The original documents are located in Box 117, folder "Business Failures" of the Ron Nessen Papers at the Gerald R. Ford Presidential Library.

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SUBJECT:

BUSINESS FAILURES

Situation: Jimmy Carter charged today that business bankruptcies under the eight years of the "Nixon-Ford" Administrations have more than doubled.

Guidance:

This is an example of Carter not knowing what he's talking about. Bankruptcies rose only by 18.6% from 1968 to 1975, due largely to the economic recession. But there were more bankruptcies each year under the Democrats than the peak year (1975) under Republicans.

The breakdown of net business failures:

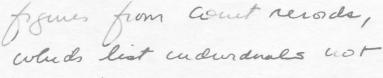
	1960- 15. 445		1968-9,636	
)FK	1961-17,075		1969- 9,154	
	1962-15,782		1970 - 10,748	
	1963-14,374	RMN	1971-10,326	
CBJ	1964-13,501		1972- 9,566	
	1965 - 13, 514		1973 - 9,345	_
	1966 - 13,061		1974 - 9,915	
	1967 - 12, 364		1975 - 11, 432	-

JBS

Ron - This is from Horace Webs at Commence. The fyrmes deffer from Carter's (15, 430 in 1869; 30, 130 in 1875) Tout I don't know when The fort his frame.

THE WHITE HOUSE 9/13/76 WASHINGTON 1000

(arter got his bankingty



Corporatous.

Thus, if a corporation with fire partness goes under, it is listed as 5 bankrupture nother

than one.

We use Durand Bradstreet,

Jan.

which lists caprations and is

a more accurate reflection ,

I'll provably have more later.

MEMORANDUM FOR

JIM CAVANAUGH

FROM

BILL GOROG

SUBJECT:

Carter/Birmingham Speech/Bankruptcies Jimmy Carter spoke in Birmingham, Alabama, this morning and

attacked our record regarding small business. His staff has failed

him again on bankruptcy statistics but rather than getting into an

argument on that score, I would suggest that the press check with

Dun & Bradstreet to get the right numbers They clearly show a

much better scoreboard than in the Kennedy-Johnson years.

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More importantly, we should set the record straight about four more years of Democratis control in the Congress and what would happen if we also had a Democrat President. The Congress has been controlled in forty of the last forty-four years by the Democrats the party Jimmy Carter wants small business to believe is This Congress has given the small businesstheir friend. man more regulation, more taxes, more forms, more control and less freedom The Democrat Congress has pratically strangled the small businessman and Jimmy Carter is pleading for more Democrat control.

Jimmy Carter has proposed over a hundred billion dollars in new spending and where do you think the tax money will come from. He has told people all over the country that individual taxes are too high this can only mean that he proposes new taxes for business small, medium and large

Let's face reality Jimmy Carter is the candidate of the party of Big Government, Big Spending, Big Control and Big. Taxes. When Jimmy Carter proposed a Consumer Protection Agency ... he proposed one more massive agency to hang around the neck of small businessmen.

Let's look at the other side of the record. President Ford has produced solutions to help the small businessman. He has checked inflation through use of the veto to control spending of the Congress. He asked the Congress for an additional ten billion dollars in tax cuts for individuals and businesses They Democrate refused to consider the measure. President Ford asked the Congress to put a ceiling on spending to balance the budget and eliminate deficits... This would take pressure off the money markets and make cash available for the small businessman at reasonable rates... The Democrats refused to act on the measure. The President also asked the Congress to permit small businessmen to pass their estates on to their wives without estate taxes, and he also asked the Congress to permit easier terms for estate taxes for children... To date, no action has been taken.

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The record is not fuzzy, it is clear Jimmy Carters' Party is a threat to the small businessman and the record of the last forty years is proof. A102

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PM-CARTER 1STLD-PICKUP3RDGRAF R059 9-13

BY CLAY RICHARDS

BIRMINGHAM, ALA. (UPI) -- JIMMY CARTER, CAMPAIGNING WITH ALABAMA GOY. GEORGE WALLACE AT HIS SIDE, CHARGED TODAY THAT THE NUMBER OF BUSINESS BANKRUPTCIES DOUBLED UNDER THE FORD AND NIXON ADMINISTRATIONS.

WALLACE AND SEN. JOHN SPARKMAN, D-ALA., MET CARTER AT THE BIRMINGHAM AIRPORT AND ACCOMPANIED HIM TO A MEETING OF SMALL BUSINESSMEN.

"I'M VERY PROUD TO HAVE GOVERNOR WALLACE COME OUT AND MEET ME," SAID CARTER, BEGINNING THE SECOND WEEK OF HIS PRESIDENTIAL CAMPAIGN. CARTER SAID HE WAS THE FIRST DEMOCRATIC PRESIDENTIAL NOMINEE IN HISTORY TO CAMPAIGN IN ALABAMA, BUT "I'M NOT SURE THIS IS A STATE DEMOCRATS CAN TAKE FOR GRANTED IN THE FUTURE."

HE TOLD THE BUSINESS GROUP THAT THE GOP ADMINISTRATIONS WITH "THEIR PLANNED RECESSIONS, HIGH INTEREST RATE POLICIES AND DOUBLING OF BANKRUPTCIES ARE NO FRIEND OF AMERICAN SMALL BUSINESSES.

"THE NUMBER OF BUSINESS BANKRUPTCIES IN THE U.S. COURTS HAVE DOUBLED IN THE PHST EIGHT YEARS," HE SAID. "THIS REPUBLICAN ADMINISTRATION HAS HAD EIGHT YEARS TO DO SOMETHING ABOUT THIS MESS --AND HAS ONLY ADDED TO THE PROBLEM."

HE CRITICIZED THE POLICIES OF THE SMALL BUSINESS ADMINISTRATION, WHICH HE SAID HAVE LED TO "POOR JUDGMENT, QUESTIONABLE LOANS, LOANS TO WEALTHY BUSINESSES AND ELIGIBILITY REQUIREMENTS POORLY DEFINED.

"ALL OF THESE FACTORS POINT TO A SERIOUS INDICTMENT OF BUREAUCRATIC MISMANGEMENT -- AND WORSE," HE SAID.

CARTER'S ALABAMA TRIP LAUNCHED A SERIES OF APPEARANCES IN THE HOME STATES OF HIS FORMER RIVALS FOR THE DEMOCRATIC NOMINATION.

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