

The period of economic growth and prosperity gave us, I felt, not only the opportunity but the obligation to tackle the problem of the hard-core unemployed.

In the sixties, we developed a new network of job programs -- the Neighborhood Youth Corps, the Job Corps, the Manpower Training and Development Act, for example. But I was not satisfied. I believed that our manpower training programs were still not reaching the hard-core unemployed in sufficient numbers and with sufficient impact. All too often, men and women were trained -- only to find that when they completed training, there were no jobs for them.

In discussing this with some of the leaders of American business and labor, I learned that a most effective key to the manpower problem was on-the-job training, where men were first put on the company payroll and then trained on an assembly line or factory bench or in an office for a specific job. I also knew that six out of seven jobs in America were in private industry. This was a clear signal to me that American business would have to take a leading role in any new job program.

But the "hard-core" unemployed posed a severe problem -- because they would require special and often costly services -- in basic education, in grooming, in learning how to manage their money, in correcting the health defects that were bars to their productive employment.

Late in 1967, I discussed the idea of a new manpower program with Henry Ford II and other industrialists, built around these essentials:

-- A nationwide network of businessmen, operating in the 50

largest cities, to act as the spearhead of a job program that would reach the hard-core unemployed.

-- The Government would take a special census and locate the hard-core unemployed.

-- Business would hire them first, train them and retain them.

-- Cutting red-tape, the Government would pay the extra costs of training: costs that business would not otherwise normally incur.

This approach had many advantages from the standpoint of our national economy. It could mean a new source of workers for American industry and new consumers for its products. It could give people, previously out of work, a meaningful stake in society, and ~~thus~~^{so} reduce tensions and frustrations. It could move men and women from the dependency of a welfare check to the rewards of a payroll check.

On a cold January Saturday in the Cabinet Room, the new National Alliance of Businessmen was formed.

With the leaders of the industrial community, I reviewed the great changes that had taken place in business and government during our time. The days of the robber barons were long past. I believed that the business leadership of our nation had passed into the hands of enlightened men who were concerned with the general welfare of our people -- not just with private gain.

Gone, too, was the notion that government could tackle a job as big as this one without business cooperation. After thirty-five years of

intensive, if intermittent effort, we have learned something about the limits of Government power.

I told Mr. Ford and the others that they faced an awesome challenge. Their alliance was launching the most massive and difficult peace-time job program in all our history.

They accepted that challenge. Together, we set this target: Jobs for half a million hard-core unemployed by June 1971, with 100,000 the first year. I also sought the Alliance's help in finding summer jobs for tens of thousands of boys and girls who lived in the slums. For our part, I asked Congress for \$350 million in special funds to support this venture in its first year.

Armed with computers, flow charts and the methods of modern business, the Alliance moved into full swing, led by executives from corporations such as Coca Cola, General Electric, Ling-Temco, IT&T, Bell Telephone and Safeway.

Under the banner of "Hire - Train - Retain", the Alliance persuaded business all over the nation to comb their production lines and offices for jobs for the hard-core unemployed.

By the end of 1968, progress was encouraging. Leo Beebe, a Ford Vice President who is the operating manager of the new program, reported to me that business had responded magnificently. About 84,000 hard-core unemployed were at work in specific jobs on company payrolls. They

were being hired at the rate of 20,000 a month. At this pace, the Alliance will more than double its first year quota of 100,000, and possibly reach a quarter of a million jobs.

And it is significant that the retention rate for these employees equals or exceeds that for the ordinary worker.

I know that the eyes of Congress, and the people, will be on the National Alliance of Business men in the months ahead. I will be watching it closely, myself. Every failure will be reported, while success^s may be ignored.

And there will be failures. We are dealing, after all, with human beings who have had almost everything going against them. There will be dropouts and setbacks.

But if we stick with it, there will be many successes.

I hope that this adventure, and other like it, finds a spot behind the workbench for every citizen who wants a job. It is, in my opinion, the most promising way ever devised of eliminating the tragic waste of our human resources.

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As we look to the future, I would like to see the National Alliance of Businessmen expanded from the largest cities to every city in America with a population of 50,000 or more.

I would hope that a counterpart to the National Alliance of Businessmen could be set up in the public sector -- at the Federal, ~~in~~ State and local Government level, to hire and train the ~~hard~~ hard-core unemployed for jobs

in the community: in hospitals, in schools, in offices.

Finally, we must recognize that some men and women will be left behind, despite all we do. All the special training programs will not help them, and they will simply not be able to compete on the job market. If industry cannot find a place for them, then their government must. There are plenty of areas in the public service that are crying for manpower -- in hospitals, in parks, in recreation areas, to name only three.

But one way or another, those who want to work must have jobs.

Two decades ago America made a pledge in the Employment Act of 1946 -- a decent job for every person willing to work. Now -- when our economy is producing thousands of new jobs, and when we have the machinery for employing those who have never held a steady job before -- we can redeem that pledge.

