

Address by Arthur F. Burns
Upon Receiving the Democratic Legacy Award of the
Anti-Defamation League of B'nai B'rith
Palm Beach, Florida
February 2, 1978

Thank you very much, Mr. Joseph. This has been a very warm and friendly evening. I've loved every part of it. I even found Mr. Epstein's listing of contributors instructive. In fact, I've told my colleagues in Washington over the years that if they want to solve the Nation's budgetary problem, or if they want to solve the problem of prices and wages, they ought to come to a meeting of UJA or the ADL and learn the technique of achieving real success.

I listened with a sense of humility to the kind words spoken by your national chairman, Mr. Joseph. As I stand before you this evening, I also find myself in a mood of reverence for the distinguished men who previously received the award which is mine this evening. I need hardly add that I accept this award with a feeling of some pride.

I've listened with real care to the numerous reasons that Mr. Joseph listed why I am being honored this evening in such a unique way. I sensed an element of exaggeration of what Mr. Joseph had to say, and yet I cannot dismiss his words completely. I see no way of denying that in this world of ours, I have achieved over

the years a measure of success. Therefore, if you will permit me, I would like to reflect on the reasons for whatever success I have achieved in the course of my career.

I can say quite honestly a few things in my own behalf. First, I've been lucky. I've enjoyed good health throughout my life, and while I am approaching 74, I still may have more energy than most members of my staff at the Federal Reserve. Second, I think I can fairly say that I have a moderately good mind -- and I can even say that I use my mind at times. Third, I am accustomed to working diligently -- in good measure because I enjoy working. And fourth, I can also say in my behalf that I respect a fair number of the laws laid down in the books of Moses, also the laws laid down by the later prophets and even some of the laws written by our own Congress.

To these virtues or qualities I readily confess. And yet the qualities that I have just attributed to myself -- good health, some intellectual power, habits of industry, a respect for law and morality -- are by no means unique. Millions of people in this world -- in Latin America, the Soviet Union, on the African continent -- have all these virtues and more in abundance. Yet, they lead lives of spiritual poverty, lives marked by fear, lives marred by failure to express their yearning for truth or for excellence.

My heart goes out to all these people -- especially to the hundreds of thousands of Jews in the Soviet Union who, being kept in bondage, are denied the opportunity to find spiritual peace and self-fulfillment in Israel.

It is clear to me, therefore, as I reflect on my own life, that whatever success I have been able to achieve is due fundamentally to the fact that it has been my good fortune to be a citizen of a country whose people have had the opportunity to acquire a decent education, whose people have had the freedom to seek truth and to express it as they see fit, whose people have had the opportunity to put to work such special talents as they may have and to utilize these talents for themselves, their families, and their country.

In short, it has been my great privilege to be an American. This is a privilege that I, along with millions of other of our adopted citizens, may appreciate even more keenly than do our native born citizens.

But as a student of history, I also know that the freedom and opportunity with which the American people are blessed cannot be taken for granted. The Anti-Defamation League, under whose auspices we meet this evening, did not come into existence because brotherly love, because respect for human rights, because regard for human dignity were universal attributes of the American people.

On the contrary, the founders of ADL, as men of experience and practical wisdom, were well aware of the fragility of human nature. They were well aware of the messages of bigotry and hate that from time to time kept stirring in our land -- sometimes against Jews or Catholics, sometimes against Italians or Poles or Hungarians, and frequently against people with black or yellow skins.

The founders of ADL were particularly aware of the long and troubled history of the Jewish people, who despite their gift of the Torah and their ancestral search for a life of holiness, had suffered calumny, discrimination, even torture on account of their faith. The founders of ADL understood well the weakness of human nature. They knew that what had happened before could happen again, as it indeed did on such a tragic scale during the Nazi holocaust. The founders of ADL therefore set for themselves the objective of communicating to their fellow Americans a better understanding of the character of the Jewish people. But they did not stop there. The founders of ADL went on to declare that the ultimate purpose of the Anti-Defamation League was to do what it can to assure justice and fair treatment to all citizens alike.

These principles of ADL were articulated with eloquence in the year of its founding, 1913, the very year it so happened that my family emigrated to this blessed land. Thus, my own life as an American and the life of ADL have been virtually coterminous.

During these sixty-odd years that have elapsed, I have witnessed tremendous strides in our country toward justice and toward fair treatment of all of our citizens. When I began my university teaching in the mid-20's, I was one of a very tiny group of Jews who had attained that privilege. Anti-Semitism was still rife in our country, and it was still widespread during the 1930's. But after the end of World War II, anti-Semitism rapidly diminished, and it now has practically disappeared in our universities and in our colleges.

What has happened in our colleges and universities has also happened in many lines of business, in the professions, and in government. Since 1946, when the Employment Act became law, we have had eleven Chairmen of the President's Council of Economic Advisers; five of these eleven have been members of the Jewish faith.

The decline of anti-Semitism in our country -- also the remarkable advance of our black people and of Mexican-Americans in their struggle for civil rights -- did not happen by accident. These fruits of our evolving democracy are attributable to the

civilized impulses, to the generous nature, to the energy of our Nation's churchmen, legislators, and educators. Foremost among these educators has been the Anti-Defamation League. Because of its vision, because of its humane spirit, because of its vigilance, because of its energy, because of its perseverance, I, among millions of others, have had the freedom and the opportunity to achieve the professional success that has come my way.

Thus, what personal qualities I have -- and I have no intention this evening to minimize my personal qualities since I may soon be unemployed -- would have counted for little had I not had the good fortune to become a citizen of this wonderful land of opportunity -- a land whose cultivation of democratic values has been protected and richly expanded by the courageous leadership of the Anti-Defamation League.

