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FREE ECONOMY DOES NOT MEAN 'LAW OF THE JUNGLE' SENATOR HUMPHREY SAYS

A free economy does not mean that the "law of the jungle" must prevail, Senator Hubert H. Humphrey (D.,Minn.) warned last night in an address before the Annual Convention of the National Association of Retail Druggists at Atlantic City, New Jersey.

Senator Humphrey vigorously championed preservation of Fair Trade Laws, and sharply criticized what he described as deliberate Administration attempts to undermine and weaken enforcement of the Robinson-Patman Act.

He described that Act, designed to protect businessmen against price discrimination, as the "Magna Charta of independent business."

"You might compare what is being proposed and happening in our domestic economy with what happens in the international sphere when equitable trade standards are removed," Senator Humphrey said. "Trade agreements among nations do not hinder trade, they promote trade. What is more, they create harmony among nations. And whenever in international affairs one nation or another has broken or dropped its trade agreements, economic chaos has resulted.

"The same kind of chaos can be created in our domestic economy. When the Attorney-General's Committee recommends dropping the Fair Trade laws and weakening the Robinson-Patman Act without regard for the abuses that made these laws necessary, it is inviting price wars and the kind of economic raiding and jungle warfare with which we are all too familiar."

Senator Humphrey said "this trend must be turned back if we are to preserve the private enterprize economy upon which our traditional American economic system is founded."

He declared that the attitude reflected in recommendations of the Attorney-General's Committee in respect to Fair Trade and the Robinson-Patman Act"is being embraced by far too many top officials in Washington these days.

"Not only the small businessmen, but also the consumer, the labor-union member, the farmer, and others are suffering the effects of the whittling away of our protective laws," he charged.

Senator Humphrey said the analogy is "singularly exact" in the case of the farmer and the small businessman.

"Just as the Administration seems to have little regard for whether the small businessman gets a fair price for his goods, the policy on farm prices has sent the American farmer into a period of reduced income and sagging prices," Senator Humphrey said.

He termed the Administration's policies on farm prices and fair trade "a callous disregard for the preservation of the independent farmer and the independent businessman".

"This is not preserving free enterprise -- it is an attack on free enterprise," he declared.

"Those of us who believe that the strength of the United States lies in its independent businessmen and farmers just as much as it does in its big corporations do not think that you are promoting free enterprise or a free economy by destroying all of the safeguards and protective legislation that has been laboriously built up over the years to strengthen our diversified economy."

Senator Humphrey revealed that he has instructed the staff of the Senate Small Business Subcommittee on Retailing, Distribution, and Fair Trade Practices, which he heads as Chairman, to open a two-pronged study of the Federal Trade Commission and the Justice Department's enforcement of the Robinson-Patman Act "to disclose whether the small businessman in the United States is or is not being protected against price discrimination."

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