HON. KENNETH S. WHERRY USS from Nebraska National Paper Box Manufacturers National Paper Box Manufacturers Nation, Incorporated Walforf-Astoria, New York May 16, 1949 11 A. M.

I. INTRODUCTION

Mr. Chairman: It is a pleasure for me to be here and to discuss with you some of the things that are going on in Washington.

As Chairman of the Senate Committee on Small Business, during the 80th Congress, I met many of you personally. We battled together to free industry from Government controls.

You have come to New York to discuss mutual problems to counsel together. For all of you, I wish a profitable, inspiring meeting. But you must be deeply concerned — as I am — over the constantly rising cost of government government getting bigger and bigger; threatening advances of Socialism and the immediate prospect of return to sky-high, war-time tax rates, — or printing press money, — or both. The question is universally being asked, "Will

2 -

Socialism be our children's heritage?"

My answer is: it will be unless all our people who believe we have the best country on earth get busy and do something about it.

Too many of our citizens are not reacting to the dangers that confront us.

They say -- "Oh, it can't happen here", -- but it is happening here. We have already taken several steps across the line into national socialism.

As a member of Congress, it is my duty to give the facts as I see them. I have enlisted for the duration, and shall continue to fight the growing cancer of Socialism to the best of my ability -- on and off the Floor of the Senate. We hear much talk about the cold war with Russia. But right here — within our own borders — we are engaged in a cold war for the preservation of our republican principles of Government.

My fellow-Americans: If we don't win this cold war against Socialism - America will become weak and prostrate. America will vanish as a bulwark of freedom. It is just that serious.

II. PRIVATE ENTERPRISE VS. SOCIALISM

Socialism and representative government will NOT mix. There can be no compromise.

One or the other will be destroyed.

One is wrong and destroys confidence; the other is right and inspires confidence, -- invention, -- and production. One is compulsion -- the other, freedom.

- 3 -

of the nation's economy. It is based upon blueprints drawn up by a small ruling clique for the many. To carry out their nefarious schemes, the disciples of Karl Marx always move toward centralized power, then compulsion, and, in the final stages -- toward violence.

Always, the radical planners in Washington pose as humanitarians. They offer security, -- abundance, -- and happiness, but they gloss over the financial cost and the shackles imposed upon our freedom.

We have got to call a spade a spade. We have got to meet this issue head on -- right here on our home grounds.

Oh, yes, we are called mossbacks, - reactionaries, -and ostriches. But we are fighting for freedom of choice, -freedom of opportunity, -- and to fight for freedom is to be a liberal, -- a progressive, -- in the best sense of the word.

- 4 -

Socialism is government ownership and management

In yielding to the pressure groups and special interests, the more radical masters of White House policies seek to pile upon the backs of the people unbearable burdens. These restrict the people's liberties, - restrict their opportunities, - and certainly restrict their freedom of choice.

These medicine men brazenly utilize patronage, and money out of the public Treasury.

Recently, however, the order of the day has become -

Do as we tell you or you will have no patronage. Do as we tell you or we will defeat you the next time you come up for re-election.

Oh, yes, these medicine men tie up their package in pink and blue ribbons; -- they give us sugar-coated pills;-but they always shy away from the costs.

- 5 -

Reliable estimates of the dollar cost of the social welfare programs promised by the President, computed over a 50-year period amounts to one trillion, 250 billion dollars.

Fantastic? Yes, but it is true.

One trillion, 250 billion dollars. It is almost beyond comprehension.

One trillion, 250 billion silver dollars would make seven stacks reaching to the moon, with enough left over to pay all taxes for 1948 and pay our entire national debt of a quarter of a trillion dollars.

With due respect and kindness in my heart, I say: "Come home, Mr. President. Come home. Cast aside that radical clique of advisers. They are taking our country down the road to idle factories, - to unemployment, - and to hard times. Yes, down the road to bankruptcy and ruin."

-- 6 ---

III. THE RECORD

A. Public Housing

Already, the Senate has passed a bill to have the Federal government subsidize building of private homes --810,000 of them in a period of seven years, -- at a cost of more than 12 billion dollars.

Some idea of the magnitude of the obligation, assumed by the Federal Government, is made apparent when I tell you there are ten million families in the United States having incomes of less than \$2,000 a year, -- and 4 million with incomes of less than \$1,000.

When the 810,000 are satisfied, the next group will come in and ask for free homes. That group is already knocking on the door of the White House, asking for free homes. Where will this stop?

These Socialistic Doctors always talk slum clearance

to sell their program of controlled housing.

Well, we are all for slum clearance, but slum clearance is the responsibility of the local and state authorities. The showing of civic pride by the administration of all cities, together with proper building codes effectively enforced, would end the slum problem. That is the right, and the only approach to these

local problems.

B. Rent Control

The Senate has already passed a rent control bill. It goes in the right direction by its provisions for home rule. That is — the right of states and local communities to decide for themselves as to whether rent control shall be abolished in their respective areas.

But the provision for a "fair net ope rating return" is an unjust invasion of the human right to own property.

- 8 -

It allows no return on investment, and no return on the initiative and enterprise that go into the cost of the dwelling. It allows only, a fair return for managing and operating the property for the use of others.

This is confiscation! This is national Socialism in action!

C. Socialized Medicine

Socialized medicine: Under the Administration's proposal, 750,000 doctors, -- nurses, -- and hospital attendants would become employees of the Federal Government. Thousands upon thousands of Federal employees will be added, to check up and snoop into, the confidential relationships between the people and their family doctors. The price tag: 10 billion dollars annually by 1960. But, that is only part of the cost.

Add to that the corrosion of the humanitarian spirit,

- 9 -

of those engaged in the medical profession, - their initiative and skill that has given America the best health record of any nation on earth.

It will destroy voluntary group health programs in which 50 million people are now participating. These group health programs are cheaper and better, -- by every test, than the alien scheme presented to Congress.

In a Capitol corridor a few feet from the main entrance to the Senate Chamber is a statue to Crawford W. Long, the Georgia physician who discovered the use of sulphuric ether as an anaesthetic in surgery in 1842. The pedestal on which the statue stands, bears these wo ds of Doctor Crawford:

"My profession is to me a ministry from God." This is the spirit that inspires and encourages us to battle the alien-minded planners, who would have the Government at Washington manage the lives of our people from cradle to grave.

D. Federal Aid to Education

Federal aid to education: The Senate has passed a Federal aid to education bill. Here is another deadly intrusion of the Federal Government into the lives and rights of the people.

-- 11 ---

Education is a family - local - State - responsibility; close to the hearts of fathers and mothers. All through tht years our people have jealously safeguarded their schools against encroachment by political bodies. We cherish our schools as a cornerstone of our freedom.

The 300 million dollars a year authorized is merely a starter. Once the Federal Government gets its foot in the door, the appropriations will grown, - and grow, - and grow, - and grow. Step by step, the bureaucrats will clamp a common mold upon the teaching in our schools.

the supervision of the parents. When the minds of our children are controlled in Washington - God forbid - the last act in the tragedy of lost freedom will be over.

