

Good Morning, Friends:

While the Senate Foreign Relations Committee debated the question of repealing the Neutrality Act, the Senate passed the six billion dollar Lend-Lease appropriation bill with very little opposition. It now appears that an effort will be made in the Senate to repeal the Neutrality Act instead of considering the bill to arm our merchant vessels as one proposal. Senator McKellar first introduced a resolution to repeal the Act. Later three leading Republican Senators introduced a repeal resolution, and other Senators have indicated their intention of making an effort ^{at} to repeal ~~the Act~~.

Senator Wheeler has given notice that if an effort is made to repeal the entire Neutrality Act, he will offer an amendment declaring war upon Germany. The purpose of this resolution apparently would be to force a show-down with the Administration. Such a resolution would likely be defeated. Even if circumstances otherwise justified a declaration of war, it would not seem fitting that Congress take such a step until the Commander-in-Chief recommended it. The President has not called for a declaration of war, and there is no indication now that he plans to do so. Such an amendment would plunge the Senate into a bitter debate upon the question of war or peace at a time when everybody's energies are needed on our dynamic defense program. Such a bitter debate would undoubtedly leave a irreparable domestic sore and it would lessen the force of the President's acts and words abroad. In these circumstances, the offering of such a phoney proposal would be a pitiful commentary on the irresponsibility which has seized the Isolationist block.

Whether this country is at war now with Germany is a question of definition. Germany hasn't declared war upon the United States, and the United States hasn't

declared war upon Germany. Yet, they are shooting at our ships and we are shooting at their submarines. ^{Every one seems to have forgotten President Roosevelt's statement that condoning silent shooting and shooting was pretty close to war. We are now condoning and there has been shooting.} We are certainly involved in the war economically and

politically. *This is quite a different thing, however, from sending an expeditionary force to Europe.*

On December 10, 1940, Hitler declared that the war was a war between two opposing worlds and that "one of the two must succumb." Thereafter, he suited his acts to his words by overrunning the continent of Europe. But Hitler is not content with one continent. In that same speech, he said that a Nazi Europe could not live in the same world with the Western democracies, meaning Great Britain and the United States. Because of such declarations against the United States and the actions taken against the United States, we have been compelled, for our own protection, to launch an unprecedented program of National defense. There is a wide difference of opinion as to the best methods of defense. President Roosevelt and Secretary Hull and their followers say that we must recognize the complexities, the speed, and the range of modern war, and, therefore, we must place our defense further away from our shores and defend the outpost from which our shores could be approached. The Isolationists say that such a conception of defense and acts in accordance with this conception are steps to war. President Roosevelt and Secretary Hull and their supporters contend that it is vital to our defense that the enemy aggressor nations do not gain control of the sea; and, therefore, the President has given orders to our navy to shoot on sight any enemy submarine or raider within our defensive waters. The Isolationists say that it will lead to more sinkings of our ships and that it is another step

toward war. Thus, the debate goes on here in Washington. Surely, the American people recognize that we are faced by a condition and not a theory.

During the week, it was disclosed that Joseph Stalin, the Russian Dictator, told our representative, Mr. ~~Avron~~^{W. W. Averell} Harriman, that tanks would win the war.

President Roosevelt ordered a doubling of our production of tanks next year.

Tremendous effort is being made to accelerate further our defense program, which is now being hampered by another wave of strikes. The OPM called for an end of

strikes and said that strikes are "the greatest help the aggressors can get in

these days when material on the battlefield is everything." The government

has not acted boldly to bring an end to stoppages of strikes, but the government

is also to blame for not controlling some of the causes of strikes. When companies

are making exorbitant profits out of cost-plus contracts, it is but natural that

the workers in those plants will want a bigger share of these profits. Records

of 33 corporations, which have thus far filed returns with the Securities and

Exchange Commission this year, show that executives' salaries of those corporations

have been increased by more than 10 per cent. When workers see executives' salaries

raised exorbitantly, they quite naturally feel that their pay should be raised also.

Another matter which contributes to strikes is the rise in the cost of living.

A worker's real wage is determined more by what that wage will buy in the form of

food, clothing, and shelter for his family than it is ~~upon~~^{by} the amount of the pay check.

~~As/costs/of/living/~~ As the cost of living goes up, a worker with a fixed income

can buy less and less with his pay check. It creates unrest because of this

curtailment of purchasing power, which brings suffering, deprivation, and a sense

of insecurity. This has a bad effect upon the morale of the people. And add to this the fact that as costs go up, there is much profiteering. Strikes, profiteering, and unrest of the people sap the morale of our young men in uniform who feel that the cause, for which they have been selected and called upon to make so great a sacrifice, should not be used by everybody else for profiteering. Unless profiteering, tax evasion, ⁺ rising costs of living are controlled, the United States can not hope for full mobilization of its strength. The democracies must find a way to mobilize their strength within the framework of free institutions to give an effective reply to the challenge of totalitarianism, or eventually they themselves will be driven to totalitarian methods. The history of the failure of democracies in this 20th century is replete with inadequate measures to meet extraordinary situations - too little, too late.

Our National defense program must be our foremost concern. A vital part of a defense program is effective measures to prevent inflation. After several weeks of intensive public hearings, the House Banking and Currency Committee closed ~~its~~ ^{on Thursday} hearings upon the Administration's Price Control Bill and will begin consideration of the bill and counter proposals in executive session on Tuesday.