

Transcription
Senator Robert Morgan/~~Young Democrats~~
Side A

JULY 9, 1979
WAKE COUNTY DEMOCRATIC
MEN'S CLUB

Thank you very much, Billy, Mr. President and fellow democrats.
I want to say first of all that Billy is surely one democrat with whom
I see eye to eye. You may be only one.

It's a real privilege for me to come here and to be a part of
your program this afternoon or this evening and I welcome the chance
to come back because it's good to see so many democrats working together
at a time of the year when there really aren't any elections pending and
we know that this is the time when we can build a foundation for the year
ahead. Just a word about the democratic party - the party that has really
meant so much to all of us. I have always appreciated the opportunities
that have been made available to me because of the democratic party, but
I think the more I study the origins of our party, the more I believe and
the more I appreciate the foresight and the insight of those who founded
it.

You know it was Thomas Jefferson who trusted the people and who felt
that the people were able and capable of governing themselves and it was
the people that he was concerned about and I think that our party today
under the leadership of President Carter on the national level and under
the leadership of Governor Hunt on the state level is carrying forward or
going forward in that same tradition.

Now I realize that I say that at a time when the popularity of our
leader, our President and the leader of our party is probably at an all

time low. But I'm reminded of a story that has been told of Michelangelo. It's told that on a given evening that he and some of his friends were sitting around in his studio talking about the affairs of the community and the country and their own friends. Of course, as usual, they were talking about all of the problems and the story is that he eventually got up to an easel on which was a huge canvas, a blank canvas, and he took his brush and he painted a small, black circle and he turned to his friends and he asked them to describe what they saw and all of them described a small, black dot. And he said, you know that is not what I see. I see a large canvas on which there is a small, black dot and I'm afraid that's what too many of our fellow Americans see about the leadership of our party. We are concerned about the issues which are immediately confronted us. We fail to recognize, for instance, that under the leadership of President Carter in just slightly more than two years, that the unemployment rate in this country has dropped by nearly two percent. You will remember that at the time of his inauguration that unemployment was nearly 8 percent. Today, it is less than 6 percent and many areas such as in North Carolina, and especially in the capitol city area, it is much, much less than that.

We are neglecting, I think, to point out that in the short period of time that President Carter has been our President that 8 million new jobs have been created in this country. That may not seem so important to those of us in this room because we were probably not one of those or any of those without jobs. But to the person who was unable to find a job that can be very very meaningful. The adding of these 8 million new jobs in just slightly over two years of a democratic administration can be translated into a savings of at least 20 billion dollars in welfare

and unemployment compensation.

I know that we're all concerned about inflation and it's a very real problem and I'll try to have a little more to say about it a little later on in the evening. But taking into consideration inflation, disposable income is up by 8 percent in real terms. President Carter went into office at a time when the deficit in our national budget or our federal budget was 60.5 billion dollars. Now it's those of you who have heard me use this illustration will bear with me again, let me just tell you again how much that is. If you had started on the day that Christ was born and had spent 75 thousand dollars and had spent that much every day since then, you still would not have spent as much as money as we went in the hole in the federal budget the first year of President Carter's administration. And our friends in the Republican party like to refer to us as the big spenders, but let me tell you first, that the last time that the budget was balanced in this nation was when President Lyndon Johnson turned the reins of government over to President Nixon and the deficit or there wasn't a deficit but from that time forward the budget began to have a larger and larger deficit until President Carter came into office. From the 60.5 billion dollar deficit in the first year of his administration, which was the fiscal year 1976, we now have a deficit for fiscal year 1980 of only 28.4 billion dollars and our first budget resolution for the 1981 budget calls for a balanced budget and barring any unforeseen events or happenings, I predict that we will beginning on October the first of 1980 begin the operation of a new fiscal year with a balanced budget and with perhaps some surplus and if not a surplus that could be used toward paying off or reducing the national debt, at least a surplus that will enable us to be able to give

some tax relief in the areas that might stimulate our economy.

