

*measuring good
participating City Schools*

File

SPEECH BY: ROBERT MORGAN

CATAWBA COUNTY CHAMBER OF COMMERCE

HICKORY, NORTH CAROLINA

SEPTEMBER 10, 1974

THANK YOU FOR INVITING ME TO BE WITH YOU TODAY.

I THANK YOU FOR THE CHANCE TO MEET WITH SO MANY OF YOU.

AS BUSINESS AND PROFESSIONAL MEN, I KNOW YOU ARE AS CONCERNED AS I AM ABOUT THE CONDITION OF THE NATIONAL ECONOMY TODAY.

THE PRESIDENT HAS CALLED INFLATION THE NUMBER ONE PUBLIC ENEMY -- AND HE IS RIGHT.

CANDIDATES ALL ACROSS THE COUNTRY HAVE RECOGNIZED THIS AND HAVE, VERY PROPERLY, MADE IT THE THING THEY DISCUSS MOST AS THEY CAMPAIGN.

YOU CAN HARDLY PICK UP A NEWSPAPER TODAY, OR LISTEN TO A NEWS BROADCAST, WITHOUT GETTING THE MESSAGE FROM SOME CANDIDATE OR OTHER THAT TO CONQUER INFLATION WE MUST CUT FEDERAL SPENDING AND GET THE FEDERAL BUDGET BACK INTO BALANCE.

AND, OF COURSE, THAT'S TRUE,

BUT IF YOU STOP THERE THEN YOU CERTAINLY HAVE
OVERSIMPLIFIED THE ANSWER TO WHAT IS A VERY COMPLEX PROBLEM.

FEDERAL SPENDING -- WHICH HAS SEEN DEFICITS PREDOMINATE
FOR THE PAST 20 YEARS -- IS A MAJOR CONTRIBUTOR TO THE HIGHER
PRICES THAT ARE CHEAPENING THE BUYING POWER OF OUR DOLLARS.

IT'S PRETTY OBVIOUS THAT WHEN YOU SPEND MORE THAN YOU
TAKE IN, WHETHER YOU ARE A FAMILY, A BUSINESSMAN OR A
GOVERNMENT YOU ARE HEADED FOR FINANCIAL TROUBLE. AND IN
ANYTHING BUT GOVERNMENT THE RESULT WOULD BE BANKRUPTCY.

I FEEL THAT IT IS IMPERATIVE THAT WE BRING FEDERAL
SPENDING INTO LINE, LIVE WITHIN OUR INCOME AS A NATION AND
BALANCE THE BUDGET. I AM EVEN RADICAL ENOUGH TO BELIEVE WE
SHOULD START REDUCING OUR NATIONAL DEBT.

THIS, OF COURSE, MEANS CUTTING FAT FROM THE FEDERAL
BUDGET. AND I THINK THAT MOST OF US ARE AWARE THAT THERE IS
FAT TO BE CUT.

THIS BELT TIGHTENING SHOULD TAKE PLACE WHEREVER SAVINGS
CAN BE EFFECTED. NO DEPARTMENT SHOULD BE SPARED THE SCRUTINY
OF THE ECONOMIZERS AND THERE SHOULD BE NO SACRED COWS.

FOR INSTANCE, I HAVE BELIEVED ALL MY ADULT LIFE THAT THIS NATION SHOULD BE MILITARILY STRONG TO THE POINT WHERE WE CAN DETER AGGRESSION AND DEFEND OURSELF FROM ANY ENEMY. BUT THAT DOESN'T MEAN THAT WASTE IN THE MILITARY SHOULD BE EXCUSED.

OF COURSE, THERE ARE SOME OTHER POSITIVE STEPS THAT SHOULD BE TAKEN. JUST SAYING "CUT FEDERAL SPENDING" IS OVERSIMPLYFING THE PROBLEM AND THE SOLUTION.

WE SHOULD USE OUR COMMERCIAL LOAN MONEY IN CHANNELS WHERE IT WOULD RELIEVE SHORTAGES THAT ARE CAUSING HIGH PRICES.

THE GOVERNMENT SHOULD URGE BANKS, INSURANCE COMPANIES AND OTHER FINANCIAL LENDERS TO CHANNEL THEIR FUNDS TO INDUSTRIES WHICH WOULD STIMULATE PRODUCTION OF GOODS THAT ARE NOW IN SHORT SUPPLY. YOU KNOW EVERY WEEK, SOME NEW PRODUCT SEEMS TO BE HARD TO GET.

BANKERS THEMSELVES HAVE SAID THEY WOULD WELCOME THIS ACTION BY THE GOVERNMENT AS IT WOULD ALLOW THEM TO SWITCH LOANS COMMITTED TO SPECULATIVE PURPOSES TO BETTER USE.

