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11-19-1971

Nixon's the One - Draft Remarks by Senator Edmund S. Muskie at the AFL-CIO National Convention

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DRAFT REMARKS BY SENATOR EDMUND S. MUSKIE

AFL-CIO NATIONAL CONVENTION

Miami Beach, Florida

November 19, 1971

"NIXON'S THE ONE"

I am proud to be here today. Unlike some officials in Washington, I don't believe that America's unions are out of step with America's workers. The only people who are out of step are in the White House. And that's why this country needs a Democratic President in 1972.

We came close the last time -- and American labor deserves most of the credit. Wherever I campaigned in 1968, I saw labor out in front -- carrying the signs, cheering for Democrats, committed to effective leadership. I will always remember your energy and your enthusiasm then. Let's do it again next year. And this time, let's win.

Let's win for the five million workers who are out of work.

Let's win for the average income Americans left behind by inflation.

And let's win because we're tired of hearing unions and consumers blamed for the disastrous mistakes of this administration. George Meany was not the man who turned national prosperity into national recession. We know who did that. We remember the 1968 Republican slogan -- "Nixon's the One."

Nixon's the one who gave the green light to inflation in his first presidential press conference almost three years ago. Let me quote exactly what he said: "I do not go along with the suggestion that inflation can be controlled by exhorting labor and management to follow certain guidelines . . . The primary responsibility . . . rests with the administration." With those words, the President encouraged business to raise profits and prices to record levels. And he left America's unions with only one choice -- to push for wages high enough to protect the paychecks of America's workers.

President Kennedy and President Johnson co-operated with labor to build economic stability. But not President Nixon. The result was skyrocketing inflation. And the President's response was to treat the labor movement as a scapegoat. He thinks union members should pay the price for administration failure. I think the Republicans will pay the price at the polls next November.

Nixon is also the one who has had four different economic policies since 1969. Each time, the American people have heard about prosperity on their television sets -- but they have not seen prosperity in their wallets and pocketbooks. Each time, the reporters have come to me and asked: "Well, Senator, now that the President has solved the economic problem, what issue are you going to have in 1972?" And I say to you here this afternoon that the issue next year will be the same as it was after the last three policies failed: Richard Nixon is

unfit to manage the American economy.

Who stood by while industrial production declined in the last three years for the first time since 1958? Nixon's the one.

Who stood by while millions of jobs were exported and our balance of payments deficit ballooned to \$12 billion? Nixon's the one.

Who vetoed public service employment and impounded billions of dollars for vital domestic programs? Nixon's the one.

And who told us that there was every reason for confidence as productive workers were being forced off of payrolls and onto welfare rolls? Nixon's the one.

Yes, Nixon's the one -- the one who did nothing about the economy until August of 1971. And you know what happened then. The President who was doing nothing did the wrong thing.

There are two ways to create prosperity -- by helping the deserving many or by helping the comfortable few. And what did the President choose? He proposed the Great Giveaway Bill -- with \$14 billion in tax breaks for corporations and only \$5 billion for workers and consumers. At the same time the administration postponed revenue sharing and welfare reform. And now they are even cutting the budget for the school lunch program. They are financing benefits for big business on the backs of Americans who truly are in need.

That is not right. It is not fair. And it is not even good economics.

When industrial capacity is at 70% -- when we could produce a third more with the plant and equipment we already have -- a tax gimmick to encourage private investment is the wrong response. What business needs today is markets, not special privileges. And what our economy needs is consumer spending. The sensible solution is to put more buying power into the hands of deprived and average income Americans -- by reducing their taxes and by raising their standard of living.

And the Great Giveaway Bill will not even guarantee an increase in investment. The administration has resisted every effort to close the bill's loopholes. And so corporations can claim a tax break without adding to already planned purchases of plant and equipment.

Did we wait three long years for something like this -- for a Nixon game plan which will giveaway federal revenues but fail to create enough jobs? The President's best hope now is an unemployment rate 40% higher than when he took office. He thinks that's acceptable -- and that's what makes him an unacceptable President of the United States. In 1972, the only good unemployment will be the kind that puts Richard Nixon out of work.