So you see, there are many things we can talk about. For instance, since November of last year, at a time when the value of the dollar was declining all over the world because of our energy problem, President Carter has been able to turn around to reverse the decline and the value of the dollar has increased by 9 percent since last November. The greatest concern that I find the most businessmen, small and large across this country, has been the burdensome regulations of our federal government. Even with his hands tied by the restrictive rules of the Civil Service Act, President Carter has been able to do something about the regulations. Admittedly, in comparison to all of the regulations, not a great deal. But I think when we're talking about it, we fail to point out that on one _____, nearly 1,000 burdensome regulations of OSHER were eliminated.

The airlines have been deregulated and at the time that he was bold enough to come forward with that program, there was a _____ and especially from some major airlines that he was about to destroy it - the air passenger system in this country. But what has happen? Since this deregulation, the profits of the airlines have increased, thereby reducing the need for subsidies from the taxpayers and from the federal government and while at the same time, providing as a general rule, lower rates for the great volume of people who travel by air in this country.

But let me point something else to you that I think that we need to watch and you need to be cognizant of. President Carter had

the courage to do something that no other president has been able to do and that is to reform the Civil Service Act or Commission or laws in such a way as to leave the President some wiggle room or some room to establish policymakers in the executive branch of government. Now it took courage and it took the strength of a President's leadership to do that. Now what does it mean? Well, let me just give you one of many illustrations. The Office of Management and Budget, as you well know, speaks for the President of the United States. No department or executive branch of government can come to Congress with any requests for appropriations or any proposals for programs without the stamp of approval of the President. And of course, you and I know that that stamp of approval is given by the Office of Management and Budget. So OMB is in effect the right arm of the President. But what had happened? Bert Lance said that when he left, when he went into that office, there were 2400 civil service employees, policymakers, ones who carried out the operations of the OMB. When he left that department, he had been able to place only 17 of the President's own men in that department. So you could see, without some kind of reform in the civil service system, it really wouldn't make much difference who the President was because the bureaucrats within the department are the ones who carry on and make many of the rules and regulations and I think that is never more evident than what we in the Congress have tried to do to preserve the family farm. Realizing, of course, that inheritance tax or state tax is burdensome to family farm, those who inherited family farms, especially when those farms are near towns and cities where developments have sprung up.

Twice we have enacted legislation trying to provide some kind of tax relief in order to preserve those family farms and twice because of bureaucratic regulations adopted by our IRS after we have enacted those laws, we still haven't been able to accomplish our purpose. So you see, I think the real good is going to come from civil service reform will be in the future. And I think the President will be able to carry out some of his regulations or some of his campaign promises to eliminate burdensome governmental regulations as soon as we see these new policymaking positions filled by people who will represent the President's own philosophy.

What are many other areas that we could talk about? Net farm income for 1979 is forecast now to be somewhere near 32 billion dollars. Now I'm talking about net farm income, which is up, high or increase from 28 billion dollars. Farm exports for this fiscal year, we hope will be the highest in the history of this nation when they reach a figure of 32 or more billion dollars. And you know, that is an area in that we can hope to do something about these balance of payments deficits because our farm products are renewable resources that we have in this country. The President has made a concerted effort to try to improve the export of American farm products. And more importantly or just as importantly, the President has had the courage to do what was necessary to restore integrity to the social security system in this country. And here again, it wasn't easy to impose new tax burdens upon the employer and the employee to make that system sound.

But I think we ought to look back for just a moment to see how it got in that condition. It got in that condition during the year 1972

at a time when the Republican President was up for reelection. The Congress increased the benefits far beyond what was deemed advisable by the economists and the experts in the field. Now admittedly, the Democratic Congress as well as the Republicans in the Congress, passed those increases. But a Republican President signed them into law and boasted of them during the campaign. But they failed to make provisions to pay for those increases and we were confronted with the fact that either the system would be bankrupt, and you remember all the talk about it a couple years ago, or we had to increase the benefits.

