

Good Morning, Friends:

From the row that has been going on in Washington for the last week, people must wonder if Congress has forgotten that we are in a terrible war - a war that, frankly, we have not even started to win. The anti-inflation bill has been principally debated not as a war measure but upon the question of rewriting the parity formula in order to place a higher restriction on the application of price ceilings ^{on} ~~to~~ farm commodities.

It is really disappointing to find so many people who not only do not fear inflation but who actually want to see it. Inflation is much like intoxication - exhilarating in its development, but demoralizing and ^{destructive} ~~disturbing~~ in its consequences. A person has only to read the history of the economic collapse of nations which have courted and allowed inflation to ^{know its} ~~come upon~~

^{danger.} ~~then.~~ We must not lose sight of the fact that one of Hitler's weapons of ~~offense~~ is the breakdown of his enemy within. We need and we must have a stable economy in order to ^{put} ~~exert~~ our full force into the winning of the war. >A

drastic rise in the cost of living undermines the morale of a people. It creates unrest because of deprivation, suffering, and a sense of insecurity on the one hand, and profiteering on the other. People with small incomes, who are not engaged in the kind of work which profits from a war, suffer greatly, ~~from rising prices.~~ ^{unusually high} With their limited amount of income, ~~which in many cases has been reduced or wiped out by the closing down of businesses because of~~

~~war scarcities, they must have less food, poorer shelter, and fewer clothes~~ ^{must be their unhappy lot,}

> Billions of dollars have been appropriated for the making of equipment for our soldiers. This causes wages to go up, creates more employment, and there

is more and more money to spend. Instead of there being more and more things to spend money on, as the money increases, which ^{would} ~~will~~ be the normal economic reaction in normal times, we will have less and less things to buy. Aluminum can no longer be used for pots and pans. ~~It~~ It must go for bombers. Steel must be used to make guns and ships and tanks instead of lawn chairs. Metal of all kind is needed for the war. Therefore, we have difficulty in getting fencing wire or metal roofing for our ^{farms} ~~barns and houses~~. As ^{goods} ~~these things~~ become scarce and people have more money, it is quite natural that the fellow who had ^{5 them} ~~it~~ to sell would keep raising his price. Perhaps this wouldn't hurt so bad for luxuries, or perhaps it wouldn't hurt so bad if everybody had more money. But what of the millions of unfortunate people who do not have much money? If we allow this to happen, it means that the man with the biggest pocketbook will get more than his share of the necessities of life, and the person with the least pocketbook will be left out in the cold. As an example, suppose a coal shortage develops - and it may develop before the coming winter is over. Are we going to let the rich man or the fellow who happens to be making a profit or drawing high wages out of ~~the~~ a war job fill his coal bin and live comfortably and snug while those who are not fortunate enough to get a war job or otherwise have more money to spend suffer from cold and deprivation? We mustn't allow that to happen. The Bible says the "poor ~~are always~~ will always be with us." That's true, but as ^{surely} ~~long~~ as they are ^{always} with us we must bear in mind that they are our ^{brothers} ~~fellow men~~. The whole concept of Christianity

and democracy is that we are, to a reasonable extent, our brother's keeper.

We must protect the weak. Yes, we must protect everybody in their rights,

and we must abstrain everyone from wrong. That is what government is for.

If everyone was going to do ~~w~~ right, we wouldn't need so much government.

If no one was anxious to make a profit out of the war or the conditions

caused by war, then it might not be necessary to have price control or wage

control or profit limitations. But human nature is such that all of us want

to prosper. ~~All of us do not particularly want to prosper out of the war,~~

~~but when we see ~~w~~ the other fellow doing better because of the war or the~~

~~conditions caused by the war, we feel no compunction in doing so ourselves.~~

Therefore, it has become necessary to place restraints on all of the people.

~~That is the proper thing to do.~~

If we had placed restraints on everybody when the war ^{first} began, it would have been better than to wait until now. But ~~now~~ it is still necessary, and

the longer we wait, the worse the situation becomes. If Hitler knew that

the United States would have an internal collapse of her economy and an over-

throw of her government because of wild inflation and ^{economic} chaos, he would feel

confident of trampling the Stars and Stripes beneath his dictator shoes.

The leaders of this Nation can not afford to run the risk of losing this

war by an internal crackup here at home. We just must not let that happen.

We can not afford to take the chance of letting it happen. ~~As I said a while~~

~~ago, it would have been better to have done this job long ago, but it is not~~

~~too late. It can not be done as fairly and effectively now, but, nevertheless, it must be done.~~

President Roosevelt had his orders drawn up ^{to control wages + farm prices} and on his desk ready ^{for} ~~to be signed~~ to control wages and farm prices, ^{but he decided to ask} ~~prices of most other commodities~~ ^{congress to act rather than take this unprecedented} ~~action.~~ ^{have already been brought under control.} Immediately upon submission of

the President's message, a fight began in Congress. Perhaps an error of the President was in some degree responsible for the commencing of the fight.

