September 9, 1945

Good Morning, Friends:

States met on Wednesday when the cannons of war no longer roared. The reconvenig was entirely uneventful except that members seemed generally agreed that the most pressing problem before the government is demobilization. On Thursday,

President Truman sent a very lengthy message to Congress - an exhaustive

13,000 word reconversion blueprint charting 21 steps toward a post-war better

life, and he asked Congress to enact it with all speed. This message was, by and

large, a business-like effort to present to the American people and to the

Congress what his Administration has in mind as a prosperity-promoting program

for the nation's transition to peace and future development.

The President made 21 major recommendations. Here, in brief, is his legislative program.

He wants Congress to pass a bill providing payments of unemployment compensation in a maximum amount of \$25.00 a week for 26 weeks to war workers who become unemployed. This particular program is going to have rough sledding in Congress. For instance, I heard this remark just after the President's message, A member of Congress from Michigan said to another: "Why you can't hire anybody to do anything in Michigan now, and if we start paying them \$25.00 a week, it will just put a premium on idleness." This was one fellows reaction. But there are strong supporters of the program also, who feel that it is absolutely necessary for the nation to maintain a high national income for humanitarian and social reasons, first, but also in order to safeguard the national economy with its tremendous national debt burden. At present, it appears to me that this particular part of the President's program has little

chance of passage.

Next, he recommends that the minimum wage rate of 40¢ per hour in the Wage and Hour law be raised substantially. He said that even when the law was passed, 40¢ an hour was inadequate and it has now become obsolete. Sentiment on this proposal has not yet crystalized, but what indications there are here that when and if it comes to a test in Congress, the minimum wage rate will be increased.

The President asked also for an extension of the Second War Powers Act, which expires on the 31st of next December. In making this request, he promised that only such powers as necessary to stabilize the economy would be used. Congress, in my opinion, will be quite reluctant to extend the War Powers Act. Perhaps it will be necessary to give to the President continuing authority to prevent inflation and otherwise to use the powers of government to mitigate the inequalities and inequities of the reconversion program. But I hear one member after another saying - and it sounds good to me to hear them say it - that since the war is over, Congress must begin to recapture for the people the powers which have been voluntarily given to the Executive branch of the government, including the army and navy, during the war period. Now that the war is over, it can be said, in fact, that we have been living under a quasi-economic dictatorship by consent. The government has been telling us what we could say over the radio, what the newspapers could write, what we could eat, what we could buy, what we could sell, where we could go and what we could pay for what we wanted. To put it that way, it sounds

at first whought.

quite uncomplimentary of our system. But, in fact, it is an evidence of the efficacy of a government of the people. During this period of unparalled emergency, this government of the people found a way to meet the total authority possessed by the governments of our enemies. This concentration of power in our government in Washington has been used well. The nation's economy has been preserved, the war has been won, and the w cost of winning it has been lessened by these controls. The millions of our men in the army and navy have been supplied with food, and our allies also have been given liberal allotments. These things would not have been possible except for rationing, conservation, and anti-hoarding programs here at home. The President recognized and said in his message that the controls over our national economy should be released as soon as possible, and he will certainly find that attitude reflected and grant greatly magnified by sentiment in the Congress.

authority to reorganize the government. Every president since I can remember has asked for power to reorganize the government. Only limited authority to do so has been given to any of them. Undoubtedly, the whole government's structure needs to be oreorganized. And at first blush, one wonders why Congress would hesitate to give that authority. The reason for Congressional hesitancy on this is that they have certain agencies like the Interstate Commerce Commission, the Federal Communications Commission, the Maritime Commission, and many other agencies which Congress itself has created and which they do not wish to see disturbed in any way. Perhaps there is merit

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in this feeling, but there is no way to eliminate duplication of effort, overlapping of authority, and multiplicity of Federal bureaucracy except in a thorough organization and rationalization of the governmental structure. But it looks doubtful now that Congress would pass the reorganization bill requested by the President.

The President recommended passage of the full-employment bill. This bill would make it the policy of the government and the Congress that the government was responsible for making a job at a decent salary available to every worker in the United States who wanted a job and who was able to do one. This is a long way from the original conception of the government's obligation to the citizens thereof. Someone said that there was once a time when the citizens felt responsible for his government, but that now the government was undertaking to be responsible for the welfare of each and every individual citizen. This bill, declaring such a policy, may well pass Congress, and perhaps it is wise. Perhaps it will be recognized as a step forward in social betterment, as a broadening and a progressive definition of the terms * opportunity of "equality" as used in our fundamental law. But the country shouldwell recognize the meaning of such a program. It is another step toward socialization of the American economy. I do not use this word "socialization" with any intent to frighten someone away from what may be a worthwhile program.

* Catch phrases and boogey labels play entirely too great a part in American
life. Certain words and phrases become either popular or unpopular

or "slum clearances" as examples of popular phrases. Such words or phrases a labeled may mean one thing to one fellow and something else to another and still something else to the person who uses them. But, hevertheless, most of the analyses for whomash calch phrases. We should government programs are labeled one way or another. I have long since ceased to be influenced by what somebody else labels or calls a program or proposition.

The better way is to look at the thing square in the face and be for or against it on what it is and not what somebody else says it is.

The President recommended that the Congress take immediate steps to implement the support of agriculture prices. This is indeed one of the most important points in his message, because some prices of agriculture commodities will need support immediately. You will recall perhaps that Congress passed a bill guaranteeing support prices on every agriculture commodity for which the government called upon the farmers to increase production. These floor prices are guaranteed max to the farmers by this law for two years after the war ends. I hope you listeners will pardon me for saying that it is the pride of my Congressional career that I was the author of this proposal. As I said a moment ago, it will soon be needed. For instance, the Army has entered into contracts for large amounts of both dehydrated white and sweet potatoes. Most of these orders have now been cancelled. This leaves the potato farmers in the predicament of having complied with the request of their government to increase their production of potatoes and then a little later having the agency of government which had been purchasing those pro potatoes cancel their Agriculture for instance, will have to step in and support these prices through purchase, through loan, through distribution, or whatever other means are available. It is isolated instances like this in which the program must be put into effect immediately. It is not thought that it will be needed on most of the basic agriculture commodities like meat, grain, cotton, and tobacco. The ARRESTMENTS is maded, through, if means the masses is maded, through, if means the masses is maded.

The President recommendation included requests that Congress act upon the Veterans's Administration request for a remaining that it is included requests that Congress act upon the Veterans's Administration request for a remaining changes and provisions for reemployment rights, medical care, loans, education, life insurance, social security coverage, and allowances for specific injuries. With this request, I think the Congress will comply readily.

The legislative program that President Truman has put before Congress will certainly give the country (s lawmakers a busy fall. What Congress and the government do between now and Christmas will fix the pattern for reconversion and the future economy of the country. What we do or do not do may well decide period of whether there shall be a/runaway inflation such as followed World War I and another disastrous depression. Surely the country has learned its lesson. Surely, a country that has mobilized its strength sufficiently to win unconditional surrender from her mighty enemies, now that peace has come, can keep her eyes on the road and her hands upon the wheel.