EDUCATION

When he testified before the Republican Party's Platform Committee at Miami in 1968, John Gardner, who had served as my Secretary for Health, Education, and Welfare, said that the job of a future administration would not be to invent new programs. It would be to develop, expand and improve the programs already created.

This is especially true in education.

Our education needs are many. These are among the most important:

- Expanding Headstart and making sure that the momentum gained by a child in this program is not lost in later years.

- Improving facilities and instruction for schools in ghettos.

- Making sure that our colleges and universities have the facilities to handle an enrollment that will almost double in the next ten years.

- Helping institutions of higher learning survive at a time when education costs are soaring.

- Making a college education -- up through a PhD -- available to every young man and woman who has the ability to take real advantage of it.

- Creating a free, two-year community college in every major city.

- Enlarging our capacity to train more doctors, dentists and nurses.

These goals can be reached -- and most of them can be reached under the basic laws that we now have on the books.

During the 62 months of my Administration I signed more than 60 major education bills. They covered every conceivable aspect of the education field: from Headstart to adult education; from fine arts to vocational education; from the biggest ghetto schools to the smallest rural schools. If these programs are given sufficient funds and expanded as they should be, there is no reason why we cannot reach our education goals by the time we begin our third century as a nation.

The most powerful Act of all is the one I signed on the front steps of my old school in Johnson City, Texas, on April 11, 1965: The Elementary and Secondary Education Act. I felt then and now that "I will never do anything in my entire life that excites me more." For one who had taught poor children in school thirty-five years before, that was a red-letter day.

I think this bill offers a perfect example of how our country always seems to catch up with enlightened leadership. When President Harry Truman recommended federal aid to education in 1948, his proposal was greeted with cries of outrage. He was accused of a rank invasion of states' rights, and of attempting to put the Federal government in control of the nation's schools. Any Congressman who had the temerity to find some merit in the Truman plan might just as well have endorsed sin.

So President Truman left office without seeing his dreams realized.

When John Kennedy became President, he made Federal aid to education one of his top legislative priorities. And although some of the old emotionalism around the States' Rights issue had cooled off by then, the Church-State issue soon took its place. President Kennedy, a Catholic, had recommended that parochial schools be included in the plan. It was only a matter of time before he was accused -- like Al Smith in 1928 -- of trying to dig a tunnel to Rome. The outlook for passage was about as poor as it had been in 1948.

That was the situation in Congress when I became President.

But this was the situation in the country:

In inner city schools, 60 percent of the pupils who made the tenth grade dropped out before completing the twelfth. A poor child was, on the average, a year behind in school work by the time he reached the third grade. And if he made the eighth grade, he was three years behind the national average.

More than two of every three public elementary schools had no libraries. Nearly 18 million adults in America had finished only eight years of schooling. Almost 5 million were totally illiterate. The number of young men who failed the selective service mental examination was shocking. Clearly America's school system needed help.

Finally, after two years of the hardest kind of work, we were able to get legislation through the Congress in 1965 -- nearly 20 years after

Harry Truman had proposed it. Federal moneys were made available to rescue the school systems, mainly in poor districts. A formula was worked out that minimized the Church-State problem.

Passing that bill had somewhat the effect of the first four-minute mile. It wasn't long before there were others. After one of the real achievements of modern legislative history, we were on our way.

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Speaker Sam Rayburn -- my teacher, ~~my~~ co-worker, and ~~my~~ beloved friend for many years -- described the kind of America of which he dreamed in his first speech to Congress, in 1913. He said:

The value of an educated citizenry to a nation cannot be measured -- but the value of education to an individual can be. A man with a high school diploma earns appreciably more in his lifetime than one who fails to finish high school. And his annual average income rises sharply if he has a college education.

I wish I could say that the nation's education problems were solved by my Administration. But in fact only a wide range of starts were made. Meanwhile, the needs of education were growing swiftly.

Head Start has proved of spectacular value to many slum children. I'll never forget Lady Bird's reaction after she had visited her first Head Start class. She said, "This is the finest thing we have done. They are taking some of the most deprived children in the land and are giving them hope. If you do nothing else, I hope you will nurture and expand this program."

I should like to see Head Start expanded to reach all children of low income families -- and eventually made a universal program for pre-school children.

The beginnings we have made in up-grading all elementary and secondary schools have not gone far enough. Most youngsters in slum schools are still denied a quality education. More money, better-trained teachers and improved methods are still badly needed.

And I think we may find that a better classroom environment is not enough. Counseling families and helping them create a better home environment may also be essential. One thing seems clear about the desire and ability to learn. It is affected by the student's classmates, by his family situation, and by the image he has of himself. The quality of his whole life, and of the life about him, may be more important than modern teaching equipment and new buildings.

Finding good teachers for schools in both city and country slums is a special problem. We started the Teachers Corps, to recruit able young student-teachers to work in such areas. Congress has been slow to provide funds for this program. But if we are going to give poor youngsters the

instruction they need, Congress' opposition has to be overcome and the Corps greatly expanded.