Socialized medicine; -- subsidized homes; -federalized schools; and yet the President is not satisfied. He wants more power -- the power to issue edicts putting ceilings over prices and wages; -- floors under prices and wages; -- power to regiment and control the farmers and make them beggars of federal subsidies; -- power for the President to build and operate factories and mills -- power, power, and more power for his little group of medicine men in Washington -- commissars -- to do the thinking and planning for 150 million Americans.

All together it is a program to make every segment of the population dependent upon favors of the Government --- a

- 12 -

We want our schools to be under home rule -- close to

Program to buy votes that they might perpetuate themselves in power.

IV. FINANCING SOCIALISM ABROAD

While the Administration plunges by leaps and bounds into national socialism at home, it professes vigorous opposition to Communism abroad.

In reality, the Administration blows hot and cold, in its cold war against communism. It professes firm opposition on one side of the world — in Europe. And in the Far East it offers only a weak, — fake, — vacillating opposition in China.

The foreign policy of this Administration is apparently based upon double standards.

For my part, I abhore totalitarian government of any variety. But, the State Department, in this respect, is leading a double life. It opposes government controls in some countries and sanctions them in others.

- 13 -

diplomatic recognition, with exchange of ambassadors and all the incidental amenities. But for Spain, whose government has stood firmly against communism, the Administration gives the cold shoulder.

Secretary of State Dean Acheson says - Spain must change its kind of government, before he will consent to an exchange of ambassadors. This is a radical departure from traditional American foreign policy.

The historic policy of the United States on recognition of other countries has been to make certain they have stable governments and that they keep their promises.

It has always been maintained that no conditions or interference should be imposed in the domestic affairs of other countries. That is the policy that has been declared and applies in the E. C. A. participating countries.

Dictatorships of the Russian variety are given full

socialistic Britain and France - Mr. Acheson asserts the United States must not interfere with their domestic policies, or the domestic affairs of other E. C. A. participating countries.

In the distribution of E. C. A. money and goods in

But when it comes to Spain - Spain, a target for the communists -- the Secretary arises in his majesty and says Spain must change its government.

In 1939, fifty-two countries, including the United States, recognized the Franco government. We maintained an ambassador at Madrid until 1946. If we then recognized Spain, after her devastating civil war and her fight against communism, as being a stable government, -- does Spain not how have a stable government?

The General Assembly of the United Nations in 1946, at the behest of Soviet Russia -- with the United States

- 15 -

tagging along -- adopted a resolution calling for the withdrawal by United Nations members of their ambassadors and ministers to Spain. It was a fraudulent piece of international politics, maneuvered by the pro-Communists.

The General Assembly recently made an effort to rectify that mistake. A majority of the nations voted to approve a resolution giving each United Nation member full freedom of action with respect to diplomatic relations with Spain.

The United States abstained from voting. That was an act of cowardice. Did the pro-Communists in the State Department gag the United States?

Think of it! The great and mighty United States of America, hiding and abstaining from a vote in the United Nations!

Spain is not a signer of the North Atlantic Treaty. And yet, should there be a war of aggression against Western Europe, Spain would be of great strategic military value.

Great Britain and France openly profess aloofness toward Spain, perhaps to placate the communists and other radicals within their respective countries. But Britain and France at the same time diligently develop their trade with Spain. Britain alone did 500 million dollars in trade with Spain last year.

Secretary Acheson, with President Truman's approval, insists the United States must ostracize Spain - a policy quite in line with the purposes of the left wing crowd in the State Department.

The Administration's policy toward Spain must be pleasing to Soviet Russia and its fifth columns around the world, but it is unfair to Spain, against our national security, and against our trade interests. And it is in violation of historic United States foreign policy. Our record with Spain is a blot on our foreign policy. But the most tragic chapter of all is the blundering, -inept, ill-conceived policy, -- that has been applied to China. It is the blackest chapter of them all.

The friendship between the United States and China is traditional. The attitude of our people toward China through the years has been one of deepest sympathy for her desperate conditions. China has looked to the United States for light, - and for moral and spiritual support.

China, along with other nations, was sold down the river.

Step by step our historic, -- friendly, -- moral interest

- 18 -

in China has been whittled away. Today, -- we are reaping the whirlwind. China is under the communists' heel, and is a bridge for further conquest by the Red Tide.

Our position in China, as well as in the entire Pacific, has been jeopardized by the appeasement of Russia -by our own incompetence -- and by our failure to support the just rights of China.

When the Communists first launched their attack upon China in the north, we were surfeited with propaganda that it was a genuine uprising of Chinese agrarian socialists.

When the Communists, -- directed by Moscow, -continued their advance, President Truman sent former Secretary of State Marshall to China to obtain a coalition government. Poor- desperate -- China. Under the direction of our President, the nationalists were called upon to take the communists to their bosoms. All history shows such a coalition could only result in complete communist control.

This Administration literally wrote off the Nationalist Government. Not even tokens of moral support were given. To every cry for help, the Administration maintained stony silence.

The record disclosed - sabotage by underlings -delays and temporizing - rifles and machine guns without ammunition -- critically-needed gasoline for Chinese aviation held up during crucial stages in the war.

What of the harvest?

Today Korea, - Formosa, - the Philippines, -Burma, - Japan, - and other areas of the Far East anxiously await for their date in the communists' timetable to come up.

Many, many -- months ago, -- the War Department sent Lt. General Albert C. Wedemeyer to stricken China. There was then time for the Administration to give effective aid to China in resisting aggression. He made a study and it was based upon his expert knowledge of military strategy and tactics.

His report was never made public. All pleas on the floors of Congress and elsewhere were turned down, with a curt statement that the report was top secret.

The Wedemeyer report should be made public. No useful purpose can be achieved in keeping it secret. The people are entitled to know the facts; -- the people shall not be denied. The truth will come out some time. The people should know General Wedemeyer's recommendations.

It is this zig-zagging, - hit or miss, -vacillating foreign policy that causes concern among our people, as it drains our national resources. The untraditional and obvious conflict of policy regarding Spain and Russia; -the bungling and fumbling on China; -- the avenues of conflict in policies within the countries of Europe, arouse suspicion that our foreign affairs are in shaky hands.

Congress has been by-passed and policies have been instituted without the advice and consent of the Senate. Apparently the only time that the Administration consults Congress on foreign affairs is when more money is needed. Under our system of government, foreign policy is supposed to be made jointly by the President and the Senate. The President has no Constitutional power to obligate the United States without the advice and consent of the Senate. Congress and the people ought to have something to say about peace with Germany and Japan.

Whatever agreements are reached at the Four-Power Conference in Paris, this month, should be submitted to the Senate for ratification.

