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FOR RELEASE
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SENATOR HUMPHREY LABELS GOP ADMINISTRATION "CREEPING FAVORITISM"

"Creeping Favoritism" has marked the first two years of Republican administration of the nation's government, Senator Hubert H. Humphrey charged last night in an address before the Minnesota Jaycees Convention at Montevideo.

Calling the roll of GOP "giveaways" during the 83rd Congress, Senator Humphrey declared the Administration had "bestowed hundreds of millions of dollars in favors upon business and industry at the expense of taxpayers and consumers, while preaching 'economy' and complaining about the cost of aid to agriculture".

As examples of "creeping favoritism" Senator Humphrey cited:

Tight-Money, Higher-Interest: "They boosted interest rates so that the people who have to borrow money pay more and that the people who lend money make more, costing taxpayers \$450 million in added interest payments on the national debt alone as a 'payoff' to commercial banks, corporations, and insurance companies holding the bulk of government securities."

Offshore Oil Resources: "They gave away billions of dollars worth of offshore oil resources belonging to ALL the American people, in the legalized Teapot Dome 'steal' that cost Minnesota alone \$57,000,000 that could have been earmarked for public school construction".

Giveaway of Power Sites: "They decided that Hells Canyon, the greatest undeveloped water power site in America, should be handed over to the Idaho Power Company even though this would mean higher power costs to consumers and a wasting of nearly a third of the water power at Hells Canyon, embarking on a policy of disposing of publicly-owned resources to private utilities for private gain".

Tax Inequalities: "They gave corporations 73 cents out of every dollar in tax reductions, compared to only 9 cents to persons with incomes of under \$5,000 -- and wrote in more new loopholes for business and industry to evade paying taxes that must now be made up by the rest of the people".

Dixon-Yates Contract: "They railroaded through the most incredible example of special interest legislation ever attempted by our government in the Dixon-Yates contract over objections of both the AEC and TVA, costing taxpayers an excessive \$140 million".

Atomic Energy Bill: "They attempted to pave the way for monopolistic control of the future atomic power industry by a few power and chemical companies by giving them exclusive control over atomic patents developed as a result of billions of dollars of taxpayers' investments".

Public Lands: "They attempted to pass, with President Eisenhower's approval, a bill that would give a small group of stockmen special vested rights in public grazing lands, tried to pass a timberlands exchange bill that could mean piece-meal dismemberment of national forests and crippling of orderly timber conservation, and set up a 'task force' to see what portions of the national parks could be 'given away' to timber interests".

Gas Rate Increases: "They adopted a new rate-making formula that will result in rate increases of \$455 million for one gas company alone, and secured passage of a bill that could be used to free a large segment of the natural gas industry from federal rate regulation -- meaning higher rates for gas consumers and higher profits for gas companies".

"These are but a few of all that could be listed", Senator Humphrey said. "This is the 'big giveaway' -- but it is also the 'big payoff' -- a return for the tens of millions of dollars with which business and industry backed the GOP in the 1952 election".



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