College education faces a special crisis. Space demands and costs are soaring faster than resources are coming in. In June, 1968, the heads of 42 leading colleges and universities mapped out their needs and concluded that they cannot meet the future with present sources of income. They must have permanent and continuing support from federal sources.

Some educators fear that federal dollars mean limited freedom for their institutions. Indeed, that is a threat we must always guard against. But I am encouraged by the words of Dr. Alexander Heard of Vanderbilt: "Federal money is the freest money we get." Since the number of students in colleges is destined to rise by 50 percent in the next few years, and the cost of educating each individual student will grow, this problem cannot wait long for attention.

Federal funds for education have been tripled in the past five years -- and our programs have just begun. I believe we are going to have to triple them again by 1976 if we expect to achieve our education goals. This means that we should be spending more than \$30 billion on education by 1976.

Let us not begrudge the cost of these programs. The funds we provide do not simply disappear, never to be recovered. A highly educated population creates far more wealth than it consumes. Our experience with the G. I. Bill proved that, once and for all.

When we first broke the dam against Federal aid to education in 1965, I said: "I am going to use every rostrum to tell the people that we can no longer afford the great waste that comes from the neglect of a single child." I mean to do that -- not only for children, but for their parents. Because I believe that the chance to learn and grow ought to be available to every person, from the time he is able to reason through old age. National resource and social benefit though it is, education is first and last an inexhaustible treasure for the human spirit.

So let us find ways to use our schools more than nine months of every year, and eight hours of every day. Let us make them a constantly available resource of pleasure, understanding, and gain for all our people.

HEALTH

One afternoon in the closing months of my Administration, I sat in the Cabinet Room with my Secretary of Health, Education and Welfare, Wilbur Cohen talking about the country's health needs. Wilbur, who had been in on the take-off for Social Security in 1935, was also one of the chief architects of Medicare in 1965. He carries the scars of a great many fights for social progress. And every one of them shines like a medal.

I asked him how many doctors were cooperating in the administration of Medicare.

"About 300,000," he replied.

"Out of how many?"

"About 350,000."

Six out of seven. And out of the 50,000 not cooperating, he said, most are administrators and not directly engaged in the practice of medicine. "I would say that 98 percent of the doctors actually practicing are cooperating."

I sat there and reflected. Few ideas in our time had had so bumpy a road as Medicare. As far back as 1935, President Roosevelt considered a federal health insurance plan. But he threw up his hands when he realized it would be impossible to get it through Congress.

improvements before Vietnam, and will oppose them after Vietnam, have simply used Vietnam as an excuse to go on voting the way they always have.

It is not -- I cannot say too often -- our strength or our wealth that is being tested by the problems of this age. It is our will. They can be met -- if we will.

Those bills -- totalling about \$8 billion -- would once have had to be borne by the sons and daughters of the aged, if the patients themselves could not afford them. If they did not have sons and daughters, they might have gone without treatment. So Medicare has worked to everyone's advantage. It is one program -- like Social Security and the Minimum Wage -- which will probably never be taken away from the American people. In its brief life, it has already become too important to all of us.

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Medicare was not the only breakthrough in the field of health care during the 1960's.

We launched Medicaid, to provide medical help to 7 million people of low incomes, whatever their age.

We tripled the federal investment in health research, in training medical personnel, and in bringing health services to the people. That investment has already paid off -- in a 12 percent decline in infant mortality, a 19 percent decline in maternal mortality, a 19 percent decline in death from rheumatic fever and other heart diseases, in the virtual elimination of death from measles, in a drop by one-third in the TB death rate, in a 20 percent decline in fatal hypertension, and in a continued decrease in the number of patients in mental hospitals.

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All of this is gratifying. But no American with a conscience can escape being haunted by an awareness of the distance yet to go. The nation which trained the surgeon who made the first heart transplant; whose scientists have practically created life in a test tube; ^{and} which has wiped out polio, has still not assured the right of good health to all its people. We have much to do before we can be complacent about our health record -- let alone proud of it.

Although we are the richest nation on earth, we still are the 15th in infant mortality, I proposed a "Kiddy-Care" plan to give medical help to poor families from the time of pregnancy until the child is a year old. I believe that is still urgent business. And I believe that eventually it should be extended to all American families -- as Medicare is.

Our athletes are the world's best, but our average youth are not. In tests of physical strength and stamina, American children score substantially lower than children in other countries. Only 50 percent of our college students meet accepted physical standards. In poverty programs like Head Start and the Job Corps, a great deal of medical treatment is often necessary before young people can even be made alert enough to benefit from education. The evidence is that a poor child sees a doctor about half as often as a child from a more well-to-do family. Some have never seen a doctor at all.

We have opened more medical schools, and with financial grants assured the education of more doctors and the training of more health workers. But population is still increasing faster than the supply of doctors and dentists. If present trends continue, we will be short 41,000 physicians and 28,000 dentists by 1976. And as usual, it will be the poor who suffer most from those shortages.

This is a problem that does not demand sophisticated and difficult solutions. We need to expand the capacity of our medical schools and we need to put medical training within the reach of more people.