He asked Congress to pass a law for the control of farm commodities, but said he would control wages. Without meaning any disrespect whatsoever

to the President of the United States (~~I have no disrespect for him. I honor him and acclaim him as the greatest leader of in the civilized world that we could possibly have at this time.~~) many people think he has been too

lenient with organized labor and, therefore, Congress should pass a law controlling wages as well as farm prices. ~~A struggle ensued on this point with the result that in Both the House and the Senate bills provision was made for the control of wages and salaries as well as of farm commodities.~~

The House Bill, which was passed on Wednesday, provided that the President could place ceilings on the price of farm commodities but that he could not place a ceiling below either the parity price for such commodity or the highest price for which such commodity sold between January 1 and September 15 of this year, whichever is the highest of the two. It directed and authorized the President to place ceilings on wages and salaries, but he could not place a ceiling on a wage or salary below present wages or below a figure which represented ^a 15% increase since January 1, 1941. ^{under the} ~~There was a~~ bill all ~~some~~ employers of more than eight people are forbidden to make further increases in wages + salaries.

good deal of kick about this particular provision until the fact was shown that practically all of the organized groups had already had this much of a raise in the last two years and that it was really a safeguard for the great mass of unorganized workers whose cost of living has gone up tremendously and who have had no particular raise. Of course, these restrictions did not mean that all of the wages and salaries would go up. It just meant that they could not be kept from going up as much as 15% since January 1, 1941. In other words, it meant that if a fellow had not had this much raise in that length of time, the Government would not keep him from getting it if he could.

The bill contained another provision which would be very beneficial to the farmer. It provided that a floor be put under agriculture commodities at 90% of parity, not only throughout the war but for three years after the war.

If this became law, it would mean an immediate rise in the price of corn,

wheat, and cotton, and some other commodities. *It would mean* ~~The bill further provided~~ *that a farmer would have some* ~~that no employer of 8 or more people should pay any increase in wages without~~ *insurance of getting a reasonable price* ~~for his products through the war and for~~ *the approval of the President.* *3 years after. It would give the farmer something to stand on.*

The farm organizations joined together in demanding that the increased cost of farm workers be considered in parity. All of the farm organizations seemed united on this, and I never knew there were so many - the Farm Bureau, the Grange, The Avacado Pear Growers, the Peanut ~~grow~~ producers, the poultry raisers, the Great Fruit Growers, the Orange farmers, the apple producers, the dairymen - this is only a small portion of them. Literally hundreds of

representatives of these groups came to Washington, ^{to see members of the house} and thousands more

sent telegrams. The President said he was unalterably opposed to this

effort to "change the rule in the middle of the game." He said that farmers

had wanted parity and his Administration had helped to write it into law and

^{It was said that the president felt that he could not succeed with his wage stabilization program, so this became law, and that the whole thing might get out of control again.}
to attain it. In favor of the proposal, the argument was made that farm

labor was getting scarce and high. ^{That} is undoubtedly true. I fear ~~that~~

the government has made a serious mistake in drafting farm boys until the

farm population has been bled white. We are apt to have a serious problem of

production ^{ing} of enough food ~~products~~ next year. ^{Workers have left the farm because of} ~~This has been caused by the~~

draft and ~~by~~ the demand for workers in industrial plants. This is ~~quite~~ a

serious problem, ^{indeed,} But it should not be confused, as it surely ^{has been} ~~was~~, with this question

of rewriting ~~of~~ parity, ~~question~~. The rewriting of the parity formula would not

repeal the draft act nor would it lessen the ^{demand} ~~need~~ for workers in war plants.

The question of providing sufficient workers on the farm and in the factory

can not be handled in this way. Eventually, the government must institute a

program by which it can have some control and give direction to the able-bodied

workers of the country, both in industry and in agriculture. This whole problem

is receiving serious attention in Washington at this time. ^{Of course,}

~~The~~ ^{leaders} Farm organizations now admit that they made a gross error ^{in insisting upon} ~~in~~ a 110% of
^{It was misunderstood.}
parity provision in the original price control Act. Public opinion is ^{now} driving

~~the~~ it out of the law without even a protest being made against it by the

^{people who}
very ~~groups which~~ urged it a year ago. It appears that they are ~~now~~ ^{not}

making virtually the same mistake by insisting upon a rewriting of the parity formula ~~11/11/18~~ at this particular time. *It puts the farmer in a false light. It makes him appear to want to sign it even though it is against his case. It is to the farmers' cause. From a practical standpoint* The farmer would get a better deal ^{without the amendment} under the bill than he will if the President ~~has to veto~~ the bill and sign the orders which are already on his desk. Thereby the farmers would lose ^e the 90% loan provision during the war and for three years after, which would be a ~~11/11/18~~ valuable and effective floor under all ^{of} his commodities. If the President vetoes the bill, it means that there would still be no law controlling wages and salaries, and if he vetoes the bill, it means that farm prices will be controlled anyway, and perhaps at a more disadvantage to the farmer than if the bill becomes law without the rewriting of the parity formula. In the long run, the important thing to the farmer is not that his prices be 10% higher or ^{10%} lower, but that all other groups in this nation be brought under ^{the same} control *which is imposed on him.* ~~the same as he is sure to be controlled.~~ If the nation's wage structure is allowed to go higher and higher and higher throughout this war, the farmer will have a hard time buying the things which he has to buy because once these wages go sky high they always stay that way. It's the farmers' commodities that fall first and farthest. ~~Therefore~~ Therefore, from a long-range point of view and from a practical ^{standpoint} point of view, it appeared ~~to me that it was~~ quite inadvisable ^{rewriting parity} for Congress to insist on ~~this matter~~ at this particular time.