Germany surrendered unconditionally but that does not give the President power to determine what the peace terms with

- 22 -

Germany shall be. The people and the Congress of the United States must not be by-passed by this Administration.

Can it be that an Administration which harbors so many pro-communists in its own household is incapable of distinguishing between the virtues of our free enterprise American system and the Communism that has spread in other parts of the world?

The North Atlantic Treaty's declared purpose is to band the nations of Western Europe with the United States for mutual assistance in the event of attack upon any of the signatory powers. But before the Senate votes on this treaty, the membership should debate it thoroughly — the country should weigh it carefully.

All the implications and ramifications of the treaty must be thoroughly explained. We want to know exactly how far the Truman Administration intends to go in providing arms and ammunition for treaty adherents. Military experts should give their testimony.

We must know what the cost is to be.

- 24 -

The philosophy of the Truman Administration and its apostles in Congress is that Government spending must be increased; that it must not be reduced or there will be hard times. A Spokesman for the Administration told the Senate only last week that Government spending must continue high in order to prevent a depression.

With that philosophy I disagree. You business men know what happens when you spend more than your income. Well, your Federal Government is in that critical situation today; spending more than it takes in.

This is the harvest of bad government - tempering with our republican principles of free enterprise and free markets at home, - and the price for incompetence in foreign policies, that today finds us specting more than to billion dollars a year in a cold war. Because of bad government policies and incompetent administration; what conditions do we face today? Business is slipping; - farm income has dropped sharply; - national income is declining; - personal incomes in the first quarter of 1949 were 3 billion dollars less than in the last quarter of 1948; prices are levelling off - unemployment is increasing. And most ominous of all, the cost of government is getting bigger and bigger.

By simple arithmetic, there will be a Federal deficit of more than 11 billion dollars by 1951.

Yet, the 81st Congress is under tremendous pressure to carry on a spending spree never equalled in peacetime in any nation on earth.

Congress faces three courses: -- raise taxes, -resort to deficit-financing, and this is printing press money, or, -- cut Federal expenditures.

Of course, the only sensible thing to do is to cut

expenditures. Cut the government down to size.

These issues, - foreign and domestic, - transcend all partisan consideration. The welfare of our people, - the future of our country, - the kind of land in which our children shall grow and make their way - all these are at stake.

We have the best country in the whole wide world -we have most of the good things in life, -- and, above all, we have freedom of opportunity, -- freedom of choice.

Let's keep it that way!

Speech - Paper B manufac

May 2h, 1949.

Mr. William R. Kreeger, Secretary, National Paper Box Manufacturers Association, Liberty Trust Building, Philadelphia 7, Pennsylvanja.

Dear Mr. Kreeger:

I certainly appreciate your letter of the 20th and an deeply grateful for the resolution adopted by your Association at their annual Convention.

It was a real pleasure to appear on your program and I will long remember the many fine folks I met. They were a most attentive audience.

I will be hoping to have the privilege of seeing you again during the coming months.

With all good wishes, I am

Cordially yours,

KENNETH S. WHERRY

KSW: ER#

NATIONAL PAPER BOX MANUFACTURERS ASSOCIATION



20 May 1949.

The Honorable Kenneth S. Wherry, U.S.S., Senate Office Building, Washington, D. C.

My dear Senator:

I want to take this opportunity to again thank you for your excellent address at our annual meeting in New York City last Monday.

It was the high spot of our convention, and I have had many favorable comments. I am sorry, however, that you were not able to remain over for our annual banquet.

A formal resolution is enclosed herewith, expressing the appreciation of our officers and directors.

Again with many thanks for your kindness and courtesy, I am,

Sincerely yours,

NN.

William R. Kreeger, Secretary.

NATIONAL PAPER BOX MANUFACTURERS ASSOCIATION



May 20, 1949

Senator Kenneth S. Wherry United States Senate Washington, D. C.

Dear Senator Wherry:

At the recent annual convention of the National Paper Box Manufacturers Association held at the Waldorf-Astoria hotel, New York City, the following resolution was unanimously adopted:

"WHEREAS, Senator Wherry has so ably contributed an address of much benefit to the members of the set-up paper box industry, be it

"RESOLVED, that the Secretary be and he is hereby instructed to direct a letter to Senator Wherry expressive of our deep appreciation of his valuable service."

It is a real pleasure for me to submit to you, through this resolution and letter the sentiments of those attending our convention.

Your splendid message was not only interesting and beneficial, but it added greatly to the success of our convention.

With kindest regards, I have the honor to remain,

Respectfully yours liam R. Kreege Secretary

WRK: MAK

Thursday, May 12, 1949.

Mr. Kennedy called Mr. William Kreeger, Secretary of the National Paper Box Manufacturers Ass'n., at Philadelphia, and told him that extra press copies of the Senator's speech would come along with Senator and Mr. Hachten. He said he would call the Waldorf and change the reservation so there will be a double room for the Senator, a single room for Mr. Hachten, and an additional room for Mr. Milks, or Mr. Milks may otherwise share the double room with the Senator, depending upon his wish.

The Hotel would be advised that they would arrive shortly after 8:30 P. M.

They will not expect any of the Senator's time until he presents himself shortly before he begins to speak and they understand he has another engagement for a luncheon meeting with a group of Nebraskans and Mr. Milks, so they are prepared to excuse him after his speech.

April 13, 1949.

MEMORANDUM TO MR. HACHTEN:

I have accepted an invitation to be the principal speaker at the Thirty-First Annual Meeting of the National Paper Box Manufacturers Association, Incorporated, at the Waldorf-Astoria Hotel in New York, on Monday, May 16, at 11:00 o'clock A. M. An audience of about 700 is expected, coming from every section of the country.

Hr. William R. Kreeger is Secretary of the Association and his address is 1106 Liberty Trust Building, Broad and Arch Streets, Philadelphia, Pennsylvania. The telephone number is Rittenhouse 6-5239. The invitation was extended by him.

They have asked that I speak from forty-five minutes to one hour, but it is my opinion that a twenty to thirty minute speech ought to be the maximum. They would like to have me discuss some important issue then current in the Senate.

I would like to start planning this speech as soon as possible. The title of my talk is needed for their printed program at our earliest convenience.

Reservations have been made for Mrs. Mherry and me at the Waldorf for arrival, Friday, May 13th. Of course, it is impossible to tell at this time whether or not I can leave that early.

KENNETH S. WHERRY

KSW: ER#

Mr. William R. Kreeger, Secretary, National Paper Box Hanufacturers Assin., vil 81/ata Liberty Trust Building. Philadelphia 7, Pennsylvania,

Dear Mr. Kreeger:

Thank you very much for your recent letters concerning my appearing on the program of your Thirty-First Annual Meeting at the Waldorf-Astoria Hotel, Honday, May 16th, at 11:00 o'clock A. H. I an honored to be invited to address your group. As seen as possible, I will send you the title of my talk, so that it may be included in your printed program.