I believe it should be our national policy to guarantee an education in medicine and dentistry to every young man and woman who wants it and who has the qualifications to pursue it.

Medical costs are soaring. While the cost of living is expected to rise about 20 percent by 1975, medical costs in that same period -- if present trends continue -- will increase by 140 percent.

These are the dimensions of the problems we face. They are tough, but they are not impossible. Our experience with Government in the field of health is relatively new, but the progress we have made should encourage us.

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When I sat with Wilbur Cohen that late October evening last fall, we discussed what we thought this nation could reasonably hope to accomplish in the next decade, building on the progress that has been made so far.

Here are the basic tasks, as we saw them:

- Making sure that all children, and their mothers, have adequate medical care from the time of the mother's pregnancy until the child is six years old. A great many adult social problems would be easier to deal with today, if those adults had received proper medical care when they were infants and young children.
- Developing a new program of health insurance -- paid in part by parents, and in part by government -- to take care of medical bills in the event of the catastrophic, long-term illness of their children.
- Providing good medical care for all. This is sure to require more trained medical personnel -- not just doctors and nurses, but others who can do many of the tasks that professionals must now perform. Delivering medical care and health services to every neighborhood is also critically important. Our experience with the

anti-poverty program's Neighborhood Health Centers suggested one way of doing this; and with Federal help, perhaps university hospitals could develop emergency and child care stations in poor neighborhoods.

-- Slowing down the accelerating costs of medical care.

Through the Medicare program, we ought to experiment with incentives to hospitals that lower their costs. And we should encourage prepaid, comprehensive plans for large groups of workers.

-- Working toward the elimination of large State mental

hospitals, we should increase our support for community mental health centers. In the past few years, advances

in treatment have sharply reduced the number of people who must be confined in mental institutions. Every effort ought to be made to make their care more effective and more humane -- and that means in smaller institutions, close to home.

RESCUING THE ENVIRONMENT

For thirty-seven years, I lived and worked in one of the most beautiful cities in America, and one of the most handsome capitals in the world. Thanks to laws that limit the height of office buildings, and to a number of wide avenues and an extensive park, Washington retained a spacious dignity even as its population multiplied.

Yet its river is so polluted that only the most foolhardy person would swim in it.

Though it has little industry, its air is poisoned by hundreds of thousands of commuting automobiles.

The number of public parks and seashores within easy driving distance is few, and most are over-crowded.

For years, an old dump burned in a poor section of town, endangering the health of many innocent people.

So -- despite its beauty, and though it is the seat of government -- Washington has most of the environmental problems of every other American city,

In the past few years, we began to do something about the American environment. We were not the first Americans to try. But we were probably the first generation to see that if we did not move at once,

and massively, the next generation might be confronted with a hopeless situation: its air too fouled to breathe in safety, its water too polluted for personal use, much of its natural beauty lost to the public forever.

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Theodore Roosevelt understood the danger of unlimited private exploitation of America's forests and lands. With the stroke of his pen, he put millions of western acres into the public trust. His Congress may have resented it -- old Speaker Joe Cannon vowed that he would appropriate "not one cent for scenery" -- but Theodore Roosevelt got away with it, to his everlasting credit.

His kinsman, Franklin Roosevelt, continued the work of saving and restoring the American earth. His great interest was in soil conservation, and through the CCC and agricultural programs, the waste of good land was sharply slowed.

Still, conservation in the early twentieth century, ^{usually} meant setting aside areas like the Grand Canyon and Yellowstone Park -- beautiful places, but remote. Only families on vacation could enjoy them. For many families, they were simply out of reach.

In the 1960's, we set about to rescue areas near the cities, so that city people could spend their weekends away from congestion and in touch with nature. One major achievement was an act, passed in 1968, that will put some of the proceeds from our off-shore oil deposits into the preservation of land for the people's enjoyment. It earmarks a

billion dollars for the purchase of new lands over the next five years. With land values sky-rocketing today, it offers a vital assurance than we can pay for what we want to save.

It is ironic that the same Congress that passed this Act reduced funds for Mrs. Johnson's Highway Beautification Program from \$85 million to \$25 million. I hope future Congresses will show more interest in making roadside areas attractive -- instead of permitting junk, signs, and careless construction to scar our country with ugliness.

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Meanwhile, we have begun -- but only begun -- to rid the air, lakes and streams of the pollution that threatens our health and safety.

The Connecticut River is a case study. It was once a clear stream of potable water. Industry and people turned it into a kind of sewer where few fish live -- and those that are caught taste like gasoline when they are cooked. The master plan to reclaim that river is a model -- available to all future Administrations to follow in restoring health to great bodies of American water.

Other anti-pollution plans have been worked out across the nation, but there has been not turn-around yet. We began too late to realize that our prosperity was throwing off debris in such quantities that massive

action was urgently needed. A bill that might have started us on our way to halting water pollution was vetoed in the 1950's. People talked about "local responsibility", when water conditions in many communities depended on what was happening up-stream or down the lake. Help for comprehensive planning was required, but it was not forthcoming.