Of course, the situation is aggravated by the gross inequality between the hours of ^{long} work and the ^{hard} income of the farmer as compared with most any other group in America. These inequalities should be erased, but we must remember we we have to look at things as they are and not as we think they should be. ^{My Father used to tell me, "You always begin where you are at."} We can not lose sight of the fact that we are engaged in a dangerous war with an enemy who has avowed our destruction. ~~We therefore~~, we must not sap our strength by fighting among ourselves. After victory, there will be ample time to fight our internal battles.

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It is really disappointing to find so many people who not only do not fear inflation but who actually want to see it. Inflation is much like intoxication - exhilarating in its development, but demoralizing and disturbing in its consequences. A person has only to read the history of the economic collapse of nations which have courted and allowed inflation to come upon them. We must not lose sight of the fact that one of Hitler's weapons of offense is the breakdown of his enemy within. We need and we must have a stable economy in order to exert our full force into the winning of the war. A drastic rise in the cost of living undermines the morale of a people. It creates unrest because of deprivation, suffering, and a sense of insecurity on the one hand, and profiteering on the other. People with small incomes, who are not engaged in the kind of work which profits from a war, suffer greatly from rising prices. With their limited amount of income, which in many cases has been reduced or wiped out by the closing down of businesses because of war scarcities, they must have less food, poorer shelter, and fewer clothes. Billions of dollars have been appropriated for the making of equipment for our soldiers. This causes wages to go up, creates more employment, and there

is more and more money to spend. Instead of there being more and more things to spend money on, as the money increases, which will be the normal economic reaction in normal times, we will have less and less things to buy. Aluminum can no longer be used for pots and pans. ~~X~~ It must go for bombers. Steel must be used to make guns and ships and tanks instead of lawn chairs. Metal of all kind is needed for the war. Therefore, we have difficulty in getting fencing wire or metal roofing for our barns and houses. As these things become scarce and people have more money, it is quite natural that the fellow who had it to sell would keep raising his price. Perhaps this wouldn't hurt so bad for luxuries, or perhaps it wouldn't hurt so bad if everybody had more money. But what of the millions of unfortunate people who do not have much money? If we allow this to happen, it means that the man with the biggest pocketbook will get more than his share of the necessities of life, and the person with the least pocketbook will be left out in the cold. As an example, suppose a coal shortage develops - and it may develop before the coming winter is over. Are we going to let the rich man or the fellow who happens to be making a profit or drawing high wages out of ~~X~~ a war job fill his coal bin and live comfortably and snug while those who are not fortunate enough to get a war job or otherwise have more money to spend suffer from cold and deprivation? We mustn't allow that to happen. The Bible says the "poor ~~are always~~ will always be with us." That's true, but as long as they are with us we must bear in mind that they are our fellow man. The whole concept of Christianity

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The farm organizations now admit that they made a gross error on a 110% of parity provision in the original price control Act. Public opinion is driving ~~the~~ it out of the law without even a protest being made against it by the very groups which urged it a year ago. It appears that they are ~~now virtually~~

making virtually the same mistake by insisting upon a rewriting of the parity formula ~~10/10/10~~ at this particular time. The farmer would get a better deal under the bill than he will if the President has to veto the bill and sign the orders which are already on his desk. Thereby the farmers would lose the 90% loan provision during the war and for three years after, which would be a ~~100%~~ valuable and effective floor under all his commodities. If the President vetoes the bill, it means that there would still be no law controlling wages and salaries, and if he vetoes the bill, it means that farm prices will be controlled anyway, and perhaps at a more disadvantage to the farmer than if the bill becomes law without the rewriting of the parity formula. In the long run, the important thing to the farmer is not that his prices be 10% higher or lower, but that all other groups in this nation be brought under control the same as he is sure to be controlled. If the nation's wage structure is allowed to go higher and higher and higher throughout this war, the farmer will have a hard time buying the things which he has to buy because once these wages go sky high they always stay that way. It's the farmers' commodities that fall first and farthest. ~~Therefore~~ Therefore, from a long-range point of view and from a practical point of view, it appeared to me that it was quite inadvisable for Congress to insist on this matter at this particular time.

Of course, the situation is aggravated by the gross inequality between the hours of work and the income of the farmer as compared with most any other group in America. These inequalities should be erased, but we must remember we we have to look at things as they are and not as we think they should be. We can not lose sight of the fact that we are engaged in a dangerous war with an enemy who has avowed our destruction. ~~Wm~~ therefore, we must not sap our strength by fighting among ourselves. After victory, there will be ample time to fight our internal battles.