What has been true in my case has been true of many millions of others -- Jews and Christians, black men and white men, immigrants and native citizens. So, in accepting ADL's award, I feel that I am doing so symbolically in the name of countless Americans, and if I may, I want to express to ADL my gratitude for what it has done in behalf of these millions.

Let us always keep in mind, nevertheless, that the objectives of justice and fair treatment for all our citizens which ADL has been championing so persistently have thus far been only approximated in our land. They certainly have not yet been fully attained in our country, to say nothing of much of the rest of the world. Moreover, in view of the waywardness of human nature, the enormous strides that we have made towards true democracy in our land cannot safely be counted on to inform the lives of our people in the indefinite future. To assure the retention and enlargement of our democratic achievements, we need to keep alive and to nourish the educational efforts in behalf of human decency -- efforts which the ADL has been conducting with such great energy and with such unique understanding of the nature of man.

But that is not all. In order to extend justice and end discrimination in our land, we need also a strong economy -- an economy that provides an abundance of meaningful jobs for all those who are able, willing, and seeking gainful employment. One of the clearest lessons of our history and that of other countries is that bigotry, class hatred, and discrimination have the best chance to thrive when a nation's economy becomes depressed

and the ranks of its unemployed multiply. A healthy and strong economy is therefore essential to our way of life so that justice and fair treatment to all citizens alike may be preserved and indeed enlarged in our country.

Ours is a progressive country, but I regret to say that persistence of a high rate of inflation during recent years has cast a cloud on the future of our economy. Inflation, I regret to say, is sapping our Nation's strength. Inflation is causing hardship to elderly citizens dependent on an income fixed in dollars, but each of which is constantly shrinking in purchasing power. Inflation is eroding the value of our bank deposits and the life insurance we have arranged to protect our families. Inflation is weakening the willingness of our people to save for the future.

Also, inflation is confusing the accounts kept by our business firms of their costs, their revenues, and their profits. Inflation is keeping the level of interest rates far higher than it would otherwise be, since lenders expect to be repaid in cheaper dollars. Inflation is causing a depression in stock exchange values on which the fortunes of many millions of Americans depend. Inflation is causing uncertainty in the

business and financial world, since our businessmen now have no good way of judging what their costs of production may be in the future, or what prices they may be able to charge, or what profits, if any, will accrue to them when they undertake risky investments.

And worst of all, inflation is causing doubts to spread among the American people about themselves, about their government, about their country, and thus is weakening our Nation's will to improve the economy and to strengthen our democratic way of life.

I am often asked whether it is possible to check inflation within the constraints imposed by national politics. I have no hesitation in answering this question in the affirmative. But what is required first and foremost is better understanding on the part of the American people of the evils of inflation, so that their national leaders may muster their inner courage with some assurance of popular support.

The Federal Government is fully capable of leading our country out of the inflationary morass. The government could, for example, cut back on our huge and persistent budget deficits. Again, instead of raising the pay of Federal employees by 7% -- as the government did last October and may do again this year --

the increase could be limited to 3% or 4%, thus setting an example for American businessmen and their employees. Again, the President might cut his own salary by some 10% and invite all Presidential employees and perhaps Congressmen to do likewise, thus dramatizing his leadership in unwinding the inflation that is plaguing our country.

To give one more example, the Federal Government could actively encourage every factory, every office, every mining establishment, every shop to establish a productivity council consisting of management and labor representatives; so that ways might be devised to increase output per hour and thus reduce the upward pressure of labor costs on prices.

The Federal Government can certainly check the depreciation of the dollar that has been under way in our foreign exchange markets, a development that is putting new upward pressure on our price levels. Among other things, our government could adopt, at long last, an energy policy that will encourage the rapid development of new sources of supply, as well as lead to some conservation of oil. And certainly our government could adopt a tax policy that would lead to more productivity-enhancing investments in our country, not only by American businesses but also by foreign capitalists.

In short, ladies and gentlemen, inflation is a disease that can be conquered, but it will be conquered only when the will to do so becomes strong enough. Contrary to a widespread opinion, this disease could be conquered even as we expand job opportunities for our people. I have in mind in particular the main sufferers of unemployment -- our young people and our young black citizens. Not only have we neglected their education, but we have also erected numerous impediments that stand in the way of their job opportunities -- impediments such as our Federal and state minimum wage laws, impediments such as the membership limitations imposed by many of our craft unions, impediments such as the licensing and certification requirements for trades that range from plumbing to barbering.

Since the spring of 1975, total employment in our country has grown at an extraordinary pace, in fact, at an unprecedented rate. Despite the influx of millions of women into the job market, total unemployment has dropped from a rate of about 9% to a current rate of about 6-1/2%. But not all citizens have shared in the expansion of jobs and incomes that has taken place in our country.

Unemployment among black teenagers is now running at a rate of about 40%; unemployment among these black teenagers is, in fact, even higher today than it was at the bottom of the recession.

Ours is a wonderful country which has brought blessings of freedom and opportunity to most of its people. But as a nation with a conscience, a conscience disciplined by practical sense, we have no greater priority in thinking of the future than to bring young unemployed people -- particularly our black brothers -- into the mainstream of our Nation's economic life.

In pronouncing this basic truth, I am simply endorsing the noble purpose of the Anti-Defamation League -- to secure justice and fair treatment to all citizens alike and to put an end forever to unjust and unfair discrimination.

In closing these remarks, may I thank once again the officers of ADL for thinking of me today. And may I also thank this large and distinguished audience in joining me in expressing gratitude to the Anti-Defamation League for remembering what Israel has meant to our Judeo-Christian civilization and for enlarging the freedom and the opportunity for self-advancement of the entire American people.

Thank you very much.

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