There is plenty of room for local responsibility in fighting water pollution. Businesses must come to regard the price of de-polluting the water they use as part of their normal operating costs. Local agencies must develop stricter standards in their own areas, so that they do not impose poisoned water on their neighbors. Working together, Federal, state and local governments must urge the development of a better anti-pollution technology than now exists.

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Air pollution presents an even greater problem -- one that has already threatened the health of several cities.

The automobile is probably the greatest single poisoner of the air. The number of internal combustion motors pouring waste into our atmosphere increases radically by the decade. An expert at the University of California has predicted that at the present rate of increase of pollutants, this Continent will not be able to sustain life within a hundred years.

SERVICE SET

Obviously, we must tighten up our emission standards. But we may also have to consider seriously replacing part of our combustion vehicles with electric or steam automobiles.

Other revolutions in transportation will be necessary for America's mobile people. We have begun plans for rapid rail trains, similar to those in Japan, but more advanced. These can take some of the strain off air and road travel.

Just slowing down pollution from the automobile, however, will not clean the atmosphere. Industrial waste is also a major contributor to smog and bad air. And here again, our technology is behind. We simply must find more effective ways to take the sulphur out of the fuels industry burns, or to filter it out of stacks.

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The work of making our nation more beautiful, and of cleaning its air and water, must proceed. It is vital to our health and happiness. Driving to and from work each day through a brown haze of smog, seeing ugliness on all sides, can be as damaging to the spirit over a period of time as poverty, illness, or ignorance.

Rescuing the American environment is bound to be mostly a local and community effort. But the example can come, as my wife has shown, right from the White House.

Looking ahead, I believe one of our prime objectives should be to save the remaining unspoiled outdoor playgrounds for our children and grandchildren. We are still losing thousands of acres daily to new suburbs and industries -- and once they are lost, they are almost never reclaimed. In the next few years, we should double the size of the wilderness system, create new national trails, and add substantially to the systems of National Parks and Scenic Rivers.

A program to save our remaining unspoiled islands should also be on the agenda.

And I believe that we should begin a National System of Scenic Parkways, financed from the Highway Trust Fund.

We should invest in more "vest pocket" parks -- small areas in cities where people can rest a while from the pressures of urban life.

We must plan now, not for a decade or two ahead, but for the next century.

We can still do so. The next generation will not have our options.

THE THIRD FORCE

In the first third of this century, the strongest non-governmental force in the nation was Big Business. Sometimes it was stronger than government. In the second third of the century, President Franklin D.

Roosevelt helped organized Labor come into its own as a "counter-vailing force." In the past few years, we began to strengthen another balancing force -- the American Consumer.

President Truman once said that hundreds of lobbyists represented Business and Labor in Washington, but only the President of the United States represented the consumer. Over the years, a great deal of lip service was paid to protecting the interests of the consumer. But too little protection was actually provided.

Less than two months after assuming office, I reaffirmed these basic rights of the American Consumer:

- The right to safety.
- The right to be fully informed.
- The right to choose.
- The right to be heard.

In 1967, I told Betty Furness, my Consumer Advisor, that the most important thing she had to do was to focus the attention of the media and the nation on consumer problems. For without strong public support, we would never hope to get the consumer protection legislation out of Congress that was needed.

Miss Furness and her predecessor, Esther Peterson, made the country "consumer conscious." They were blunt in pointing out

weaknesses in the marketplace, but they avoided the kind of useless name-calling that would have immediately lined the business community up against us.

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A hundred years ago, consumer protection was largely unnecessary. We were a rural nation, and most products were locally produced. Products were uncomplicated and most people could tell when one was bad or inferior. If ~~he~~^{you} had a complaint, ~~he~~^{you} could go directly to the source: to the miller, the blacksmith, the tailor down the street or the grocer on the corner.

Today that has changed. A manufacturer may be thousands of miles away from his customer -- separated by long chains of distributors, wholesalers and retailers. Products are likely to be so complicated that only an expert can pass judgment on their quality. In addition, poor and ill-educated people in slums are easy prey for unscrupulous or negligent sellers.

Now, ours has always been a "producers' economy." The producers decide what shall be produced, how much of it and what quality it shall have. Their size and wealth enable them to mount overwhelming sales campaigns. Their organizations make their voice heard in Washington. Unorganized consumers are often helpless before this force.

Investigations have produced alarming facts. "Large economy-sized" containers ~~that~~ turn out to contain proportionately less than small sizes. Uninspected fish, processed in dirty, un-inspected plants, caused 400 cases of food poisoning on a single weekend in 1966. Shops have advertised installment rates at 1.5 percent -- without making it clear that the rate was monthly, and amounted in fact to a usurious 18 percent a year.

Slowly, our citizens -- and the Congress -- came to recognize that the government has an important role to play in consumer protection. This is not to say that our people wanted a super-arbiter of their tastes, or a super-regulator in the marketplace. But there are areas where the government -- and only the government -- can protect the interests of the American buyer. And we began to do that in the past five years.

