

(7-58)
STATEMENT BY SENATOR STROM THURMOND FOR HIS WEEKLY RADIO BROADCAST,
RECORDED MAY 15, 1958.

MY FRIENDS AND FELLOW-CITIZENS:

This past week, the Senate approved and sent to the House of Representatives /one of the most dangerously socialistic measures / to come to the floor in recent years. The purpose of this bill, known as the Area Redevelopment Act, is to stimulate business in areas where hard times have become chronic. I am of the opinion that it will ^{not} have ~~an opposite~~ ^{the desired} effect.

The bill would establish a loan fund, to be administered by a Federal agency, to lend money to communities where unemployment has continued at a high level /over a long period of time. The money would be used in a variety of ways -- mainly for public works and new factory buildings. Essentially, it would provide a Federal subsidy /for moving new industry into areas of chronic depression.

I opposed this bill vigorously.

In many areas of our country, the people are working through state and local governments, industrial development organizations, chambers of commerce, and the like, to build a stronger local economy through their own efforts. I am proud to say that South Carolina /is one of these areas where the people are working constantly /to gain the new job opportunities that come with new industries. Our efforts have been successful to the extent /that no industrial areas in South Carolina would be eligible ^{now} /for assistance under the terms of the Area Redevelopment Act.

Under the provisions of the bill, the people in these areas where industry is growing/would help support, through their taxes, a program to move industry into areas where, at the present time, industry does not want to go.

At the present time, there is no shortage of investment capital in the United States. American industry is in a position to expand, and will expand, whenever it sees an opportunity to make a profit. It is unrealistic to expect new industry/to move into areas/where it appears there is no opportunity to make a profit. I predict that this bill, if enacted, will accomplish very little for the depressed areas, in relation to the money spent.

In considering this legislation, which is aimed at making the more prosperous areas of our country/share their industry with the areas where unemployment is highest, I was reminded of the famous maxim of communism written by Karl Marx: "From each according to his abilities; to each according to his needs."

The most effective way to aid areas where the economy is depressed/is through measures which will stimulate the whole of our American economy. We need some revisions in our foreign trade and foreign aid programs, which have operated to the serious detriment of vital segments of American business. We need to practice strict economy in every department of government, with the aim of removing some of the heavy burden of taxation/with which our economy is saddled. We need to get rid of some of the heavy burden of government regulation/which requires the businessman to make a multitude of complex and expensive reports/to a whole host of Federal agencies.

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When the country is prospering, and a community finds that it is not sharing in the general prosperity, the situation can often be improved/by making a concerted community effort to gain new industry. This is the kind of thing we have done, and are doing, in South Carolina, on both the State and local level. It is not the kind of thing that can be done efficiently/by a Federal agency in Washington. We have seen many times, to our sorrow, that a Federal agency cannot have the same understanding of local problems/that local government has.

I hope that the House of Representatives/will refuse to pass the Area Redevelopment Act.

I wish to thank this station for granting me this time each week, and thank you for listening.

This is Strom Thurmond in Washington.

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