It is indeed generous of you to reserve a room for Mrs. Wherry and me at the Waldorf, for arrival on Friday, the 13th. We will be hoping that the legislative schedule in the Senate will permit us to spend the week-end in New York.

Looking forward to seeing you, I an

Cordially yours,

KENNETH S. WHEREY

KSW: ER#

REC'D APR 11 A.M.

NATIONAL PAPER BOX MANUFACTURERS ASSOCIATION



April 8, 1949

Senator Kenneth S. Wherry United States Senate Washington, D. C.

Dear Senator Wherry:

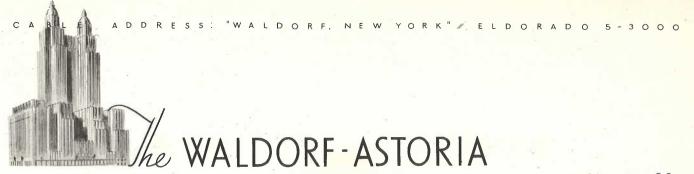
We are enclosing acknowledgment of your room reservation at the Waldorf-Astoria.

Looking forward with a great deal of pleasure to seeing you at that time, I have the honor to remain

Respectfully yours in William R. Kreeger

Secretary

WRK:MAK enclosure



PARK AND LEXINGTON AVENUES # 49TH AND SOTH STREETS # NEW YORK 22/

April 6, 1949

Mr. William R. Kreeger Secretary National Paper Box Manufacturers Association Liberty Trust Building Philadelphia, Pennsylvania

Dear Mr. Kreeger:

As you have requested it will be our pleasure to reserve a comfortable double room for Senator Kenneth S. Wherry for his arrival May 13th with probable departure May 16th.

It has been noted that he will be your principal speaker and you may be certain that everything possible will be done to make his visit with us a pleasant one.

Sincerely yours, m. Ney

AML AMR:jc cc: mr. Roden Anthony M. Rey Office Manager

NATIONAL PAPER BOX MANUFACTURERS ASSOCIATION

REC'D APR O A.M.



April 5, 1949

REC'D APR 6 MM.

The Honorable Kenneth S. Wherry United States Senate Washington, D. C.

Dear Senator Wherry:

The Thirty-First Annual Meeting of the National Paper Box Manufacturers Association, Incorporated, will be held at the Waldorf-Astoria in New York City, May 15 to 18 next, with a registration of better than seven hundred from practically every section of the country.

We are anxious to include you in our program at that time and are happy to learn through your Mr. Guenther that it will be possible for you to address our meeting Monday morning, May 16, at approximately 11 o'clock.

At Mr. Guenther's direction we have requested a room for you at the Waldorf beginning Friday evening, May 13 through the 16 and just as soon as we have their acknowledgment we will forward it to you.

At your earliest convenience we would appreciate it if you will kindly let us have the title of your talk, in order that we may include it in our printed program.

Thanking you very much for your kindness, I have the honor to remain,

Respectfully yours

William R. Kreeger Secretary

WRK:MAK

MEMORANDIM TO SENATOR WHERRY:

Mr. William R. Kreeger, Secretary, National Paper Box Manufacturers Association, wishes you to address the annual meeting of the Association at the Waldorf-Astoria Hotel in New York on either May 16th or 17th, preferably May 16th. This, incidentally, is on a Monday and they prefer to have you talk Monday morning at 11:00 a.m.

Mr. Kreeger says he is a personal friend of Paul Hanaway's. Mr. Kreeger heard your talk in New York recently and thought it was wonderful.

I asked him about an honorarium and he said the Association would pay you whatever you wished but they generally paid their speakers around \$300.00 but he said this will be worked out. Your expenses would also be paid.

Mr. Kreeger must have an answer by Monday morning. His address is 1106 Liberty Trust Building, Broad and Arch Streets, Philadelphia, Pennsylvania. The telephone number is Rittenhouse 6-5239.

Homer H. Gruenther

HHG:mp

cc-lir, Hachton

United States Senate MEMORANDUM Memo to Hachten give him basic data on who shen What where its and that where its in to start flexing in to start flexing in the start flexing in

United States Senate

MEMORANDUM

mai

in our o

THE 1948 PLATFORM OF THE REPUBLICAN PARTY

Adopted by Republican National Convention June 23, 1948, Philadelphia, Pa.

DISTRIBUTED BY REPUBLICAN NATIONAL COMMITTEE 1337 Connecticut Avenue Washington 6, D. C.

The 1948 Platform of the Republican Party

i i

Declaration of Principles

To establish and maintain peace, to build a country in which every citizen can earn a good living with the promise of real progress for himself and his family, and to uphold as a beacon light for mankind everywhere, the inspiring American tradition of liberty, opportunity and justice for all—that is the Republican platform.

To this end we propose as a guide to definite action the following principles:

Maximum voluntary cooperation between citizens and minimum dependence on law; never, however, declining courageous recourse to law if necessary.

Our competitive system furnishes vital opportunity for youth and for all enterprising citizens; it makes possible the productive power which is the unique weapon of our national defense; and is the mainspring of material well-being and political freedom.

Government, as the servant of such a system, should take all needed steps to strengthen and develop public health, to promote scientific research, to provide security for the aged, and to promote a stable economy so that men and women need not fear the loss of their jobs or the threat of economic hardships through no fault of their own.

The rights and obligations of workers are commensurate with the rights and obligations of employers and they are interdependent; these rights should be protected against coercion and exploitation from whatever quarter and with due regard for the general welfare of all.

The soil as our basic natural resource must be conserved with increased effectiveness; and farm prices should be supported on a just basis.

Development of the priceless national heritage which is in our West is vital to our nation.

Administration of government must be economical and effective.

Faulty governmental policies share an important responsibility for the present cruelly high cost of living. We pledge prompt action to correct these policies. There must be decent living at decent wages.

Our common defense must be strengthened and unified.

Our foreign policy is dedicated to preserving a free America in a free world of free men. This calls for strengthening the United Nations and primary recognition of America's self-interest in the liberty of other peoples. Prudently conserving our own resources, we shall cooperate on a self-help basis with other peaceliving nations. Constant and effective insistence on the personal dignity of the individual, and his right to complete justice without regard to race, creed or color, is a fundamental American principle.

We aim always to unite and to strengthen; never to weaken or divide. In such a brotherhood will we Americans get results. Thus we will overcome all obstacles.

18

In the past eighteen months, the Republican Congress, in the face of frequent obstruction from the Executive Branch, made a record of solid achievement. Here are some of the accomplishments of this Republican Congress:

The long trend of extravagant and ill-advised Executive action reversed;

the budget balanced;

taxes reduced;

limitation of Presidential tenure to two terms passed;

assistance to veterans, their widows and orphans provided; assistance to agriculture and business enacted;

elimination of the poll tax as a requisite to soldier voting;

a sensible reform of the labor law, protecting all rights of Labor while safeguarding the entire community against those breakdowns in essential industries which endanger the health and livelihood of all;

a long-range farm program enacted;

unification of the armed services launched;

a military manpower law enacted;

the United Nations fostered;

a haven for displaced persons provided;

the most far-reaching measures in history adopted to aid the recovery of the free world on a basis of self-help and with prudent regard for our own resources:

and, finally, the development of intelligent plans and party teamwork for the day when the American people entrust the Executive as well as the Legislative branch of our National Government to the Republican Party.

