

From the Office of  
Senator Hubert H. Humphrey  
140 Senate Office Building  
Washington 25, D. C.  
National 8-3120, Ext. 881

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GOP 'PEACE AND PROSPERITY' TOTTERING ON SHAKY 'BRINK', SENATOR HUMPHREY SAYS

Republicans are tottering "on a few brinks of their own with their 'Peace and Prosperity' slogan," Senator Hubert H. Humphrey (D. Minn.) declared today in an address before a luncheon of the Democratic Women's Forum in the Biltmore Hotel at Los Angeles.

"'Peace' built on hucksterism and wishful thinking instead of facing grim realities with positive action offers little security in a world of increasing tensions and deeply smouldering conflicts", Senator Humphrey said.

"Prosperity that enriches the privileged few but ignores the plight of many in our midst is hardly a solid foundation for our Democracy.

"While the Republicans close their eyes and raise the 'peace and prosperity' chant, there is about the same amount of prosperity in the Middle West where I come from as there is peace in the Middle East", Senator Humphrey said.

"Their prosperity speeches artfully conceal the fact that profits have been concentrated largely on the giant corporations. Their prosperity talk slurs over such problems as the farm slump, chronically depressed areas, hidden inflation, and rising consumer debt.

"Perhaps you folks out here in California are better off than our great midwestern farm areas, but people are realizing more and more that the price squeeze and the debt pinch are not confined entirely to the farm belt."

Senator Humphrey said he was an "optimist" rather than a "pessimist" about the country's economic future, but felt compelled to warn that the rate of our nation's total economic growth was "a better yardstick for solid prosperity than profits of a few industrial giants".

"We'd better keep an eye on the hog and cattle market, as well as on the Wall Street stock market. We'd better make sure our economy is kept expanding at the rate full employment requires, to make sure all share equally in the blessings of abundance.

"While the Madison Avenue merchandisers polish up the beguiling new GOP slogans, the nation's economic growth rate is slowing down.

"In the three years of the Eisenhower Administration, the average annual increase in goods has been under 3 percent, less than half of what it was in the Democratic years 1939 to 1952. Economists agree that a 3 percent growth rate is not enough to meet the country's mounting needs.

"The rate of business failures under so-called GOP prosperity is twice what it was under the Democrats.

"The net number of new businesses springing up each year is only one-eighth what it was under the Democrats.

"But Republicans seem unconcerned. The fewer in business, the more profits for the giants who survive. Mergers and the monopoly trend proceed at a growing pace.

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"While inflationary factors grow larger in industrial lines, the Administration boasts falsely of a 'stable dollar'. Overall buying power of the dollar has been 'stabilized' only by rapid deflation in farm and small business prices.

"The GOP 'hidden inflation' has cost consumers hundreds of billions of dollars. Prices of steel, aluminum and other metals have jumped 16 percent since 1953; machinery and transportation equipment 9 percent; autos 6 percent.

"Rents have risen 11 percent since 1952. Electricity and gas have gone up 6 percent. Other fuels are up 5 percent. Household operations, including such items as furniture, kitchen appliances, laundry, telephone and domestic service, are up 7 percent. Medical care is up 9 percent.

"All of that must come out of the consumer's pocket. The three-year inflation in these five lines alone has added an estimated \$9 billion, 374 million to the bills of U.S. consumers.

"These are the facts which make most Americans ask: Prosperity for whom? Between 1954 and 1955 alone, corporations' income rose 28 percent while the average worker's income rose only 6 percent. Corporation take-home pay was up 27 percent, but the average person's take-home pay was up only 4 percent. Stockholders' income was up 12 percent, stock prices soared 33 percent. Food processors' profits climbed 19 percent. But the farmers' share of the housewife's food dollar dropped another 11 percent, farm prices fell another 5 percent, farmers' income declined another 10 percent.

"Such a lopsided situation could result only from part-time attention to the nation's whole economic problem, and from a one-sided view at that.

"This distorted economic picture isn't any accident. It grows from a revival of the GOP's 'trickle-down' from the top theory, which failed so tragically in the past. It results from abandonment of the Democrats' 'percolate up' principle, which brought recovery and progress through policies that stimulated a constant expansion in the people's purchasing power.

"Today's widening disparities are the product of such discriminatory measures as the Eisenhower tax bill, which gave 73 cents of every tax-cut dollar to the big corporations, only 9 cents to the family making less than \$5,000 a year. It is an outgrowth of the Eisenhower tight money policy, increasing the benefit to the big banker, making the farmer, the small businessman, and the homeowner pay more for their loans."

