

G. M. Friends:

Worn Feb. 16, 1949

the two major developments  
of the wk in Washington  
concern the legislative  
Budget and President  
Truman's nominee for  
the chairmanship of the  
Atomic energy com, Mr.  
David E. Lilienthal.

Woodall  
Murray  
a Mrs. Perkins  
I am a member of the  
Joint House and Senate  
committee that recommends  
legislative budget to  
the congress, and I can  
assure you that the arguments  
~~that have been put forward~~  
have been frequent and  
sometimes hot.  
Adaptation of legislative budget  
is a new procedure



for Congress that  
was ~~was~~ a part of  
the congressional org-  
act of last year. Prior  
to that time Congress  
had gone about making  
appropriations for various  
governmental functions  
~~with~~ - sort of piecemeal  
like - without any overall  
aim or purpose. In other  
words, we would ~~start~~  
~~to~~ consider individual  
appro. bills without any  
~~fixed purpose of~~  
relationship to an overall  
estimate of the maximum  
amt. of money that Congress  
could or should judiciously  
appropriate. Then, on the other



hand, we would  
proceed to pass tax  
bills without knowing  
how much money we  
would spend. In such  
a helter-skelter manner,  
Congress had no fiscal  
policy, no ~~means~~ fixed  
plan or means of developing  
one, and no way of  
following it if there was  
one.

To remedy this  
situation, Congress last  
year passed a reorganization  
act and provided that ~~each~~  
at the beginning of each  
year, the two house com's  
and the two senate com's



in which <sup>consider and</sup> recommendations  
to the congress both  
appropriation and  
tax bills should  
meet jointly and  
~~recommend~~ consider  
the President's budget  
and recommend to  
the congress ~~as~~ a  
budget or over-all ceiling  
on ~~an~~ expenditures and an  
estimate of the amt of  
~~taxes to be levied~~  
Revenue to be raised.  
~~many faults~~  
This procedure ~~in~~ and  
at least give to congress  
some sense of purpose +  
policy - a goal to shoot at



in both the raising of Revenue  
and in the making of  
appropriations.

~~Well # P~~

Upon the convening  
of Congress, Pres. Tamm  
submitted a budget in  
which he recommended  
the appropriation of \$37½ B  
and <sup>in order to balance the budget</sup> he recommended  
that taxes remain at  
the present level. ~~in order~~

The Republicans promptly  
announced their purpose  
of making heavy cuts in both  
appropriations and taxes. The  
joint Senate - House legislative  
committee ~~has now met~~  
on last Friday and recommended  
a cut of 6 B in the Pres budget.  
This ~~cut~~ recommended cut



includes a large cut in  
the army + Navy funds. The  
cut is so drastic that  
Gen Geo Marshall, sec of State,  
said that it would make  
occupation of Germany  
+ Japan impractical.

I think it would  
be a mistake to consider  
this legislative budget  
as meaning too much. The  
real rub will come  
when the regular appropriation  
bills reach the floor. Some  
members will then consider  
the legislative budget as  
more or less like a new  
year's resolution - a good  
general aim or goal, but



with ample room for  
exceptions — amply flexible, for  
instance, to allow appropriations  
for rail defense or pet projects.  
Politically, however, the  
legislative budget is fraught  
with much meaning — If for  
example, the Republican  
Congress lowers taxes to  
put a much reduced budget  
only later to ~~raise~~ exceed  
the budget in making  
appropriation bills — the  
Democrats will make  
much of it, accusing  
the Republican of failure  
to balance the budget,  
the breaking of another promise,  
etc. So, you see, the tussle  
about the budget, taxes and  
appropriations has only begun.



Now, I can understand  
<sup>some of</sup> those who oppose Mr. L.  
because they consider him  
a new Dealer. True, this  
is a vague charge against  
the man, but it at least  
is a frank statement of  
political opposition for  
political reasons. They just  
do not trust a man who  
was ~~discovered~~ appointed by  
the late Pres. R. to head  
~~one of the~~ a far reaching  
govt. exp. in regions  
development. I in no  
way concede that  
this is a fair test of



This question, however, is ~~secondary in~~ *has been*

*all this has been*  
~~Washington to~~ *the fight over* the hot question of the nominations of David E. Lilienthal by  
President Truman be ~~a representative and~~ *to* chairman of the Atomic Energy Commission.

