REMARKS BY BRYCE N. HARLOW SEMI-ANNUAL MEETING MANUFACTURING CHEMISTS ASSOCIATION NEW YORK CITY, NEW YORK TUESDAY, NOVEMBER 26, 1974

Manufacturing Chemists Assn. New York City -- 11/26/74

GENTLEMEN ----

A couple of centuries ago the great Scottish bard, Robert Burns, wrote these plaintive lines:

"Oh wad some power the giftie gie us,

To see oursels as others see us."

From erudite and distinguished co-panelists, and also from other punditry such as Louis Harris, George Gallup and the Opinion Research Corporation, we have a good notion of how the general public sees us, and I must say-precious little of it is balm for the soul.

Now we move to a specialty, a constricted part of the problem -- the political arena -- to examine how the prime movers there see us -- how they think and how they feel – what's really in their mind's eye -- when a top businessman drops in for a visit or telephones to offer advice, or writes for help.

To ease us into the subject, I suggest that we start off with the myrrh and the honey and save the vinegar and the asafetity for later on.

I can report quite surely and accurately to you that in the White House, throughout the top levels of the Executive Branch, and even in most sectors of Congress, the feeling is deep and genuine that you gentlemen and your peerage out across the land perform indispensably -- that you are indeed the dynamos of the American system, dedicated community leaders, and astute analysts of the toughest problems facing our country. This is why it is normally no problem at all for the head of any major enterprise to obtain a quick audience with the decision-makers uptown or downtown in Washington. It is why every President's Cabinet has strong

representation from American industry. It is why business advisory groups of all types have flourished for years around our institutions of Government.

It is why, in part, President Eisenhower used to hold his famous stag dinners at the White House; he felt the candid pragmatism of the business fraternity is essential to national policy making; and it is why Presidents of both parties before and since Eisenhower, liberals and conservatives alike, have turned almost entreatingly to business executives both for counsel and for personal participation when the nation's problems have grown acute.

So, despite the depressing public-opinion polls, which seem to show that not business alone but nearly all major institutions are suspect -- despite also the demagoguery of political aspirants who now and again lash out at industry when it tickles the popular fancy, basically business and its leaders are respected and listened to, if not by the public at large, then by those who really count in the United States Government.

What it comes down to is that our nation's senior politicians, with but few exceptions, honor each one of you individually for being a good businessman, and by and large they appreciate the importance of preserving healthy competitive enterprise.

But let's not confuse that attitude with their assessment of our performance in the political process. What we are now moving into, I trust you realize, is a very different cosmos than the one in which we orbit -- the precarious but highly professional business of the some 600 politicians who call the shots in our nation's capital. And just as quite a few businessmen look disapprovingly on how these political people ply their trade, so also the consensus of these political professionals, in both parties, is that, however good we may be in business, we tend to be ludicrously or aggravatingly inept when we leave our board rooms and sashay into the political environment. A lot of public figures are really quite detached about us, regarding most

-2-

business people as unwilling or incapable of being either helpful or hurtful, excepting only the occasional campaign contributions that come in handy for employing really useful help. And for years I have heard not only Congressmen and Cabinet officers, but Presidents as well, wail about the reluctance of business to organize and stimulate on the grassroots level where political people are periodically forced against even those business positions that they regard as meritorious. Some of my friends in both politics and business tell me these problems are mostly a communications block, but I suggest it is deeper than that.

Many of the politicians I know, the senior ones especially, have become persuaded that the business community is not a community at all, which makes it extremely difficult for them to work confidently and cooperatively with us. As they look upon us collectively, they see a kaleidoscope -- not a united force, not a commonly held viewpoint, but customarily intensely competitive individual units, some of them now and then clotting together ad-hoc-style to meet an emergency, then dissolving and reassembling like amoebas into new competing organisms as other problems emerge. Some Congressmen have unhappily told me that trying to work on any consistant basis with a political will-o-the-wisp like this is like trying to hail a custard pie on the wall. What our best friends in Washington keep pleading for is an effective business counterpoise to COPE, to Common Cause, to Nader's Raiders. They realize that we cannot, by our very nature, allow someone to run all of business as George Meany runs a good part of organized labor, but they resignedly shake their heads and fingers at us, pointing to the hard fact that our lack of a COPE or some other structure which can induce us to march lock-step in one direction leaves both them and us at the mercy of better organized opponents.

Still worse, it is often thrown up to me that even when a substantial group of businesses somehow do bring themselves together on a major issue, other businesses bob up almost at once

-3-

eager to publicly challenge their comrades are attempting to achieve; so that, in the end, the Congress gets befuddled over what business really wants, the Executive Branch is immobilized by our factional dissension, and them our disciplined opponents again stroll easily through our broken lines.

Still wallowing in this lugubrious self-analysis, most public leaders will tell you that if they dare to abrade major constituency groups by standing up for us in political controversy, they later find themselves isolated and surrounded on the political battlefield, as we business folk scurry off to other concerns, perhaps salving our consciences en route by forking over a few bucks for the campaign, though normally less than our organized opponents give. All across Congress our friends angrily insist that very few business leaders have the steel to stand up with them out in the open when the political shot and shell begin to fall. They tend to deride this hesitant business behavior, invidiously comparing it with the free-wheeling politicking of our opponents.

One trouble is that all of us in business tend to forget that the Congressional profit and loss sheet is computed in votes -- that going into the red in the business of politics on election day is fatal and final, not simply an admonition to shape up next year. This is why even our most devoted political friends go vague and bob and weave when we press them to support something they know is right but likely to antagonize organized voter groups back home. Instinctively, they think of the fellow who forced the right-of-way -- dead right he was, but just as dead as if he had been dead wrong.

