

WSM, SUNDAY, APRIL 14

Good Morning, Friends:

Both the House and the Senate have been wrestling with one of their most vexatious problems -- extension of the draft. No one likes to vote for a draft bill. It is certainly not a pleasant thing to do but Members of the House and Senate, or to put it more briefly, Members of the Congress, are up against hard reality.

Our military leaders say that they do not have enough forces to fulfill the commitments which our nation has made. ^{without extension.} General Eisenhower, General Marshall and President Truman had repeatedly asked that the Selective Service Act be extended.

On yesterday the House of Representatives acted and the Senate is expected to act within the next few days. Just what form the bill will finally take is yet to be determined, since the bill pending in the Senate differs in some very material respects from the House Bill.

^{Some} Members of Congress feel that it would be preferable to wipe out all deferments because of occupation rather than to continue drafting 18 and 19 year old boys. Many others feel that if service in the Army is made sufficiently ^{financially} attractive that an ample supply of volunteers can be obtained. Still others feel that it would not be fair to the men who served in the Army during the war in the fox holes and on the firing lines at fifty dollars a month to now raise the pay for ~~any~~ service in peace time. Some Members think that the draft should be extended, ^{as} ~~if~~ is, for 12 months; others think it should be for 9 months and there is another large group who think that the law should be extended but that all drafting

should be held in abeyance until fair trial can be given to the voluntary system.

Out of these varying and conflicting viewpoints will eventually come a compromise. Indeed, all legislation is compromise. One seldom has an opportunity to vote for a bill which is exactly as he would have it or to vote against a bill that he opposes one hundred percent. In other words, a bill which contains much good may, and in most cases ^{does} will, contain some features which one does not like. *This will be the case of with the draft extension.*

The Senate passed the Administration's veteran housing bill and to the surprise of many Members of the House who vigorously opposed subsidies to the low cost producer, the Senate agreed to this and now the House and Senate are at ^{loggerheads,} the House having passed a bill without housing subsidies. In a case like this, a Conference Committee is appointed to try to work out a compromise which in turn must be approved by both the House and Senate before it can become law. Identical bills -- word for word, I for I, and T for T -- must pass both the House and Senate before it is legal legislative enactment.

The incentive payments or subsidies, which ever you want to call them, ~~are~~ are proposed to be used to increase production of building materials. This method was used during the war to increase production of copper. Of course, the government could have increased the ^{production} ~~price~~ of copper by increasing the price ^{to copper pro} of all, but the large and efficient producing of copper mines were already making a handsome profit. In order to bring the marginal mines, the high cost producing mines, into production, the government chose, not to increase the price for everyone thereby ~~in~~ greatly increasing

the cost of copper which the government was buying for war purposes, and thereby also giving exorbitant profits to prime producers of copper, ^{but} to pay a production premium to the high cost producer. In the same way, we increased ~~in the Senate~~ the production of oil during the war by paying a subsidy ^{to} on the producer ^{from} of stripper wells, marginal producing units.

In housing, our prime need is for an increased production of building materials. Everyone is agreed on this. The controversy is over how to do it. Some Members advocate doing this by increasing the price of building materials. Others say, no, the cost of building is already too high and the large producers of building materials are making a ^{good} profit at present prices; so, instead of increasing the price of building materials, let the government pay a production incentive to the low cost producer, such as, the small saw mill at the head of the creek, and thereby increase production ^{but at the same time} by holding the price of building materials down to within reach of our homeless veterans.

This is a good argument but the irony of it is that the cost of building a house ^{me} is already beyond the reach of a large percentage of our veterans who ~~didn't~~ had no opportunity to earn big money during the war. *It wouldn't do them much good to raise the price still higher.*

Since the House acted, denying these subsidies or production payment incentives, the American Legion and other veteran organizations have put their tremendous force behind the subsidy program. This may be one explanation why the Senate voted for it and the House against it. The chances are now that the House will agree with the Senate. We will know in a few days.