WE SHOULD EXAMINE HOW MUCH OF OUR LOAN MONEY IS GOING ABROAD. A RECENT REPORT BY THE FEDERAL RESERVE SAYS THAT SINCE THE ABOLITION OF CAPITAL CONTROLS IN JANUARY, THERE HAS BEEN A BIG JUMP IN THE FLOW OF MONEY FROM OUR BANKS TO OVERSEAS. DURING THE FIRST FIVE MONTHS OF THIS YEAR, UNITED STATES BANKS COMMITTED OVER \$8 BILLION TO FOREIGN COUNTRIES, RAISING THE TOTAL OVERSEAS INVESTMENTS TO \$34 BILLION. THE FIVE MONTHS

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GAIN WAS LARGER THAN THE TOTAL SUM RECORDED DURING THE WHOLE OF 1973.

IN THE FIELD OF EDUCATION, THERE SHOULD BE A NATIONAL COMMITMENT TO VOCATIONAL EDUCATION AND RETRAINING PROGRAMS. THESE PROGRAMS PROVIDE A HIGH RATE OF YIELD TO THE FEDERAL TREASURY, THEY INCREASE THE NUMBER OF TAXPAYERS AND THEY REDUCE THE WELFARE ROLLS.

WE SHOULD LOOK AT OUR SYSTEM OF TAXES.

I'M NOT TALKING ABOUT RAISING OR LOWERING TAXES AS A CURE FOR INFLATION. I'M TALKING ABOUT TAX FAIRNESS.

THERE'S SOMETHING WRONG WITH A TAX SYSTEM THAT ALLOWS A MAN MAKING OVER \$100,000 A YEAR FROM INVESTMENTS TO PAY NO TAXES.

TAX SHELTERS WHICH PERMIT THIS SORT OF THING SHOULD BE REMOVED AND A BREAK SHOULD BE GIVEN TO LOW AND MODERATE INCOME FAMILIES WHO NOW BEAR THE BRUNT OF THE TAX BURDEN.

CERTAINLY THE GIVING OF TAX BREAKS FOR BUILDING FACTORIES OVERSEAS SHOULD BE ENDED.

IT WOULD BE FAR BETTER TO SEND OUR GOODS ABROAD AND KEEP OUR JOBS AND OUR CAPITAL AT HOME.

ALSO, THE GOVERNMENT SHOULD PUT ITS OWN FINANCIAL AFFAIRS IN ORDER AND THIS APPLIES NOT JUST TO DEFICIT SPENDING.

THE RUSSIAN WHEAT DEAL AND THE ENERGY CRISIS WE WENT THROUGH EARLY THIS YEAR ARE PRIME EXAMPLES OF THE GOVERNMENT'S FAILURE TO PROTECT OUR ECONOMIC SECURITY.

SELLING OFF OUR SURPLUS GRAIN TO THE RUSSIANS AT A RIDICULOUS PRICE HAS CAUSED THE PRICE OF BREAD AND CEREAL PRODUCTS TO RISE SHARPLY.

THE GOVERNMENT'S FAILURE TO FORESEE AND FOREWARN THE AMERICAN PUBLIC ABOUT THE PETROLEUM SHORTAGE HELPED PUT US IN THOSE LONG GASOLINE LINES LAST WINTER.

THE FEDERAL EXPORT-IMPORT BANK, AS ANOTHER EXAMPLE, BORROWS FROM THE MONEY MARKETS TO LEND RUSSIA \$18 MILLION FOR A FERTILIZER PLANT.

YET HERE AT HOME A SHORTAGE OF FERTILIZER HINDERS EFFORTS TO PRODUCE MORE FOOD AND INCREASES THE COST OF RAISING CROPS -- A PRICE HIKE THAT ENDS UP WITH THE HOUSEWIFE PAYING MORE AT THE GROCERY CHECKOUT COUNTER.

AND TO PUT THE ICING ON THE CAKE, THE EXPORT-IMPORT BANK LENDS THE \$180 MILLION AT ABOUT ONE-HALF THE INTEREST A U. S. COMPANY WOULD PAY FOR SUCH A LOAN.

THESE ARE MISTAKES WE SHOULD STOP MAKING BECAUSE
THEY HURT OUR ECONOMY THAT IS ALREADY TOO FRAGILE.