During that time we saw a host of specific laws passed, from a Wholesome Meat Act, and another dealing with poultry, to acts assuring the safety of automobiles, toys, and the very clothing we wear. After almost a decade of deadlock, we finally passed the Truth-in-Lending Act, requiring lenders of money and sellers on the installment plan to make it clear to borrowers and buyers exactly how much, in dollars and cents, they would have to pay in interest and carrying charges every year.

So we began to give the buyer new power in the marketplace.

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I think he -- which means we -- should have more of it.

For the immediate future:

We need a law to reduce the high charges many investors pay when they buy mutual funds.

We need a law to keep diseased and unwholesome fish off the dinner table.

We need to crack down on fraudulent and deceptive sales practices.

We need to guard against massive power failures, of the kind that have already struck New York City, and the Eastern states.

Looking further ahead, it is time to recognize that services are playing a bigger and bigger role in our economy and in our daily lives. We must examine our whole system of warranties and guarantees to make sure they say what they mean . . . and mean what they say.

And finally, in this age of labor-saving devices, we must find some way to make sure the long-suffering citizen can get repairs and servicing when he needs them on the appliances that play such a major role in his daily life.

But it takes more than government protection to serve the consumer interest. It takes an educated and fully informed public. We have too often neglected consumer education -- particularly among our poor.

We are going to have to place greater emphasis on this practical and needed education at all levels of government, and in our schools, in the years ahead.

CRIME

The one issue of recent years which has attracted more political demagoguery, as well as more genuine and justified concern, is crime in the streets.

A visitor coming to America for the first time during the election season of 1968, might have been forgiven for assuming that the President of the United States commanded all the city police departments, and that control of the courts was his personal responsibility.

The first point that must be made -- and apparently made again and again, to the point of exhaustion -- is that crime is a local problem. Its control is a local responsibility. Except for a few responsibilities clearly spelled out by law, the Federal Government has little or no power to deal with the problem.

Nor should it have. Giving Washington such authority would require the creation of a national police force. Wise men have guarded against that for two centuries. Surely the police states we have witnessed around the globe in our time have given ample proof of their wisdom.

Still, I am fully aware of the public's concern over the increasing crime rate, I share it.

Early in my Administration, I asked a number of intelligent citizens -- lawyers, judges, district attorneys, educators, criminologists, journalists, public officials, and other concerned men and women -- to examine the challenge of crime to our society. It seemed clear to me that, whatever arguments there might be over crime statistics and reporting, the incidence of crime was increasing. I asked these people to find out why.

Their report, for all who were interested in the facts instead of the mythology about crime, was a shocker. It said, in effect, that our whole law enforcement and criminal justice system was unable to meet the challenge of crime today; and unless some profound changes were made in that system, it would be even more ineffective tomorrow.

The report revealed that while our Nation expects and demands effective protection from its police, it tries to do it on the cheap. At the present time, we spend about \$4 billion a year -- less than half of one percent of our national income -- to sustain not just the police forces, but the courts and the prisons of this country as well. The result is that the patrolman on the beat in most cities is woefully underpaid, under-trained and under-equipped. Too often, as a consequence, police careers

attract men without the qualifications we should expect of them. In some of our biggest cities, 20 percent of the police force did not finish the 8th grade.

Too often, the report said, our lower courts are bogged down in procedures that have not changed for a hundred years or more. Assembly-line "justice" was the rule in others. A tawdry, careless atmosphere pervaded many courtrooms.

Small wonder that only about a quarter of the serious crimes in our communities led to arrests, only a tenth of those arrested were convicted, and only a small fraction of those convicted were imprisoned.

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Seven million Americans every year come into contact with the criminal justice system.

On any one day, 400,000 are in jail. (The number of alcoholics in that total is very great. In most jurisdictions, the handling of alcoholics is not only fruitless, but extremely cumbersome on the courts and correctional institutions.)

Looking over the crime statistics, two figures really leap out at you. They tell you who is producing the high incidence of crime

today: juveniles and repeaters. Leaving aside the high number of violent crimes committed upon family members or acquaintances, that is where the crime is.

Juveniles and repeaters. The one suggests a break-down in family life, in schools, and in the power of the community to discipline its young. It also suggests a failure of the economy to produce enough jobs for the wave of teenagers that has come upon the scene in the 1960's.

There is the clearest kind of correlation between the incidence of poverty, and the incidence of juvenile crime. Take a map of any major city in the United States. Mark where unemployment is highest and income is lowest. Mark where the schools are poorest, housing most crowded and unsanitary, and where the health rate is lowest and infant mortality highest.

Then mark where the juvenile crime rate is highest.

The two areas will coincide -- every time.

As for the repeaters, the failure of our correctional institutions is clear. About 40 percent of all the serious crimes in America are committed by people who have served time at least once. Ramsey Clark told me once: "Mr. President, we turn more people to crime in our correctional institutions today than we rehabilitate." What an indictment -- of our whole society.

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Any long-range solution to our crime problem is probably going to depend on massive changes in slum living conditions, and on improving the techniques of rehabilitation.

