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**Remarks by Senator Edmund S. Muskie at AFSCME Rally,  
Philadelphia, Pennsylvania**

Edmund S. Muskie

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REMARKS BY SENATOR EDMUND S. MUSKIE  
AFSCME RALLY - PHILADELPHIA HOTEL - PA.  
APRIL 20, 1972

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My two best campaigners are here tonight. . . Jerry Wurf and Leonard Woodcock.

They were the first international presidents from organized labor to endorse me -- and I think that must be a good omen. They have always been first. They have always been in the forefront of the fight for decent working conditions, equal rights, and peace in Vietnam.

Richard Nixon was elected in 1968 because he promised us peace. Richard Nixon will be defeated in 1972 because he has broken that promise.

At this very moment, he is sending more of our sons into battle -- not for a cause, but for a mistake. Jerry Wurf and Leonard Woodcock have stood up to the President. They have told him the truth -- that his decision to escalate the war is an outrage. They have told him what the American people want: a halt to the bombing of North Vietnam and the withdrawal of every single American soldier, sailor, and airman. They have told him to end this war now for America.

In fact, Jerry Wurf and Leonard Woodcock have been telling the President what to do for three years. If he had listened, he might have a chance for re-election. But Richard Nixon has refused to listen -- and so Jerry and Leonard have to keep telling him that he's wrong. . . wrong about Vietnam, wrong about the economy, wrong on civil rights, and just plain wrong on almost every issue that reaches his desk. They have the President's number -- and it adds up to a majority <sup>big</sup> ~~for the next Democratic candidate for President.~~

Jerry and Leonard gave the President his latest economics lesson just a month ago.

That was when Leonard Woodcock told this country the facts about Phase II and Jerry Wurf backed him up. That was when American labor took a walk off the Pay Board because it was a blank check for big business.

Richard Nixon is still trying to make you the scapegoat because his plan to end inflation isn't working any better than his secret plan to end the war.

The Pay Board is handing out windfalls to the special interests and turning its back on the public interest.

The Nixon p.r. brigade talks about Phase I and Phase II.

But the Nixon economic policy didn't come in phases. It came in freezes. . . Freeze I and Freeze II.

Freeze I started the day the Republicans entered the White House. It froze five million workers out of their jobs.

You know about that here in Pennsylvania, where unemployment is almost the worst in the country, nearly 50% higher than the national average.

Richard Nixon knows it, too. He knows he is in political trouble because most of us are in economic trouble. So he has added Freeze II to Freeze I. In Freeze II, the workers who still have their jobs are being frozen out of their pay raises.

The Pay Board has limited your annual wage increase to five-and-a-half percent. Even the poorest workers -- some earning as little as \$1.91 an hour -- are limited. But there aren't any limits on the big boys who bankroll the Republican Party.

In 1971, I.T.T. President Harold Geneen got a raise from \$766 thousand to \$812 thousand. The top two men at the Ford Motor Company got a raise averaging \$204 thousand -- that's right, \$204 thousand. The President of AVCO got a 79% raise -- the Chairman of the Board of Bendix saw his income go up by 130% -- and the Chairman of Eastern Airlines was paid 77% more. a raise of

Those aren't isolated examples. The wallets of executives are being fattened in industries across the country, while you're struggling to pay your weekly grocery bill. A laundry worker isn't allowed to have an increase of \$5 a week under Phase II -- but I.T.T. President Harold Geneen makes that much money every 45 seconds.

What has the Nixon administration done about this? Absolutely nothing.

What has the administration even said about it? Absolutely nothing.

The President is too busy telling you to settle for macaroni instead of chuck roast. I think the President should start telling corporation presidents to settle for three Cadillacs instead of four. He should start telling them to do their part to fight inflation. He should stop telling only workers and the poor to ask what they can do for their country.

The White House has all the power it needs to publicize and control the earnings of top executives. It is time to use that power. It is time to freeze all forms of executive compensation at their present level, at least until the end of 1972. And I mean all forms -- not just salaries -- but everything from bonuses to company paid housing -- for executives with incomes of more than \$50,000 a year.

We would have to make some exceptions -- commission salesmen are an example -- but I can't for the life of me understand why board chairmen with an income of \$100,000 need a raise. And as President, I would tell them that they just couldn't have it. I would tell them that they couldn't get rich off inflation while you were getting pushed around by rising prices.

