

Department of the AFL-CIO, representing roughly 7 million members. With respect to broad economic policy questions I will be speaking for both organizations, but with respect to more specific collective bargaining questions I will be speaking only for the UAW.

As one American I share the view that the American economy is freedom's greatest material asset. I believe that how effectively we mobilize its economic potential, how responsibly and rationally we allocate resources to meet our private and public needs, and how equitably we share the increasing abundance that the tools of science and technology give us, are the keys to the improvement of the quality of our society at home and will determine our success in meeting our responsibilities whenever freedom is challenged in the world.

That is why I put great emphasis upon the importance of what we do in the American economy and how intelligently we use the new tools of science and technology.

I am disturbed by the fact that we are the richest Nation in the world, yet have permitted many basic and urgent human needs to go unmet. We all realize that more than 30 million Americans live in poverty in a land of plenty, that our urban centers have become social cesspools, scarred with decay and blight; that our educational system is inadequate; that while we have achieved high levels of medical competence, America, the richest Nation in the world, ranks 11th in the rate of infant mortality.

Our cities are paralyzed with congestion. We are polluting our air and our water, and we are destroying our living environment. I share the view, Mr. Chairman, that we have the know-how and the resources to solve these problems, and that what we need is the sense of national purpose, and the will to commit ourselves and our resources in a measure equal to the dimensions of these problems.

I believe that what we need to do is to work out a list of priorities in which we put first things first, and then allocate our resources to the practical implementation of those priorities.

I would put very high on the list of those priorities the achievement of the purposes of the Employment Act of 1946. For 20 years we have failed to achieve the purposes of that act. We have averaged more than 5 percent unemployment throughout those 20 years. We have had a higher rate of unemployment than any democratic industrial nation in the world.

Now I am encouraged by the fact that under the Kennedy and Johnson administrations we have made meaningful progress in reducing the levels of unemployment. We are now down to 3.9 percent. But that is not good enough.

In 1962, when Mr. Heller was the Chairman of the Council of Economic Advisers, the Council came out with an interim unemployment goal of 4 percent. We raised at that time a warning, saying we wanted to be certain that this 4-percent interim goal did not become a definition for full employment. And we believe that our fears were well founded, because in Mr. Ackley's most recent report—and this deeply disturbed us—he now takes the 3.9-percent unemployment rate, and describes it as “substantially full employment.” And he projects it into 1967, saying that it will mean substantially full employment.

We reject this concept vigorously, because it will continue to deny a great many Americans the opportunity for meaningful employment