We shall waste few words on the tragic lack of foresight and general inadequacy of those now in charge of the Executive Branch of the National Government; they have lost the confidence of citizens of all parties.

Present cruelly high prices are due in large part to the fact that the government has not effectively used the powers it possesses to combat inflation, but has deliberately encouraged higher prices.

We pledge an attack upon the basic causes of inflation, including the following measures:

progressive reduction of the cost of government through elimination of waste;

stimulation of production as the surest way to lower prices; fiscal policies to provide increased incentives for production and thrift;

a sound currency;

reduction of the public debt.

We pledge further, that in the management of our national government, we shall achieve the abolition of overlapping, duplication, extravagance, and excessive centralization;

the more efficient assignment of functions within the government;

and the rooting out of communism wherever found. These things are fundamental.

IV

We must, however, do more.

The Constitution gives us the affirmative mandate "to establish justice."

In Lincoln's words: "The dogmas of the quiet past are inadequate to the stormy present. The occasion is piled high with difficulty and we must rise with the occasion. As our case is new, so we must think anew and act anew."

The tragic experience of Europe tells us that popular government disappears when it is ineffective and no longer can translate into action the aims and the aspirations of the people.

Therefore, in domestic affairs, we propose:

The maintenance of armed services for air, land and sea, to a degree which will insure our national security; and the achievement of effective unity in the Department of National Defense so as to insure maximum economy in money and manpower, and maximum effectiveness in case of war. We favor sustained effective action to procure sufficient manpower for the services, recognizing the American principle that every citizen has an obligation of service to his country.

An adequate privately operated Merchant Marine, the continued development of our harbors and waterways, and the expansion of privately operated air transportation and communication systems.

The maintenance of federal finances in a healthy condition and continuation of the efforts so well started by the Republican Congress to reduce the enormous burden of taxation in order to provide incentives for the creation of new industries and new jobs, and to bring relief from inflation. We favor intelligent integration of Federal-State taxing and spending policies designed to eliminate wasteful duplication, and in order that the State and local governments may be able to assume their separate responsibilities, the Federal government shall as soon as practicable withdraw or reduce those taxes which can be best administered by local governments, with particular consideration of excise and inheritance taxes; and we favor restoring to America a working federalism.

Small business, the bulwark of American enterprise, must be encouraged through aggressive anti-monopoly action, elimination of unnecessary controls, protection against discrimination, correction of tax abuses, and limitation of competition by governmental organizations.

Collective bargaining is an obligation as well as a right, applying equally to workers and employers; and the fundamental right to strike is subordinate only to paramount considerations of public health and safety. Government's chief function in this field is to promote good will, encourage cooperation, and where resort is had to intervention, to be impartial, preventing violence and requiring obedience to all law by all parties involved. We pledge continuing study to improve labor-management legislation in the light of experience and changing conditions.

There must be a long-term program in the interest of agriculture and the consumer which should include: an accelerated program of sounder soil conservation; effective protection of reasonable market prices through flexible support prices, commodity loans, marketing agreements, together with such other means as may be necessary, and the development of sound farm credit; encouragement of family-size farms; intensified research to discover new crops, new uses for existing crops, and control of hoof and mouth and other animal diseases and crop pests; support of the principle of bona fide farmer-owned and farmer-operated cooperatives, and sound rural electrification.

We favor progressive development of the nation's water resources for navigation, flood control and power, with immediate action in critical areas.

We favor conservation of all our natural resources and believe that conservation and stockpiling of strategic and critical raw materials is indispensable to the security of the United States.

We urge the full development of our forests on the basis of cropping and sustained yield with cooperation of States and private owners for conservation and fire protection.

We favor a comprehensive reclamation program for arid and semi-arid areas with full protection of the rights and interests of the States in the use and control of water for irrigation, power development incidental thereto and other beneficial uses; withdrawal or acquisition of lands for public purposes only by act of Congress and after due consideration of local problems; development of processes for the extraction of oil and other substances from oil shale and coal; adequate representation of the West in the national administration.

Recognizing the nation's solemn obligation to all veterans, we

propose a realistic and adequate adjustment of benefits on a costof-living basis for service-connected disabled veterans and their dependents, and for the widows, orphans and dependents of veterans who died in the service of their country. All disabled veterans should have ample opportunity for suitable, self-sustaining employment. We demand good-faith compliance with veterans preference in Federal service with simplification and codification of the hundreds of piecemeal Federal laws affecting veterans, and efficient and businesslike management of the Veterans Administration. We pledge the highest possible standards of medical care and hospitalization.

Housing can best be supplied and financed by private enterprise; but government can and should encourage the building of better homes at less cost. We recommend Federal aid to the States for local slum clearance and low-rental housing programs only where there is a need that cannot be met either by private enterprise or by the States and localities.

Consistent with the vigorous existence of our competitive economy, we urge: extension of the Federal Old Age and Survivors' Insurance program and increase of the benefits to a more realistic level; strengthening of Federal-State programs designed to provide more adequate hospital facilities, to improve methods of treatment for the mentally ill, to advance maternal and child health and generally to foster a healthy America.

Lynching or any other form of mob violence anywhere is a disgrace to any civilized state, and we favor the prompt enactment of legislation to end this infamy.

One of the basic principles of this Republic is the equality of all individuals in their right to life, liberty, and the pursuit of happiness. This principle is enunciated in the Declaration of Independence and embodied in the Constitution of the United States; it was vindicated on the field of battle and became the cornerstone of this Republic. This right of equal opportunity to work and to advance in life should never be limited in any individual because of race, religion, color, or country of origin. We favor the enactment and just enforcement of such Federal legislation as may be necessary to maintain this right at all times in every part of this Republic.

We favor the abolition of the poll tax as a requisite to voting. We are opposed to the idea of racial segregation in the armed services of the United States.

We pledge a vigorous enforcement of existing laws against Communists and enactment of such new legislation as may be necessary to expose the treasonable activities of Communists and

6

defeat their objective of establishing here a Godless dictatorship controlled from abroad.

We favor a revision of the procedure for the election of the President and Vice President which will more exactly reflect the popular vote.

We recommend to Congress the submission of a constitutional amendment providing equal rights for women.

We favor equal pay for equal work regardless of sex.

We propose a well-paid and efficient Federal career service.

We favor the elimination of unnecessary Federal bureaus and of the duplication of the functions of necessary governmental agencies.

We favor equality of educational opportunity for all and the promotion of education and educational facilities.