From the Office of  
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For release, Tuesday A.M.  
March 27, 1956

"COACH IKE" MUST SHARE BLAME FOR FAILURES OF "EISENHOWER TEAM" HUMPHREY SAYS

It is time to look for a new coach when his team fumbles, fouls, and commits reckless errors, Senator Hubert H. Humphrey (D.-Minn.) declared last night in a Jefferson-Jackson Day Dinner address sponsored by San Diego Democrats at San Diego, California.

"It's time the American people awoke to the strange phenomenon of the Eisenhower 'Team' taking the criticism for administrative errors, partisan fouls, and blundering fumbles in domestic and foreign policy, while anything but cheers for the 'head coach' seems to be forbidden," Senator Humphrey declared.

"Even a part-time coach is responsible for what his hand-picked 'team' does, or fails to do.

"The Constitution of the United States says: 'The executive power shall be vested in a President of the United States of America'. The Supreme Court of the United States has held that 'the official acts of the heads of the executive departments are the acts of the President'.

"In every important issue where this Administration has gone astray -- and they are all too frequent for the good of the country -- the faulty direction has come directly from President Eisenhower, or resulted from the vacuum left by his lack of direction.

"If a large section of the press covered political affairs with as much objectivity and impartiality as it shows in reporting sporting events, they would be clamoring for a new coach instead of always blaming the 'team'.

"Let's just look at the record, and read the score on Presidential leadership:

"Secretary of Agriculture Benson has distinguished himself surely as a whipping boy for his chief. No one will argue that he is not a glutton for punishment. No one can say that he is not an unflinching exponent of the traditional Republican Coolidge-Hoover-Eisenhower attitude toward agricultural distress.

"But it is the President, not Benson, who should get the blame. Benson is only a hired hand. He makes that clear himself. From the very start he has insisted 'there is only one view on farm policy in the Executive Branch of the Government, and that is the view held by the President, which I fully support.' So if farmers are fed up with Benson, it is time they put the blame where it belonged -- on Secretary Benson's boss.

"Treasury Secretary George Humphrey -- certainly no relation of mine, I might add, biologically or politically -- takes the blame on his broad shoulders for higher interest rates or other backfiring fiscal policies of this Administration. His influence is so pervasive that he is called 'Mr. Secretary of Everything'.

"But the man responsible for giving the Treasury Secretary extraordinary power is President Eisenhower, the part-time coach of the team. The results show plainly that the Chief Executive has not given anything like full attention to the Nation's economic problems. What attention he has given has been devoted too much to automatic endorsement of the views of his friend George -- the Mark Hanna Co. executive still living in the McKinley era.

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"Seldom has any cabinet member aroused as vigorous opposition and criticism from dedicated conservationists and sportsmen of the country than Secretary of Interior McKay, the man who bluntly told the U. S. Chamber of Commerce that 'we are here in the saddle as an Administration representing business and industry'. Not representing also the farmers, the working men and women, the independent merchant and manufacturer, and the rest of us. Just business and industry -- with the accent on big business. And he has proved he meant what he said.

"But again it is the boss who set the pattern for his hired hand, and gave the green light for McKay's give-away career. President Eisenhower himself labeled his conservation and resources development policies as the 'partnership' approach -- without turning over the coin to show that the powerful private power lobby was the other 'partner'. Where the main interest lies was shown in the shady Dixon-Yates deal, which originated in the White House. How it works is shown in the shrinking of Hell's Canyon to half-size, diminishing the future of a whole region to suit the interests of the Idaho Power Company.

"Of course, Secretary Douglas McKay himself is now getting the GOP give-away treatment he and his boss created. He has apparently exhausted his usefulness as a buffer for Mr. Eisenhower, in the rising tempest over the Administration's so-called 'partnership' policy. McKay has now been picked by the White House as expendable -- and sent out West to run against Senator Wayne Morse. As the Oregon Democratic Chairman said in welcoming McKay to the race, never before did a Cabinet officer take on such a hard and futile work in order to get himself fired gracefully.

"While we are calling roll, we cannot leave out Secretary Dulles and his 'news-stand, brief-case diplomacy! As our foreign policy dilemma lengthens and deepens, the question which daily grows more insistent in Washington is: How, where, and when is our foreign policy made? When do President Eisenhower and Secretary Dulles ever sit down together to explore the multitudinous problems crowding upon us?

"To be sure Mr. Dulles is a hard-working traveling salesman of American foreign policy. The question is, however, when does he have time to decide on the policy he wishes to sell? One day out of every three in the last three years, the Secretary of State has not been available for personal conferences with his Chief.





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