But we can't wait for those events before doing something about the rising crime rate in America. That "something" doesn't mean the unfettered use of the night-stick, or the unchained abuse of the Supreme Court. It means much more work than that -- more money, imagination, and willingness to experiment.

The Crime Commission emphasized the need for improving, not just the salaries, education, and training available to local police forces, but their equipment and organization. It suggested Federal assistance in developing that equipment and planning better use of law forces.

Help is needed for local courts, as well. If law is to be respected, people must believe in the fairness of the lower courts. There are many places in America where this is not so -- where cases are handled only after long delays, or in a perfunctory way that breeds contempt for the law.

Today, few courts or law enforcement agencies have enough specialists to help them -- probation officers, community relations

officers, and youth counselors, to say nothing of psychologists and other highly trained social scientists. We go on expecting high school graduate police officers to decide some of the most difficult and demanding human issues on the spot, often in emergency situations, without any expert guidance or support.

And we continue to maintain vast, costly prison systems, frequently without giving them anything like the professional help they need to do the job of rehabilitation. There have been some experiments -- but nowhere near enough -- with rehabilitation in smaller institutions, located in the community, using a broad range of professional services, and helping prisoners prepare to re-enter normal life.

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It was this knowledge -- that local and state criminal justice systems needed help now -- that inspired the Safe Streets Act of 1968.

Its fore-runner, the Law Enforcement Assistance Act of 1965, has already had an effect on police training, equipment, and techniques. With the stronger and broader assistance of the new Act, I think we can help bring about innovations in law enforcement and corrections that will substantially improve the safety of many cities.

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Congress added several unwise provisions to the Safe Streets Act. I objected particularly to a provision that authorized wire-tapping and eavesdropping in a considerable range of cases. I signed the bill only because I was convinced that the Government could retain administrative control of such invasions of privacy, so far as its own investigations were concerned.

Indiscriminate wire-tapping and "bugging" have no place in a decent society. I tried to make this clear early in my Administration, and re-affirmed it in a memorandum to my Cabinet officers on June 30, 1965. I said any wire-tapping and eavesdropping ought to be restricted to national security cases.

With the Regional Directors of the Internal Revenue Service in 1966, I made the same point. People were disturbed by reports of wire-tapping in income tax evasion cases. If that was so, nobody would be more disturbed than the President.

Some people in government may not have taken this message to heart; some may have thought the pursuit of most any crime justified the use of these devices. But that was not the policy I ordered the government to follow. I have never believed we could open the door

to widespread invasions of privacy without ultimately destroying the right of privacy. And if we do that, we shall lose one of the marks of civilization.

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There is another area where Federal authority can clearly help reduce crime: effective gun controls. After a long drawn-out struggle in Congress, we finally were able to get legislation outlawing the mail order sale of weapons and ammunition.

For a while, when public sentiment for effective gun control was high following the assassinations of Martin Luther King and Senator Robert Kennedy, it appeared that we might even get the only really effective control -- licensing and registration. But in the end, the gun lobby was too powerful. A flood of letters from hunters, convinced by the gun lobby that we intended to confiscate all weapons, hit Congress. The outrage of other citizens -- sick of seeing national leaders cut down by gunmen -- subsided after a while. And the issue faded away.

I cannot believe it has been permanently defeated, however. The Congress will not continue forever to ignore the will of the majority.

It will become clear, even to those who have resisted the fact, that we will never be able to control crime until we can keep guns out of the hands of those who should not have them. If we are really serious about maintaining law and order in America, we will register all weapons and license their users. Most civilized countries do, and their crime rates -- which are considerably lower than ours -- reflect it.

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There is no single solution to crime, any more than there is to poverty. Human behavior is too various for that. And the causes of crime are too many.

But there are some things that can, over time, reduce the crime rate and make our streets, shops, and homes safer.

Among them are:

-- supporting local police, not just with bumper stickers and political speeches, but with higher salaries; better training; better equipment; efforts to improve police-community relations; and more assistance from professionals in both the social and physical sciences.

- making our courts more efficient; reducing their criminal dockets; seeing to it that they also have the professional help they need.
- experimenting widely with new methods of rehabilitation, and increasing the number of probation officers.
- adopting strong gun control laws -- including licensing and registration.
- evaluating all the juvenile delinquency control programs we have conducted over the past few years, under various authorities, and providing massive funds for those that have proven most successful.
- continuing our anti-poverty, employment, health, housing, and education programs at a high level.

Former Justice Tom Clark, Ramsey's father, used to say:

"I am convinced that every boy in his heart would rather steal second base than an automobile."

I agree. And if we provide support and appropriations for the laws now on the books, we can save a good many youngsters from jeopardizing their lives, and ours.

COST

There is one certainty about solutions to our problems.

They won't come cheap. They will involve the expenditure of many billions of dollars in the years ahead.

But every competent economic analyst I have ever talked with believes that if we have the wisdom to keep our economy strong and growing, we can afford them.

At the present rate of growth, we will have, at the very minimum, an additional \$60 billion a year by 1976 to spend on new programs, on the expansion of existing ones, or on helping the States to expand their programs.