Then we can turn to the task of shaping a truly prosperous economy. Our first priority must be full employment. This nation

has been committed to that goal for a quarter of a century. Now we must make the right to a job an everyday reality instead of legislative rhetoric. And we must build a full employment economy without inflation.

That's why all of us favor ^{a system} ~~to~~ to halt rising prices. And that's why most of us were calling for decisive action when the Nixon administration was still trying to cheerlead the economy back to stability.

But it is wrong to put the blame and the burden of inflation on the backs of American labor. It is wrong to tell only America's poor and America's workers to ask what they can do for their country. And there is a lot that is wrong with Phase II of the President's wage and price policy.

The President's Pay Board has abrogated labor contracts negotiated in good faith. But countless firms have already raised prices to pay for scheduled wage increases. Where will the extra money go? You know the answer because you know what a Republican administration is like. Workers will lose hard-won gains -- and big business will chalk up a windfall.

The President's Pay Board has also tried to divide the AFL-CIO by promising special treatment to some unions. And I think you all

owe a debt of gratitude to George Meany for his decision to demand special treatment for none and fair treatment for everyone in the American labor movement.

Finally, the President still lacks a system to carry out controls on prices and to insure limited dividends and lower interest rates. Employers are only too happy to keep wages down. But a part-time effort by a federal agency with another full-time job is a poor excuse for effective price enforcement.

The Democratic Party and the labor movement cannot right all the wrongs of Phase II. But together we can fight for a fair and equitable attack on inflation.

Already, unions in every part of America have started voluntary surveillance to keep tabs on prices and profits. And I believe the AFL-CIO should invite independent labor organizations and consumer groups to join in a similar, more formal effort on a national basis. You should take the lead in forming a National Fair Controls Committee. And Democratic Senators and Congressmen should work closely with the Committee -- to publicize its findings -- and to pry necessary information out of government officials. What the Nixon Administration will not do for workers and consumers we must do for ourselves. And at least we can help to make Phase II honest.

And there is another, even more important challenge -- a challenge which cannot be met by labor alone. The Nixon administration has mounted a vicious anti-union barrage in the last three months. The President hopes to shift the responsibility for inflation from the White House to AFL-CIO headquarters. And there are signs that the administration's public relations tactics are making some headway.

So this is the time for the friends of organized labor to speak up in defense of organized labor. And this is the time to tell the truth.

Who profited from the recent tide of inflation? Not American workers -- their real wages have remained virtually stagnant for the last six years.

And who opposed legislation to halt the wage-price spiral? Not American unions -- your leaders have been pushing and prodding the President to act since 1969.

Whenever Republican administrations blunder into economic trouble, they try to turn the labor movement into a whipping boy. We cannot let that happen in 1971. We cannot permit the President to weaken the influence of unions like yours. This country needs you at full strength.

For more than a generation, you have been the cutting edge of American social reform. The AFL-CIO truly has been the people's

lobby -- for education and housing and health care. Without you, we could not have passed the landmark civil rights legislation of the 1960's. And if you are weakened now, we will lose our chance for change in the 70's -- to realize the common aims of your organization and our party: to reform the tax structure, to redistribute private power, and to secure basic advances like national health insurance.

The AFL-CIO has not always agreed with me -- as I found out just a month ago. And let me assure you that Al Barkan does have quite a bite. But I won't stand silent while labor is unfairly attacked. And I will do everything I can to see labor and the Democratic Party standing together in 1972.

We have so much to run against -- and so much to campaign for. And we have so much work ahead of us to move the American economy forward once more.

In 1969, President Nixon told the American people: "When I finish office, I would rather be measured by my deeds than by all the fancy speeches I make."

Let's take the President at his word -- and let's measure the Nixon performance by this incredible record of economic firsts:

Under the Nixon administration . . .

We have experienced our first trade deficit in the twentieth century;

We have experienced the first inflationary recession in American history;

We have experienced the highest balance of payments deficit in the history of the world;

And we have experienced the first use of wage and price controls in an essentially peacetime economy.

And I think we will ultimately have to give Richard Nixon credit for another first: He's going to be the first President since Herbert Hoover to be defeated for re-election.

Next November 8th, someone somewhere will ask: "Who lost his job yesterday?" And there's only a single answer I want to hear -- "Nixon's the One."

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