Why won't Richard Nixon put a freeze on the fatcats? Does he owe too much to corporate America, which financed his election and forms the backbone of the Republican Party? ~~The only way we can freeze executive salaries is to defeat Richard Nixon.~~

He even refuses to take any steps to control the cost of food. I've demanded a 90-day freeze on food price increases. I've demanded a freeze that applies to grocery chains and middlemen, but not to farmers. There are some people who try to blame farmers and farm workers for inflation. And I'm glad there is a delegation of farm workers here tonight because I want to say this to you: We know that it's not the farmer or the farm worker who are reaping high profits and high wages by gouging the American consumer -- it's the big businesses which control the marketplace for food. And I want to say something else to you -- that I support your efforts to organize. . . to secure a decent life for those who harvest the products which sustain our lives.

Of course, Richard Nixon is on the side of the growers. Just like he's on the side of I.T.T. Just like he's on the side of \$200,000 executives. Just like he's on the side of those who oppose equal rights. In fact, Richard Nixon always seems to end up on the wrong side.

Right now, he's standing with the powerful and the privileged to prevent tax reform.

Last Tuesday, I revealed the names of eight giant corporations that paid no income tax in 1970 or 1971.

I would like to repeat that statement again tonight: In at least one of the last two years, no federal income tax was paid by Bethlehem Steel, Standard Oil of Ohio, Alcoa Aluminum, Westvaco Paper Company, Allied Chemical, Republic Steel, U.S. Steel and National Steel.

Those eight companies earned \$651 million in 1970 and 1971. They gave out \$416 million in dividends. But they didn't pay one thin dime to the federal government. You paid your share of taxes and their share, too.

That must be what Richard Nixon really means by welfare reform . . . welfare for the rich.

Yet <sup>some of</sup> the companies I named the other night are now denying everything. They say they did pay taxes -- or paid nothing due to extenuating circumstances. <sup>But they</sup>

This is not what they told the Securities and Exchange Commission in the annual reports required by federal law. Everyone of those companies reported to the SEC that they made a profit and paid no taxes in either 1970 or 1971. And I will be happy to supply them with chapter and verse from their own reports.

If, as ~~some of the companies~~ <sup>On November 15th</sup> now claim, they did pay income taxes, let them explain why they told the SEC and their own stockholders one thing and the Internal Revenue Service another. Let them explain how much of their so-called tax payments went to the United States and how much went to foreign governments. Let them explain the benefits they received from the tax giveaways of this Republican administration. Let them show us their returns.

As President, I will demand a tough, effective minimum corporate income tax. I will demand that every company pay its share of taxes, no matter what the footnotes and the fine print in the tax code may say. No company should make a profit and give out dividends without paying taxes. None of you can do that today, and when I am elected President, no corporation will ever do it again.

I intend to close \$14 billion worth of tax loopholes. I intend to keep them closed. And when those four loopholes are buttoned tight, I'm going to hire the best tax attorney in the country. I'm going to find all the other gimmicks and shelters and unfair write-offs. And then I'm going to close them one by one.

The American people have given the issue of tax reform to the Democratic Party in 1972. And the Democratic Party is going to give tax reform to the American people in 1973.

We are fighting hard to win this primary, you and I. But we are also fighting for the things most Americans want.

-- They want employment without inflation.

<sup>full</sup>



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-- They want meaningful tax reform.

-- They want a government that serves the public interest instead of I.T.T.

-- They want an end to the war in Vietnam.

-- And they want a new beginning here at home.

We face so many great challenges if we are to keep the promise of America for every citizen. You see some of those challenges in your own daily lives. There are federal laws on the books to insure most employees minimum wages and hours, safety on the job, and the right to form strong unions and bargain with their bosses. Those laws do not cover public employees -- and that is wrong.

You have fought hard for your contracts. And as President, I will fight just as hard to protect your rights.

It's all part of the same challenge -- to guarantee a decent break for all Americans -- and it is our challenge in 1972.

We are standing today with Franklin Roosevelt. . . with Harry Truman. . . and with John Kennedy. We are standing where they stood, looking forward. And we want the chance to move our country forward once again. We stand in the tradition of this union -- with Jerry Wurf -- and with Leonard Woodcock -- in an effort to elect a President who is on our side. And we stand in the tradition of the Democratic Party. . . which has always been the party of the American people.

I believe in the purpose of the Democratic Party. I believed in it eighteen years ago, when I became the first Democratic Governor of Maine in a decade. I believed in it thirteen years ago, when I became the first Democrat ever elected to the Senate from Maine. And because I believe in our Party's purpose now, even more as an underdog than as a frontrunner, I will fight for the Democratic nomination until the last delegate casts his vote.

Right now, Pennsylvania is the battleground -- and I can't think of any ally I would rather have than you and Jerry Wurf and Leonard Woodcock. Together, we are going to turn the Muskie campaign around in this primary. Together, we are going to win on April 25th. And then together, we are going to elect the next President of the United States.

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