the Humphrey-Hawkins bill will start debate on the subject. You said back <sup>in February that</sup> something ought to be done about unemployment in the United States.

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ANSWER: I want you to know from my point of view, my good friend, that while I'm the author of the bill which sort of make you a parent and therefore you obviously have emotional ties. I am more interested as a pragmatist in politics on what will work than I am in how we have initiated it. I think that is secondary.

QUESTION: (CHANGE TAPE)

ANSWER: I think that the malignancy that doesn't appear to be quite so evident is unemployment. Continued high levels of it and that doesn't effect so many directly indirectly it effects us all, because it gets too costly. The problem that you see with unemployment is that this \_\_\_\_\_ will become an organized group that will demand more and more and more.

NICE SEEING YOU.

HUMPHREY: What I was saying that government cannot legislate morals. It can set standards. It sets/ legal standards and people

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can be got around to hopefully accepted these standards. This is the whole lesson of law enforcement. When I was the mayor of my ciyt I used to tell my police officers anybody with a gun and a club can enforce the law. You're job and my job is to be able to explain the law and make it acceptable to the people.

(Cut in the tape)

The federal government to set standards that says for example that these federal contracts there will be no discrimination that that does help set a new frame of thought. Just by the fact there is some contest indicates that. So I think it is a matter again of how much you expect. If you expect too much, I though Barbara Jordon was well last night. You mustn't expect government to everything and you oughtn't expect government to do nothing. You've must have some balance.

QUESTION:                   INAUDIBLE

ANSWER:                   Not particularly. No I didn't. No I always thought that it was obviously an asset. Of course I still feel to be a member of the United States Senate

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great honor  
is a/ and it also represents a very unique responsibility

QUESTION: \_\_\_\_\_ (INAUDIBLE) ANTI-GOVERN-  
MENT \_\_\_\_\_

ANSWER: . I think that Mr. Carter will be a very different candidate in the General Election than he was in the primary. There isn't any doubt that many people have been very disappointed in Washington and have been disillusioned and why shouldn't they be. They saw people intrusted with power and abused it. They saw people who tried to put themselves above the law in the name of government, in the name of national security. This is what hurt more than anything else. The first duty of government to provide is to protect our national security. That is the first duty and then when people in government in high office use national security as an excuse for their personal power appetites, people did become disillusioned/and cynical about Washington, about government, but many people have been disillusioned about government because it didn't do enough. For years and years people were disillusioned about state government because it was helpless

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I'm sure that there are many people who are unhappy today about government because it doesn't do anything for them. Doesn't provide any jobs. It doesn't do what it ought to about taxes, tax justice. These are the poor people, the people who are complaining the most about government are the ones who don't want to be regulated. I consider that the/ <sup>attack</sup> upon the institutions of government primarily as it came from the republican side was really an effort to remove government as a course of equal librium and restraint upon the power of a few concentrated wealth and hugh business and other enterprises, you've got to have a government that works for and represents the people. To reach the public interest and now Mr. Carter took a very careful look at all the polls made and he said, look after water-gate and Vietnam, after all the years of the emergency powers that were invested in the executive branch people are unhappy about what they have seen happen in Washington and so during the period <sup>of</sup> the time of the primaries very central issue for them even talk about

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People are unhappy about what they assume happened in Washington and so during this/ <sup>period of time</sup> of the primary is a very central issue for him to talk about Washington. He is very careful. I think it is very important that he never at any time prejudice his position which I think will be his position of a strong government. He believes in a strong government, he believes in a moral government. He believes in a decent government. What he was talking about was what people...the symbolism of Washington, Washington was what? was Watergate. Washington was Vietnam, Washington was a lot of things that people just didn't like But Mr. Carter is the very same Mr. Carter that is concerned about Washington. And says that one of the first issues that he committed himself on was National Health Insurance. Then he came around finally to a job program so that when he spoke to us in the Senate caucus he made it clear that he would be a strong active president, he believed in a strong presidency, he said. He believes in an action oriented government. Well, that is a far cry what the interpretations has been of his primaries.

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QUESTION: (INAUDIBLE)

ANSWER: Well, I suppose it is hard to know. The polls indicated that I would have had a pretty good chance. Particularly after polls where people were asked as they came out of the polling place. But that isn't what deterred me.

I felt that I would do well in primaries, but I'll be honest with you, I had to make up my mind whether I wanted to be a good United States Senator/ I was with new responsibilities Chairman of the Joint Economic Committee, I carried a heavy load of the foreign relations committee, I handled all the legislation of any consequence out of that Committee; but agricultural committee, the national food policy. I was up to my ears. Things that I loved to do, the committee assignments meant a great deal to me. These were the best years of my senatorial career. Did I want to cast that aside and use all my time with another whirl at the presidential primaries. It wasn't just the primaries, to run in the primaries is one thing, that is like being in a boxing ring. You have to train for have a year or two to dance. It would/ meant reshaping my whole life from 1974 at least up to 1976. At least two years



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The biggest mistake that a man makes in politics is to underestimate the amount of preparation and planning. Now I had some disappointing experiences, not because I didn't win. I won four primaries, big ones, the ones that people look to in this recent campaign. Pennsylvania, Ohio, Indiana, West Virginia, I won four primaries, one after another. I was second in Florida with only a two month campaign. But two things, I noted that I couldn't get anyone to recognize it. I mean the media. Let's be honest about it, I don't complain about the media per se but it never caught on, I mean, whose Humphrey? It never... Secondly, I ended up deep in debt and I became so terribly upset over financing problems, I was embarrassed, it hurt me. I got caught up in the post-Watergate where there were contributions made where I had no way of knowing they were improper or illegal they didn't come from wicked sources, they came from Dairy industries. I just got tired of it. I told my wife that I was not going to put us through that once again. No way. I can run in Minnesota, I can handle my campaign out there personally, I don't have to rely on somebody else, so that I too was a victim of some

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disenchantment and then finally I knew that to run I'd have to be a full-time candidate with a tremendous pressure on me. I'd gone through a very serious bout of illness. That caused me to think anew. I didn't want to run the risk of the kinds of pressures that could be brought on one. I felt it was more important to be happy and healthy than it was to seek glory. That's about the most honest statement you ever get from a man in politics.

QUESTION:                So is this speech tonight which I assume will be very well received, is this your last hurrah for national politics?

ANSWER:                Oh, I wouldn't want to mark that down that way. No sir, I'm going to be like, what did MacArthur say about the old soldiers, they never die. I feel very good. I feel in the full vigor of my political life and as I told my own delegation, Hubert Humphrey will be around a long time and I don't intend to be sitting on the sidelines. I'm a player in the field. I don't like to warm the bench. If I can't pitch, I'm willing to play right field, or center field,

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or second base, but I'm going to be on the team.

Thank you Senator.

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