The opposition to Mr. Lilienthal has mushroomed within the last few days. The  
opposition comes from at least three ~~distinctive~~ *general* sources. One ~~from~~ those who  
have a personal dislike of Mr. Lilienthal and his kind. Second, those who opposed  
Mr. Lilienthal because he was appointed by the late Franklin D. Roosevelt. Third,  
~~by~~ those who are so firmly opposed to the ~~the original~~ *public ownership of* job of productive utilities  
that they opposed Mr. Lilienthal because ~~he was~~ *as* head of the T V A ~~was~~ *he* not only an  
~~an~~ ardent advocate of public ~~ownership of~~ *but an* utilities ~~for~~ effective practitioners of  
*what he preached.*  
~~his theories.~~



the man's fitness for  
the position to which  
he has been nominated,  
but, <sup>thin as the ice,</sup> those who oppose  
him on this ground are  
more forthright than those  
who by innuendo  
challenge his patriotism.



Some of them have even gone so far as to ~~say or~~ insinuate that Mr. Lillenthal was born of the wrong parents or wrong kinds of parents, <sup>even</sup> It has ~~not~~ been mentioned that his parents came from Europe and a particular place in Europe. <sup>thereby</sup> ~~This~~ <sup>ing</sup> calls attention, national attention, <sup>man</sup> to the race and the religion to which Mr. Lillenthal belongs. There are many people who, of course, distrust anyone who is born of parents ~~in~~ not native Americans. There are others who distrust any man who has a religion distinctly different from his own and to speak far bluntly, there are those who dislike Mr. Lillenthal because he is a Jew. It has <sup>even</sup> been said by one Senator that Mr. Lillenthal is a Communist, <sup>and</sup> by other Senators it has been said that Mr. Lillenthal has been flirting with Communism. Both of these Senators, Bridges and Wherry since have said that they did not want to enter into the argument as to whether Mr. Lillenthal was a Communist, ~~but they want~~ <sup>but they wanted</sup> did not want <sup>Some are</sup> about whom there was a question.



Well, ~~one can admire the unwillingness of these senators to enter into an argument because heaven knows, they are not to consider arguments, putting into the very phraseology of a statement,~~ *But the very thing* is calculated to portray to the public the idea that they consider ~~handling~~ *there is* some question. They say they do not wish to enter into argument. They think ~~someone should be appointed, however, unless there is no question.~~ *about whom* Well, that being the case there is some question about Mr. Lienthal's Americanism. What is that question? The ~~question has been recently, that he was a Communist.~~

~~Now let us consider that for a moment.~~ I have known Mr. Lienthal personally for ten years ~~as~~. He has been before my committee in Congress numerous times. I have had an opportunity to observe and study, not only his opposing actions, but his personal ~~dis~~ demeanor. Frankly I would stake my life on his *genuine* Americanism. I have no *more* doubt of his patriotism than I have of any other American citizen.



What has Mr. Lilienthal been doing these last fourteen years? He has been doing the job he was selected to do, administering and directing the operations of a huge governmental ~~experiment in~~ <sup>undertaking</sup> natural development. How well he has ~~done~~ <sup>done</sup>, has been attested to, by not only ~~his~~ <sup>the</sup> success of TVA program in its local environs, but by its acclaim throughout the United States and by the fact they many governments of the world have sent observers to the Tennessee Valley Authority for the study and guidance for more progressive development and utilization of their own natural sources. Why should this mans patriotism be questioned?

I do not know unless it would be for political reasons, It ~~has~~ <sup>is</sup> a curious twist of fate that a man who has ~~contributed~~ <sup>been</sup> so useful not only in peace but in war should now be branded as a traitor to his country. One reason . . . . .  
 . . . . . like this could appear



David E. Lilenthal has this particlhar job or whether he does not. But the test will be an epoch in Congress. It is a test of the strength of our system to overcome ~~intolerance~~ intolerance, hatred, bigotry and malice, supersition and littleness. I am not a personal advocate of David E. Lilenthal but I am

an advocate and a ardent one of his right to <sup>every</sup> an American citizen, to have <sup>right</sup> a good <sup>protection of his</sup> name and is loyal to his country, protect him against <sup>evil gossip and false charges, the</sup> ~~evil~~ justice. I am an

~~advocate also of David Lilenthal right and of every American's right to be .....~~

<sup>right to be considered</sup> upon his merits, for what he is, and not be besmirked and derigated <sup>and</sup> because of what his parents name, religion or place of birth might be.