MAKE NO MISTAKE ABOUT IT, INFLATION IS OUR GREATEST
DANGER AND OUR GREATEST PROBLEM AND CONCRETE STEPS, SUCH AS
I HAVE SUGGESTED, MUST BE TAKEN TO CURB IT,

BUT THERE ARE SOME OTHER THINGS, LESS TANGIBLE
PERHAPS, THAT MUST BE CONSIDERED AS WE ATTACK OUR PROBLEMS AT
THE NATIONAL LEVEL,

IT IS MY FIRM CONVICTION THAT THE GOVERNMENT SHOULD
DO FOR THE PEOPLE ONLY THOSE THINGS THAT THE PEOPLE CANNOT
REASONABLY DO FOR THEMSELVES INDIVIDUALLY,

ONE OF THE PROBLEMS THAT THE FEDERAL GOVERNMENT MUST
COME TO GRIPS WITH AS FEDERAL SPENDING IS REDUCED, IS CURBING
THE EXPANDING ROLE THAT THE GOVERNMENT PLAYS IN THE DAILY
LIVES OF THE PEOPLE,

THIS IS A RELATIVELY MODERN TREND THAT HAS INCREASED
DURING THE LAST TWO DECADES,

IT HAS CAUSED VIOLATIONS OF THE RIGHTS OF INDIVIDUAL
PRIVACY, AND HAS BROUGHT GOVERNMENTAL MEDDLING INTO OUR
PERSONAL LIVES,

THERE HAS EVEN BEEN COMPLAINTS ABOUT QUESTIONS ASKED BY CENSUS TAKERS AND WE HAVE HAD CONCRETE EVIDENCE, BROUGHT OUT BY THE EFFORTS OF SENATOR ERVIN, THAT MILITARY INTELLIGENCE PEOPLE HAVE GATHERED DOSSIERS ON ORDINARY CITIZENS.

MOST PEOPLE AGREE THAT FEDERAL GOVERNMENT HAS GROWN TOO BIG.

I BELIEVE THAT ONE THING THAT CAN BE DONE ABOUT THIS IS TO GIVE THE STATES MORE RESPONSIBILITY IN CARRYING OUT SOME GOVERNMENT FUNCTIONS.

FOR INSTANCE, NORTH CAROLINA HANDLES ENFORCEMENT OF THE OCCUPATIONAL SAFETY AND HEALTH ACT (OSHA) BECAUSE FORMER GOVERNOR SCOTT, COMMISSIONER OF LABOR CREEL AND THE GENERAL ASSEMBLY TOOK THE LEAD IN PROVIDING STATE ADMINISTRATION OF THIS PROGRAM.

THIS IS JUST ONE WAY IN WHICH RESPONSIBLE STATE GOVERNMENT CAN ACT TO CUT DOWN ON FEDERAL SPENDING, REDUCE THE EXPANSION OF FEDERAL POWER AND INCREASE THE ROLE OF GOVERNMENTAL UNITS THAT ARE CLOSER TO THE PEOPLE.

THE AMERICAN PEOPLE ARE NOT TOO DEMANDING BUT THERE ARE SOME THINGS THEY WANT AND SHOULD HAVE.

THEY WANT A CHANCE FOR A PERSONAL LIFE THAT IS WORTH LIVING.

THEY WANT TO BE ABLE TO BELIEVE IN THE INTEGRITY OF
THEIR GOVERNMENT AT ALL LEVELS.

THEY WANT TO LIVE IN A WORLD THAT IS ENVIRONMENTALLY
CLEAN.

THEY WANT A CHANCE TO ACHIEVE THEIR ASPIRATIONS AND THEIR
DREAMS FOR THEMSELVES AND THEIR CHILDREN.

I BELIEVE IN THE RIGHTS OF CITIZENS TO ACHIEVE TO THE
LIMITS OF THEIR TALENTS AND ENERGIES IN A FREE ENTERPRISE
SYSTEM.

I BELIEVE IN HARD WORK AS A FAIR MEASURE OF THEIR WILLING-
NESS TO ACHIEVE AND SUCCEED.

I BELIEVE THAT MILLIONS SHOULD NOT STAND IDLE WHILE THERE
IS WORK TO BE DONE.

I BELIEVE THAT GOVERNMENT HANDOUTS SHOULD NEVER BECOME A
WAY OF LIFE IN THIS NATION.

I BELIEVE THAT WE MUST REMOVE ANY BARRIERS THAT LIMIT
CITIZENS BECAUSE OF THEIR COLOR OR THEIR AGE OR THEIR SEX.

I BELIEVE THAT THE CITIZEN MUST BE PROTECTED IN HIS HOME
AND ON THE STREETS FROM THOSE WHO WOULD DO HIM BODILY HARM OR
MOLEST HIM IN ANY WAY.

AND, MOST FUNDAMENTALLY, I BELIEVE THAT GOVERNMENT IS THE SERVANT, NOT THE MASTER OF THE PEOPLE. WE MUST SEE TO IT THAT GOVERNMENT REGAINS ITS SENSITIVITY SO THAT THE COMPLAINT OF THE ORDINARY CITIZEN CAN AGAIN BE HEARD.

OUR ANCESTORS DID NOT FOSTER A REVOLUTION 200 YEARS AGO TO LEAVE US A GOVERNMENT THAT DOESN'T LISTEN TO ITS OWN PEOPLE.

I HOPE THAT YOU WILL AGREE WITH ME AND THAT YOU BELIEVE THESE THINGS TOO.