So I think the President has done an awful lot of things that we can boast about. Now the people in this country today are concerned, of course, about energy and it is a major concern. But it's a problem that didn't arise overnight. It wasn't brought on solely by this administration or the last administration or even the one before that. Experts - you can go back and read papers that were presented as early as 1952 and I read one just a couple weeks ago that predicted the present crisis in energy in this country. We became too dependent upon foreign oil. We were not willing to make the investments in this country. But we have made progress. But what we're talking about now in this country is we say why do people, people say why doesn't the President give us a comprehensive energy program. And then there are those within the administration who say why doesn't the Congress pass a comprehensive energy program. Well what I think they're really saying is why doesn't the President give us a solution to the energy problem. There isn't a solution to the energy problem. There aren't any magic formulas that President Carter nor any other human being can come up with that can solve

this problem that has developed over thirty or forty years or more overnight. But we're making progress. For instance, we have coal in this country. We have coal to last us three or four hundred years. But we have enacted environmental protection laws that made it impossible to use some of this coal as long as we could buy crude oil from the Middle East and other exporting nations for little as two dollars a barrel as late as 1973. There was little incentive for us to use coal especially when we felt it polluted our air. But we now know that we can use coal in many industries without unduly polluting the air. We know how to extract gas from coal. We've known for years that that's how Hitler ran many of his war machines in World War II, but we don't know how to do it economically and efficiently. And the reason we don't is because over the last 25 or 30 years, there was no need to do it as long as we could buy cheap oil from abroad.

If I said to one of you here, you know I can build me an automobile by putting together parts and various, with various technology, you would probably say well Robert why bother to do that. You can go down here to a local dealer and buy one much cheaper. Well that's what was happening in the classification of coal and the use of coal. But now we have more than eleven major projects going. We're going to learn how quickly to extract gas from coal and to do it in an economic and efficient way. There is more oil in the states of Utah, Nevada and Colorado than there is in Saudi Arabia. Unfortunately, it's in shale. But we know how to extract oil from shale. What we can't do right now is extract it economically and efficiently, but we have many projects going that will enable us to do that but we can't make up in a short period of 2, 3, or 4 or 5 years what we have neglected to do for years.

I think gasahol, the use of alcohol made from grain and corn and other renewable products will be part of the solution and even that's not new. They were selling gasahol in the mid-west in the 1930's. But there was no point for us to continue to develop it as long as we could buy oil from abroad. But now we are already making a great deal of progress. In the Congress, we have offered an incentive by relieving the gasahol of the 4 cents federal gas tax. The state of North Carolina has a bill pending in the legislature which would do likewise. It now is being sold in various parts of the country. I went down into Fayetteville about a month ago where they first started selling gasahol and the Finch Oil Company told me this week that now 72 percent of all of their sales in the federal area was gasahol.

So you see all of these things put together is going to help us solve the problems. Solar energy is an area in which, is an exotic type of fuel, especially to young people and it holds great potential. But it's not going to solve all of our energy problems. This year alone we are spending 571 million dollars for research and development of solar energy. Now that's more than some of the experts say we can really spend efficiently and effectively, but it's being developed. I went down the other day when the President dedicated the new solar panels on top of the west wing of the White House that will heat the hot water for the use in the west wing of the White House and that's where the cafeteria is that feeds about a thousand people a day. That in itself is going to result in a savings of electricity just to the White House somewhere between 10 and 12 thousand dollars a year, not much, but a beginning. It was interesting to hear the President's dedicatorial

remarks when he said that in 1891, I think it was President Grover Cleveland, my memory sort of slips me, dedicated the first electric lights in the White House and he quoted from his dedicatorial speech in which he said he knew that at that particular time that they were not efficient to be used on a large scale but he wanted them in the White House as a symbol to the American people that it could be done. The President said somewhat the same thing about solar energy. So what I'm saying to you is that there are many things going on in looking toward solving our energy problem but there are no immediate, single solutions.