We favor restoration to the States of their historic rights to the tide and submerged lands, tributary waters, lakes, and streams.

We favor eventual statehood for Hawaii, Alaska and Puerto Rico. We urge development of Alaskan land communications and natural resources.

We favor self-government for the residents of the nation's capital.

VI

We dedicate our foreign policy to the preservation of a free America in a free world of free men. With neither malice nor desire for conquest, we shall strive for a just peace with all nations.

America is deeply interested in the stability, security and liberty of other independent peoples. Within the prudent limits of our own economic welfare, we shall cooperate, on a basis of selfhelp and mutual aid, to assist other peace-living nations to restore their economic independence and the human rights and fundamental freedoms for which we fought two wars and upon which dependable peace must build. We shall insist on businesslike and efficient administration of all foreign aid.

We welcome and encourage the sturdy progress toward unity in Western Europe.

We shall erect our foreign policy on the basis of friendly firmness which welcomes cooperation but spurns appeasement. We shall pursue a consistent foreign policy which invites steadiness and reliance and which thus avoids the misunderstandings from which wars result. We shall protect the future against the errors of the Democrat Administration, which has too often lacked clarity, competence or consistency in our vital international relationships and has too often abandoned justice.

We believe in collective security against aggression and in behalf of justice and freedom. We shall support the United Nations as the world's best hope in this direction, striving to strengthen it and promote its effective evolution and use. The

United Nations should progressively establish international law, be freed of any veto in the peaceful settlement of international disputes, and be provided with the armed forces contemplated by the Charter. We particularly commend the value of regional arrangements as prescribed by the Charter; and we cite the Western Hemispheric Defense Pact as a useful model.

We shall nourish these Pan-American agreements in the new spirit of cooperation which implements the Monroe Doctrine.

We welcome Israel into the family of nations and take pride in the fact that the Republican Party was the first to call for the establishment of a free and independent Jewish Commonwealth. The vacillation of the Democrat Administration on this question has undermined the prestige of the United Nations. Subject to the letter and spirit of the United Nations Charter, we pledge to Israel full recognition, with its boundaries as sanctioned by the United Nations and aid in developing its economy.

We will foster and cherish our historic policy of friendship with China and assert our deep interest in the maintenance of its integrity and freedom.

We shall seek to restore autonomy and self-sufficiency as rapidly as possible in our post-war occupied areas, guarding always against any rebirth of aggression.

We shall relentlessly pursue our aims for the universal limitation and control of arms and implements of war on a basis of reliable disciplines against bad faith.

At all times safeguarding our own industry and agriculture, and under efficient administrative procedures for the legitimate consideration of domestic needs, we shall support the system of reciprocal trade and encourage international commerce.

We pledge that under a Republican Administration all foreign commitments shall be made public and subject to constitutional ratification. We shall say what we mean and mean what we say. In all of these things we shall primarily consult the national security and welfare of our own United States. In all of these things we shall welcome the world's cooperation. But in none of these things shall we surrender our ideals or our free institutions.

We are proud of the part that Republicans have taken in those limited areas of foreign policy in which they have been permitted to participate. We shall invite the Minority Party to join us under the next Republican Administration in stopping partisan politics at the water's edge.

We faithfully dedicate our selves to peace with justice.

VII

Guided by these principles, with continuing faith in Almighty God; united in the spirit of brotherhood; and using to the full the skills, resources and blessings of liberty with which we are endowed; we, the American people, will courageously advance to meet the challenge of the future.

50 =	= 80 = 340 = 650 0,70	0	year	, def	ice	₽.		B	muc nuc	h deft	herent george
F	Fiscal	Expendit	ures .		•••	• •	• •	• 11 •	39,500,00 40,300,00 800,00	00,000	50
T	Fiscal	year endi Income Expendit Deficit	ures .	• • •	•••	•••	•••		40,900,00 44,300,00 3,400,00	00,000	
F	Fiscal	year endi Income Expendit Deficit	ures .	• • •	• •	•••	•••	•	40,900,00 47,400,00 6,500,00	00,000	

(above income estimates are based on continuing high national income)

* * * * * * * * * *

Expenses and receipts present fiscal year to May 4,1949:

	1949	1948
Expenses:	30,129,145,826.11	27,988,122,504.83
Receipts:	31,757,782,505.44	35,383,357,786.08
Surplus:	1,628,636,679.33	6,395,235,281.25

From the Office of Senator Kenneth S. Wherry For Release to Afternoon Papers, Monday, May 16, 1949.

(Following is the text of an Address by United States Senator Kenneth S. Wherry, Nebraska, Senate Republican Floor Leader, before the National Paper Box Manufacturers Association, at the Maldorf-Astoria Hotel, New York City, May 16,1949, 11 AM)

* * *

Mr. Chairman: It is a pleasure for me to be here and to discuss with you some of the things that are going on in Washington.

As Chairman of the Senate Committee on Small Business, during the 80th Congress, I met many of you personally. We battled together to free industry from Government controls.

You have come to New York to discuss mutual problems, to counsel together, For all of you, I wish a profitable inspiring meeting. But you must be deeply concerned, as I am, over the constantly rising cost of government, government getting bigger and bigger; threatening advances of Socialism and the immediate prospect of return to sky-high war-time tax rates, or printing press money, or both.

The question is univerally being asked, "Will Socialism be our children's heritage?"

My answer is: it will be unless all our people who believe we have the best country on earth get busy and do something about it. Too many of our citizens are not reacting to the dangers that confront us. They say — "Oh, it can't happen here," but it is happening here. We have already taken several steps across the line into national socialism.

As a member of Congress, it is my duty to give the facts as I see them. I have enlisted for the duration, and shall continue to fight the growing cancer of Socialism to the best of my ability — on and off the Floor of the Senate.

we hear much talk about the cold war with Russia. But right here, within our own borders, we are engaged in a cold war for the preservation of our republicar principles of Government.

My fellow-Americans: If we don't win this cold war against Socialism --America will become weak and prostrate. America will vanish as a bulwark of freedom. It is just that serious.

Socialism and representative government will NOT mix. There can be no compromise. One or the other will be destroyed. One is wrong and destroys confidence; the other is right and inspires confidence, invention, and production. One is compulsion, the other, freedom.

Socialism is government ownership and management of the nation's economy. It is based upon blueprints drawn up by a small ruling clique for the many. To carry out their nefarious schemes, the disciples of Karl Marx always move toward centralized power, then compulsion, and in the final stages -- toward violence. Always, the radical planners in Washington pose as humanitarians. They offer security, abundance, and happiness, but they gloss over the financial cost and the shackles imposed upon our freedom. We have got to call a spade a spade. We have got to meet this issue head on, right here on our home grounds. Oh, yes, we are called mossbacks, reactionaries, and ostriches. But we are fighting for freedom of choice, freedom of opportunity, and to fight for freedom is to be a liberal, a progressive, in the best sense of the word.