Sixty billion dollars a year, invested in the future of America.

There are many people who would look upon such spending as a waste, and as a threat to individual incomes.

That is a static way of looking at a dynamic economy, and it is wrong. Investments in job training programs -- in better health -- in better education -- in more housing -- in more efficient transportation -- don't diminish our economy. They add to it. They make it stronger and more productive. Creative reforms increase our national wealth.

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I cannot leave the subject of costs without a mention of our commitment in Vietnam. It has been argued that paying for that commitment inevitably cuts down the money we should devote to meeting our urgent problems at home.

In fact, there is no material reason why that should be so. I have said repeatedly -- with the facts at hand to back me up -- that we have enough national wealth to meet both categories of problems, foreign and domestic. However unhappy any cost of war is, the fact remains that Vietnam has taken up but four percent of our national income -- compared to the 14 percent that was taken by the Korean war.

There is more than enough left to deal with Poverty and Housing and Jobs, if the people are ready to do so, and if Congress will appropriate the funds. We have, compared to nations in Western Europe, a relatively low tax schedule -- Federal, State, and local taxes added together. And it is a fact that, despite Vietnam, most Americans have enjoyed steadily higher personal incomes. The truth, I fear, is that many members of Congress who opposed home

HOUSING

One day shortly after I had taken office, I asked my advisors to examine the state of housing in America. I instructed them:

First, find out how many sub-standard houses there were in the United States.

Second, find out how many houses we would have to build to take care of our immediate and future needs -- not just for the poor, but for all Americans.

Third, find out how this could be done.

Fourth, find out how fast it could be done.

Incredible as it seems, no one -- inside the government or out -- really knew how many delapidated housing units there were in city slums and depressed rural areas. Estimates varied between three and ten million. So the first task was to pin that number down.

I told my staff to get the best authorities in the country working on our total housing problem -- practical men as well as theorists; men who knew how to put a house in place, as well as those who understood city planning and development.

I also asked our housing people to begin work on an idea I had brought with me to Washington thirty years before. I thought it should

be possible to build an attractive, comfortable house for a small family for about \$5,000. Not just a dull, spirit-depressing concrete cell, but a house that would permit its owners to live in dignity.

For five years, I prodded government agencies, architects and builders to produce designs for such a house. Finally, in the autumn of 1968, the first prototypes were opened in Austin, Texas. I hope future Administrations will seize on this development, improve on it, and help many thousands of families acquire decent homes at prices they can afford.

The statistics which shape our housing problems -- for the poor and well-off alike -- are overwhelming. By 1980, when we are four years into our third century, there will be 40 million more Americans than

CEA--November 14, 1968

The Economy: Accomplishments and Agenda

I. Prosperity as the Normal State of the American Economy

A. The End of Business Cycle Mentality

1. "I do not believe recessions are inevitable."
President Johnson - January 1965
2. The first Presidency in a century unblemished by recession

B. The Growth Record

1. Chart on "Summary of Economic Gains" -
7-1/2 million jobs; the equivalent of 10 extra weekly paychecks
2. Closing the gap - Chart on "Output and Price Changes"

C. The Contribution of Policy

1. Using the Budget to help balance the economy
2. The "Troika" - fire-prevention rather than fire-alarm
3. The "Quadriad" - coordinating with the independent - but responsive-Fed
4. Changing prescriptions from curing a chill to curing a fever -
the cost of delay

D. The Remaining Tasks

1. Assuring more timely action on taxes and the budget
2. Assuring fiscal-monetary coordination
3. Public education on fiscal flexibility

SERVICE SET

II. The Challenge of Combining Prosperity and Price Stability

A. The Costs of Inflation

1. Haphazard impact
2. Pointless tug-of-war: Chart on "Increases in Wages and Purchasing Power"
3. Balance of payments

B. Some cures are worse than the disease

1. Destroying prosperity
2. Controls

C. Unanswered questions

1. What price performance is socially "acceptable" ?
2. With steady growth and ideal fiscal-monetary policy, what unemployment rate would accompany that price performance?

D. Dealing with the trade-off dilemma

1. Voluntary cooperation -- more representation in setting of guideposts?
2. Aiming at troublespots - the Cabinet Committee on Price Stability
3. "Remember the Price Level" in all Government policies and programs

III. Sharing the Fruits of Prosperity

A. With the disadvantaged - achievements

1. Unemployment rates among groups - Chart
2. Reduction in poverty
3. Negro economic gains

B. With the disadvantaged -- remaining tasks

1. Jobs through prosperity
2. Jobs for the hard-core; bringing the Employment Act to the individual
3. Cash benefits for those who cannot work - key decisions of social philosophy
4. Ending the vicious legacy from parents to children

C. With Public Needs

1. The Urban Environment -- housing, transportation, community facilities, pollution
2. Federal resources -- assessing the fiscal dividend
3. The key role of defense requirements
4. Techniques for aiding States and cities and for enlisting private participation - panaceas vs. pragmatism