Two other areas I wanted to mention. When I went to the Senate in 1975, the average miles per gallon for American made automobiles sold in this country was 13. I was on the Public Works Committee and we brought out of that committee, and I was a co-sponsor of it, a bill which mandated increased mileage for American made cars. We set a schedule of how much the average mileage had to increase each year. This year the required mileage is 19 miles per gallon. It will go to 27½ miles per gallon by 1985. Well you say, that's not a lot of progress, but it is a lot of progress when you consider just in a period of less than five years, that the average miles per gallon for cars manufactured in this country has increased by six miles per gallon. So there are many things going into the solution of the problem, but what we do need is tolerance and understanding on the part of the American people. I think perhaps my biggest criticism of the President is something that he really is like myself, he can't do much about. He lacks the eloquence of a Franklin Roosevelt to go on national radio and television with a fireside chat and explain to the American people all

of things we are doing. That's why we need dedicated people like you to know and to understand what we are doing and to tell it to the American people.

We must, we must solve this problem. You know if the owner of every automobile in this country would just reduce the consumption of gas by 1 mile or 1 gallon per week, we would have a quick solution or a temporary solution to the problem. We must do that, we must conserve in this country if we are to keep our independence. I think some of you know I have been a great booster of Mexico every since I have been in the Senate and the first year got assigned to go down with the first delegation. But I am appalled at the Mexican government's increase in the price of crude oil to us last week at a time when we are facing one of our most severe crisis. Especially in light of the attitude that the American people have tried to take with regard to the 8 to 10 million illegal Mexicans who are in this country.

The President, I think, and the country as a whole, has taken a pretty humane attitude because we realize what would happen to them if they went back into Mexico at a time when there simply aren't jobs and the economy there is like it is. But you see how gullible we are when friends like Mexico do what they did last week and we're going to remain that gullible if we don't become independent. We can do it with the help of the American people.

Well, I've already talked more than I intended to. I really wanted to answer some questions because I learn more from you by your questions than you will learn from me. But let me mention two areas because I was asked by both of the news media that were here tonight my position with regard to the registration of young men for selective service. It's generally interpreted that I favor return to the draft. I don't favor a return to the draft at this time but I do foresee the time when we will have to return to the draft unless we do something about the present military situation. We have now what we call the all-volunteer, the volunteer army and we have the total force concept which as you know, means that the active and reserves and the guards together make the total force. For instance, in the Korean war, I was recalled to active duty as a Naval reserve but I wasn't called until the war had been going on about 18 months and I think the same thing was true in Vietnam. The concept now is that the reservist and guardsman would be called up on mobilization day because they would be part of the total force. As a matter of fact, over half of the combat units of the Army are made up of guardsmen and reservists and yet at the last report which I had, which is a few months old, we were 170,000 men short in the reserve and guards. We have to do something to enable us to have a military force that is ready to move in the event of mobilization day. We won't have the time, the time we had in World War II. You know in World War II, after Pearl Harbor, there was a long period of time that was awfully discouraging to the American people. Some of us here, many of us here tonight are old enough to remember.

I remember that about the first encouraging news that we had out of World War II was about the Midway. But we won't have 6 months this

time to get our selective service boards reinstated and get our young people registered and recalled because it's very likely that within 6 months, a potential adversary, an adversary moving from east to western Europe would probably be at the English Channel. So I do favor some type of registration so that we will have an inventory of our manpower available in the event of an emergency. I would hope, also, that the registration itself would psychologically encourage some new enlistments. If we don't do something, then I feel that we ought to reduce the size of our active military down to a force that we can recruit competent personnel. We cut the size of the Marine Corps since I've been in the Congress from over 200,000 down to 197,000 or less not because we felt it ought to be cut but because the Marine commandant said they would not recruit them and to set that goal as high as we were setting it, required them to take people that they felt ... end of tape ...