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COP SPURNS SMALL BUSINESS, FARMER, LABOR - SENATOR HUMPHREY SAYS

The Eisenhower Administration is "loyal to its friends", Senator Hubert Humphrey (D. Minn.), vice chairman of the Senate Democratic Campaign Committee, conceded at a luncheon address today in San Francisco.

"Unfortunately, most of you are not among those friends," he added.

"Small business, agriculture, and labor are not included in the tight circle of special privilege 'friends' to whom the Eisenhower Administration has been dedicated," Senator Humphrey declared. "As a result, they are feeling the squeeze of a tightening economy while big business prospers and grows bigger."

Independent small business, which he described as the "real backbone of our competitive free enterprise system", has faced a difficult "uphill struggle under Republican rule", Senator Humphrey said, adding:

"Business failures for the first four months of 1956 were up 48% over 1952. Business bankruptcies for 1955 were up 61% over the average of the last eight Democratic years. New business starts are 49% below the 1949-52 average. Small business working capital is down 15%. Small business' share of U. S. industrial assets dropped 22% since 1952.

"In fact, the situation has grown so serious that the Eisenhower Commerce Department admits that small businesses starting today have only a 50-50 chance to last two years, and the odds against survival for ten years are four to one.

"I am concerned about this as a small business man myself, but primarily I am concerned about an American wanting to see our competitive

free enterprise system survive. Lip service to free enterprise is hollow, if the right to compete is limited by the tremendous economic pressure of bigness backed by government favoritism on every hand."

Senator Humphrey said that "the 'right to failure' seems to be part and parcel of the GOP way of life since President Eisenhower took office."

"And that right seems reserved for small business, for the farmer, and for working men and women - the real backbone of our economy", he said.

"Here in a nutshell is what has happened to big business vs. small business: profits under the GOP between 1952 and 1955:

"Biggest businesses, with assets over \$100 million, have had a 61% increase in profits.

"Ordinary big business, with assets over \$1 million, have had profits go up 45%.

"But smaller businesses, with assets under \$1 million, have shown a 13% drop in profits, while the smallest businesses, with assets under \$250,000, have been faced with a 52% decline in profits."

Many small businessmen have lost their "lines of credit" with banks which they need to build up inventories and extend credit to their customers as a result of the "tight money" situation created by the Eisenhower Administration's action in "deliberately raising interest rates", Senator Humphrey said.

"As a result, the average business firm today has just as big a stake as farmers and laboring people in getting rid of Republican special privilege in the White House, by electing Adlai Stevenson and Estes Kefauver to work for you instead of for a few."

He declared California "needs the vigorous, progressive voice in the Senate" that could be provided by Richard Richards, Democratic nominee for the U. S. Senate, and called for "a sweeping Democratic victory from the Golden State in November."

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REPUBLICANISM 'TOO COSTLY' TO BOTH FARMERS AND TAXPAYERS, HUMPHREY SAYS

Secretary Benson and President Eisenhower have not only been costly to farmers -- they have been costly to taxpayers too, Senator Hubert H. Humphrey, (D., Minn.) Vice Chairman of the Senate's Democratic Campaign Committee, declared today in an address at a 21st Congressional District "Humphrey Hey Day" Rally at the Lancaster fairgrounds.

"Under the last year of Democratic leadership in 1952, net farm income was \$14 billion. The latest report from the Department of Agriculture, issued September 17, says that it was running at a rate of \$11.6 billion at the end of the second quarter of this year.

"That is bad enough, but taxpayers are getting it in the neck, too -- with no results to show for our public investment," Senator Humphrey declared.

"Secretary Benson has spent more than any two other Secretaries of Agriculture in history -- with less results for farmers to show for it.

"Twenty years of farm programs under the Democrats, from October 17, 1933, to January 1, 1953, cost a total of only \$1,070,000,000 -- and added many tens of billions to our national economy.

"But in just three years and seven months of Republicanism, the cost of farm programs has been \$2,229,514,000 -- and all they have to show for it is a loss of more than that amount in annual farm income."

Refuting Eisenhower and Benson claims that all their troubles were "inherited", Senator Humphrey "called the roll" on Republican farm/costs: program

"In the first half-year of GOP Administration, the cost of farm programs was \$40,000,000.

"For fiscal 1954, the cost went up to \$419 million. For fiscal 1955, it was \$799 million -- and it has never quit climbing.

"For the past fiscal year, with the Eisenhower program in full swing, the cost has been greatest of all -- \$974,767,000 -- almost as much as for the full 20 years under us Democrats.

"Now they are adding even greater costs in an election-year attempt to buy farm votes, by involving purchase programs they refused to consider last year or the year before. It would have been better if they had acted before putting farmers through the wringer, instead of afterwards. They seem more concerned about possible disaster to the Republican party, than about economic disaster to farmers.

"Few would object to the costs, if we obtained any results. But it is too much to ask taxpayers to shell out millions and millions without getting any results. Secretary Benson is too costly to keep on the job -- too costly to farmers, and too costly to taxpayers. And the only way to get rid of him is to clean out the White House by electing Adlai Stevenson and Estes Kefauver," Senator Humphrey declared.



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