In yielding to the pressure groups and special interests, the more radical masters of White House policies seek to pile upon the backs of the people unbearable burdens. These restrict the people's opportunities, restrict their liberties, and certainly restrict their freedom of choice.

These medicine men brazenly utilize patronage and money out of the public Treasury. Recently, however, the order of the day has become "patronage or purge." Do as we tell you or you will have no patronage. Do as we tell you or we will defeat you the next time you come up for re-election. What this country needs is more Harry Byrds and fewer "bats in the belfry."

Oh, yes, these medicine men tie up their package in pink and blue ribbons; they give us sugar-coated pills; but they always shy away from the costs. Reliable estimates of the dollar cost of the social welfare programs promised by the President, computed over a 50-year period amounts to one trillion, 250 billion dollars. Fantastic? Yes, but it is true. One trillion, 250 billion dollars. It is almost beyond comprehension.

One trillion, 250 billion silver dollars would make seven stacks reaching to the moon, with enough left over to pay all taxes for 1948 and pay our entire national debt of a quarter of a trillion dollars. With due respect and kindness in my heart, I say: "Come home, Mr. President. Come home. Cast aside that radical clique of advisers. They are taking our country down the road to idle factories, to unemployment, and to hard times. Yes, down the road to bankruptcy and ruin."

Already, the Senate has passed a bill to have the Federal government subsidize building of private homes, 810,000 of them in a period of seven years, at a cost of more than 12 billion dollars.

Some idea of the magnitude of this obligation if assumed by the Federal Government, is made apparent when I tell you there are ten million families in the United States having incomes of less than \$2,000 a year, and 4 million with incomes of less than 1,000.

When the 810,000 are satisfied, the next group will come in and ask for similar hones. That group is already knocking on the door of the White House, asking for free homes. Where will this stop? The advocates of planned economy always talk slum clearance to sell their program of controlled housing. Well, we are all for slum clearance, but slum clearance is the responsibility of the local and state authorities. The showing of civic pride by the administration of all cities, together with proper building codes effectively enforced, would end the slum problem. That is the right, and the only approach to these local problems. The Senate has already passed a rent control bill. It goes in the right direction by its provisions for home rule. That is the right of states and local communities to decide for themselves as to whether rent control shall be abolished in their respective areas. But the provision for a "fair net operating return" is an unjust invasion of our inherent right to own property. It allows no return on investment, and no return on the initiative and enterprise that go into the cost of the dwelling. It allows only, a fair return for managing and operating the propert; for the use of others. This is confiscation! This is national Socialism in action?

Next, let us examine the plan for socialized medicine: Under the Administration's proposal, 750,000 doctors, nurses, and hospital attendants would become employees of the Federal Government. Thousands upon thousands of Federal employees would be added, to check up and snoop into, the confidential relationships between the people and their family doctors.

The price tag is 10 billion dollars annually by 1960. But, that is only part of the cost. Add to that the corrosion of the humanitarian spirit, among those engaged in the medical profession and the deadening influence upon initiative and skill that has given America the best health record of any nation on earth.

Socialized medicine will destroy voluntary group health programs in which 50 million people are now participating. These group health programs are cheaper and better by every test, than the alien scheme presented to Congress.

In a Capitol corridor a few feet from the main entrance to the Senate Chamber is a statue to Crawford 7. Long, the Georgia physician who discovered the use of sulphuric ether as an anaesthetic in surgery in 1842. The pedestal on which the statue stands, bears these words of Doctor Crawford: "My profession is to me a ministry from God."

This is the spirit that inspires and encourages us to battle the alienminded planners, who would have the Government at Washington manage the lives of our people from cradle to grave.

Then, there is the program for federal aid to education: The Senate has passed a federal aid to education bill. Here is another deadly intrusion of the Federal Government into the lives and rights of the people. Aducation is a family, local, state, responsibility; close to the hearts of fathers and mothers. All through the years our people have jealously safeguarded their schools against encroachment by political bodies. We cherish our schools as a cornerstone of our freedom.

The 300 million dollars a year which this program would authorize is merely a starter. Once the Federal Government gets its foot in the door, the appropriation will grow, and grow, and grow. Step by step, the bureaucrats will clamp a common mold upon the teaching in our schools. We want our schools to be under home rule, close to the supervision of the parents. When the minds of our children are controlled in Washington, God forbid, the last act in the tragedy of lost freedom will be over. Socialized medicine, subsidized homes, federalized schools, and yet the President is not satisfied. He wants more power, the power to issue edicts putting ceilings over prices and wages, floors under prices and wages, power to regiment and control the farmers and make them beggars of federal subsidies; power for the President to build and operate factories and mills, power, power and more power for a few political bureaucrats to do the thinking and planning for 150 million Americans.

All together, it is a program to make every segment of the population dependent upon favors of the Government, a program to buy votes that they might perpetuate themselves in power.

while the Administration plunges by leaps and bounds into national socialism at home, it professes vigorous opposition to Communism abroad. In reality the Administration blows hot and cold in its cold war against communism. It professes firm opposition on one side of the world, in Europe. and in the Far East it offers only a weak, fake, vacillating opposition in China. The foreign policy of this Administration is apparently based upon double standards.

For my part, I abhore totalitarian government of any variety. But, the State Department, in this respect, is leading a double life. It opposes government controls in some countries and sanctions them in others. Dictatorships of the Russian pattern are given full diplomatic recognition, with exchange of ambassadors and all the incidental amenities. But for Spain, whose government has stood firmly against communism, the Administration gives the cold shoulder.

Secretary of State Dean Acheson says, Spain must change its kind of government, before he will consent to an exchange of ambassadors. This is a radical departure from traditional American foreign policy. The historic policy of the United States on recognition of other countries has been to make certain they have stable governments and that they keep their promises.

It has always been maintained that no conditions or interference should be imposed in the domestic affairs of other countries. That is the policy that has been declared and applies in the E.C.A. participating countries. In the distribution of E.C.A. money and goods in socialistic Britain and France, Mr. Acheson asserts the United States must not interfere with their domestic policies, or the domestic affairs of other E.C.A. participating countries.

But when it comes to Spain, Spain, a target for the communists, the Secretary arises in his majesty and says Spain must change its government.

In 1939, fifty-two countries, including the United States, recognized the Franco government. We maintained an ambassador at Wadrid until 1946. If we then recognized Spain, after her devastating civil war and her fight against communism, as being a stable government, does Spain not now have a stable government?

The General Assembly of the United Nations in 1946, at the behest of Soviet Russia, with the United States tagging along, adopted a resolution calling for the withdrawal by United Nations members of their ambassadors and ministers to Spain. It was a fraudulent piece of international politics, maneuvered by the pro-Communists. The General Assembly recently made an effort to rectify that mistake. A majority of the nations voted to approve a resolution giving each United Nation member full freedom of action with respect to diplomatic relations with Spain. The United States abstained from voting. That was an act of cowardice. Did the pro-Communists in the State Department gag the United States?

