

NOTES FOR ADDRESS BY ROBERT MORGAN
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CLUB BANQUET
SELMA, NORTH CAROLINA
JANUARY 30, 1976

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1. We cannot afford to be complacent. Hard fact is we could very well lose the presidency in 1976.

2. The President has been down in the polls recently, but that is one thing that has always proved to be a temporary condition.

3. Here lately, the President has pulled ahead of Reagan in the polls by a significant margin. In public opinion, the opposite of the old saying is true: whatever goes down, must come back up.

4. What can beat us? The economic issue. America is pulling out of the recession. Cannot sit back and wait for hard times

to beat the Republicans. Hard times may be over in November.

5. But the people are coming out of the recession in a mood that must be reckoned with. I tried to stay in close touch with the people of my state. As I read their mood, they are sick to death of Congressional willingness to spend and spend and spend, and regulate, regulate, regulate.

6. Now it used to be that the objection to federal spending used to be the cry of the rich and the few. But now the burden of government falls heavily on all, and the government's ability to stimulate the economy appears to be smaller and smaller. The promises of government spending don't get delivered.

7. Therefore Harry Hopkins, old slogan of "spend and spend,

elect and elect" is way out of style. With the average family trying to work its way out of debt and save some money, that old slogan is a formula for defeat at the polls.

8. Had to vote against the majority of my party on two issues pertinent here. I voted against the bill in the Senate to cut taxes by \$29.5 billion. Then voted against the inevitable result -- the increase in the national debt limit by \$46 billion!

9. May ask what will be the difference between Democrats and Republicans if we become fiscal conservatives. With some liberals themselves questioning the tradition of the New Deal, commentators have already said the democrats are

now advocating what the Republicans have stood for for years.

10. But there is a difference. We will still be the party which understands the problems of the working people. Will still be the party of those trying to make it, not those who have it made.

11. Arthur Burns, Chairman of the Federal Reserve Board, showed the Republican frame of mind when he said the other day that America's unemployment problems are caused by "excessively generous" unemployment insurance -- and proposed to cut back unemployment compensation benefits by 84 percent. The idea behind this is that the common man is basically lazy, and must be forced to work. We know better, and the people who spent the last recession out of work month after desperate month also know better.

12. Challenge to the party -- how to meet America's real needs and still be fiscally responsible. Answer may well come from the people of North Carolina. Recently completed poll shows a strong desire to cut federal spending -- both military and that for social programs. But the consensus is clear from their comments to us -- cut what is not essential. Cut the waste. But do not leave us undefended, and do not fail to help those who really need it.

13. People are charitable. They won't cut a poor man off. What they object to is excessive, useless programs that don't work, and plain-down mistakes with their money. Government takes too much of their check -- no room left for mistakes.

14. In election year, the Republicans will move to the right.

Always do, because of the strong right wing of their party.

The constituency of the left is now nearly gone, and the

Democratic party cannot be identified with it. But the middle ground is open for the taking.

15. Middle ground: hold back on new programs. Examine old programs for effectiveness. Realize the recession is ending and move as soon as possible to a balanced budget and an end to deficit spending. Help people who need it, but don't destroy their wage-earning ability with taxes to pay interest on national debt. And don't destroy their life savings and the value of their social security checks by inflationary spending. That will be really caring about the democratically-minded majority in this country.