You realize, I am sure, that the practical political problems I have been outlining mean much more to our elected officials than to Presidential appointees in the Executive Branch, for the reason that the latter are relatively insulated against the vagaries of public opinion. Most of

-4-

the Executive Branch people in Washington, in any Administration, are therefore more susceptible to hard fact and somewhat less prone to political expediency. Moreover, senior White House people and such Cabinet officers as the Secretaries of Treasury, Commerce and Defense, as well as the Chairman of the Council of Economic Advisers and the Chairman of the Federal Reserve System, must at least give a hearing to business pleadings, if only because business confidence and a prospering economy are the pillars of every President's political strength. This is why, as most of you know, people of this stature in downtown Washington are traditionally approachable whether or not a Republican or a Democrat happens to be in the Oval Office.

Even so, the basic problem pervades the Executive Branch as well as Congress. When you, as a business leader, visit a senior department official, when you penetrate the guards and fences around the White House and settle down with a Presidential adviser, he wonders as you open your presentation the same things they wonder on Capitol Hill -- are you in fact speaking parochially -- speaking for only one enterprise? How much of American business, with its enormous influence and power, agrees with what you are presenting? And then -- just who and what are the opposing interests in and out of business, and how much trouble can they bring to bear on the President directly or through the Congress? And, finally, what precisely are you able and willing to do to help bank the political fires that may erupt from what you want done?

One admonition here, about a problem businessmen in particular are disposed to overlook. One can always fairly assume that immediately after he leaves a top governmental official, confident that his unimpeachable logic and irresistible eloquence have won the day, an opponent darts in, and sets about repudiating everything you have said. Like you, he will be

-5-

professionally measured for his practical political helpfulness or harm as well as for the cogency of his views, but you will rue it if you expect your one compelling presentation to win the game.

A safe assumption is that if a problem in Washington is important enough to take the personal time of a top businessman, it is also important enough to bring your most effective opponents right in behind you. And so, a derivative assumption -- if you thereby let yourself be out-talked, if you let yourself be out-politicked, if you let the other fellow and his troops pursue the matter harder and longer than you do, count on losing in Washington, no matter which part of it you are dealing with. Like most other things in life, it all comes down to how much you want to win.

So, gentlemen, it comes out about like this: you are highly esteemed in your natural habitat by our nation's political leadership; but, no, you don't come off nearly as well in the political game. It is in this latter arena, where public opinion sets the course and votes turn the wheel, that we urgently need to shape up. It is there that we need to unify our strength and our purpose, there that we need more sensitivity to the crucial competition of ideas in the political marketplace, and there that we must have more elaborate, more practical participation.

Let me assure you of one truth about all of this, a truth I have learned from well over a third of a century of cohabitation with the Congress, the Executive Branch and business. The fact is, when business nation-wide, does really unify, when we really assemble our massive force, almost invariably we not only win in Washington, but we win hands down. This being the case, the whole thing comes down to the old adage: If we have the will, we will surely find the way.

Let me finally observe that finding our way in Washington these next two years, even if we do manifest the will, is going to require far more of all of us than we have been willing to do

-6-

in the recent past. Actually, however poorly the public may regard us, most of business has fared quite well these past two years in Congress and the Executive Branch, and I am especially pleased to report that business has become far better organized and much more sophisticated in our nation's capital than ever before.

But now we are hit by ricochet in the elections of three weeks ago. Assuming that most Republicans are friendlier toward business than most Democrats are, and most conservatives friendlier than most liberals, we were hurt, and potentially seriously, when the polls closed out across the land. As regards Republicans versus Democrats, the Grand Old Party shriveled from 187 seats to 144 in the House of Representatives, and from 42 to 38 or 39 in the Senate. As regards liberals versus conservatives, the left side of the House of Representatives went up by at least 43 votes and by at least three in the Senate.

The practical result in a run-away Congress, if the majority party can hold together. In the House, the Committees will change from a five-vote Democratic advantage to 15 votes -from, for example in the critical House Commerce Committee, a 24 to 19 party division to 29-14 -- a spread far too large for the Committee Chairman, the House Speaker, the President, or business to influence or control; and on the House floor the Democratic side will be able to lost 73 of its 291 votes and still pass legislation by Democratic votes alone. In the Senate the 61 or 62 Democrats will normally be joined by a third of the Republicans -- some 13 or 14 of them. Even though the Senate Democrats often lose 10 to 12 southerners, they are still left with close to two-thirds of the Senate to do with as they wish.

For business, this metamorphosed Washington environment means simply this -- that on a variety of basic economic and ideological issues these next two years we will likely be at the mercy of Presidential vetoes. Given adequate help from the private sector as the big issues

-7-

crystallize, most of the vetoes should stand up in both Houses. But if business fails to unify, if we fail to enter vigorously into these struggles, if we fail to stand up and speak out and bring our enormous strength to bear out across America, then as stated earlier, the other viewpoint will surely prevail. Here I repeat the bottom line of the whole proposition -- if on the other hand we <u>do</u> unify, if this very powerful Association, the NAM, the United States Chamber of Commerce, the Business Roundtable and other influential business groupings will subordinate their parochialisms and coalesce their strengths, we will do just fine. As to that, I have no question at all.

In closing, it may be well to recall another poignant observation by Robert Burns:

"The best laid schemes o'mice and men

Gang aft a-gley;

An' lea'e us nought but brief and pain,

For promis'd joy."

Well, let's be on with well laid schemes, because -- believe me -- down there in Washington there's really no need at all for business to gang aft a-gley.

#####