Spain is not a signer of the North Atlantic Treaty. And yet, should there be a war of aggression against Western Europe, Spain would be of great strategic military value.

Great Britain and France openly profess aloofness toward Spain, perhaps to placate the communists and other radicals within their respective countries. But Britain and France at the same time diligently develop their trade with Spain. Britain alone did 500 million dollars in trade with Spain last year.

Secretary Acheson, with President Truman's approval, insists the United States must ostracize Spain — a policy quite in line with the purposes of the left wing crowd in the State Department. The Administration's policy toward Spain must be pleasing to Soviet Russia and its fifth columns around the world, but it is unfair to Spain, against our national security, and against our trade interests. And it is in violation of historic United States foreign policy.

Our record with Spain is a blot on our foreign policy. But the most tragic chapter of all is the blundering, inept, ill-conceived policy, that has been applied to China. It is the blackest chapter of them all. The friendship between the United States and China is traditional. The attitude of our people toward China through the years has been one of deepest sympathy for her desperate conditions. China has looked to the United States for light, and for moral and spiritual support.

At Yalta, on the altar of appeasement of Soviet Russia, this bond of friendship was betrayed. China along with other nations, was sold down the river. China's rights were handed over to Soviet Russia -- rights that we had no power to barter. Step by step our historic, friendly, moral interest in China has been whittled away. Today, we are reaping the whirlwind. China is under the communists heel, and is a bridge for further conquest by the Red Tide.

Our position in China as well as in the entire Pacific has been jeopardized by the appeasement of Russia, by our own incompetence, and by our failure to support the just rights of China. When the Communists first launched their attack upon China in the north, we were surfeited with propaganda that it was a genuine uprising of Chinese agrarian socialists. When the Communists, directed by Moscow, continued their advance, President Truman sent former Secretary of State Marshall to China to obtain a coalition government.

Poor, desperate China. Under the direction of our President, the nationalists were called upon to take the communists to their bosoms. All history shows such a coalition could only result in complete communist control. This Administration literally wrote off the Nationalist Government. Not even tokens of moral support were given. To every cry for help, the Administration maintained stony silence. The record discloses sabotage by underlings, delays and temporizing, and machine guns without ammunition, critically-needed gasoline for Chinese aviation held up during crucial stages in the war. What of the harvest?

Today Korea, Formosa, the Philippines, Burma, Japan, and other areas of the Far East, anxiously await for their date in the communists' timetable to come up. Many, many, months ago, the War Department sent Lt. General Albert C. Wedemeyer to stricken China. There was then time for the Administration to give effective aid to China in resisting aggression. He made a study and it was based upon his expert knowledge of military strategy and tactics.

His report was never made public. All pleas on the floors of Congress and elsewhere were turned down, with a curt statement that the report was top secret. The Wedemeyer report should be made public. No useful purpose can be achieved in keeping it secret. The people are entitled to know the facts, the people shall not be denied. The truth will come cut some time. The people should know General Wedemeyer's recommendations.

It is this zig-zagging, hit or miss, vacillating foreign policy that causes concern among our people as it drains our national resources. The untraditional and obvious conflict of policy regarding Spain and Russia; the bungling and fumbling on China; the avenues of conflict in policies within the countries of Europe, arouse suspicion that our foreign affairs are in shaky hands.

Congress has been by-passed and policies have been instituted without the advice and consent of the Senate. Apparently the only time that the Administration consults Congress on foreign affairs is when more money is needed.

Under our system of government, foreign policy is supposed to be made jointly by the President and the Senate. The President has no Constitutional power to obligate the United States without the advice and consent of the Senate. Congress and the people ought to have something to say about peace with Germany and Japan. Whatever agreements are reached at the Four-Power Conference in Paris, this month, should be submitted to the Senate for ratification.

Germany surrendered unconditionally but that does not give the President power to determine what the peace terms with Germany shall be. The people and the Congress of the United States must not be by-passed by this Administration. Can it be that an Administration which harbors so many pro-Communists in its own household is incapable of distinguishing between the virtues of our free enterprise American system and the Communism that has spread in other parts of the world?

The North Atlantic Treaty's declared purpose is to band the nations of Western Europe with the United States for mutual assistance in the event of attack upon any of the signatory powers. But before the Senate votes on this treaty the membership should debate it thoroughly, the country should weigh it carefully. All the implications and ramifications of the treaty must be thoroughly explained. We want to know exactly how far the Truman Administration intends to go in providing arms and ammunition for treaty adherents. Military experts should give their testimony. We must know what the cost is to be. The philosophy of the Truman Administration and its apostles in Congress is that Government spending must be increased; that it must not be reduced or there will be hard times. A spokesman for the Administration told the Senate only last week that Government spending must continue high in order to prevent a depression.

With that philosophy I disagree. You business men know what happens when you spend more than your income. Well, your Federal Government is in that critical situation today; spending more than it takes in. This is the harvest of bad government, tampering with our republican principles of free enterprise and free markets at home — and the price for incompetence in foreign policies, that today finds us spending more than 10 billion dollars a year in a cold war.

Because of bad government policies and incompetent administration, what conditions do we face today? Business is slipping; farm income has dropped sharply; national income is declining; personal incomes in the first quarter of 1949 were 3 billion dollars less than in the last quarter of 1948; prices are levelling off; unemployment is increasing. And most ominous of all, the cost of government is getting bigger and bigger.

By simple arithmetic, there will be a Federal deficit of more than ll billion dollars by 1951. Yet, the 81st Congress is under tremendous pressure to carry on a spending spree never equalled in peace times in any nation on earth.

Congress faces three courses, raise taxes, resort to deficit-financing, and this is printing press money, or, cut Federal expenditures. Of course, the only sensible thing to do is to cut expenditures. Cut the government down to size.

These issues, foreign and domestic, transcend all partisan consideration. The welfare of our people, the future of our country, the kind of land in which our children shall grow and make their way, all these are at stake.

We have the best country in the whole wide world, we have most of the good things in life, and, above all, we have freedom of opportunity, freedom of choice.

Let's keep it that way!

- 0 -

STATEMENT OF SENATOR ROBERT A. TAFT WITH REFERENCE TO IA BOR LEGISLATION

I desire to make a brief statement of my personal position on the amendments to the Thomas Bill proposed by Republican members of the Labor and Public Welfare Committee. If these amendments are adopted, we will have a new bill which still embodies the best features of the Taft-Hartley Law. It will contain all of the basic principles of equality between employers and employees and the prohibition of unfair labor practices on the part of both. It will impose responsibility on unions equal to the power which they have--and will retain under this bill--including the obligation to bargain collectively, to be liable in court for damages resulting from breach of contract, secondary boycotts and jurisdictional strikes. It will retain all of the important protection given to individual employees against arbitrary union power. The list of the important features retained is attached hereto, totaling 22.

On the other hand, wherever the labor unions have presented a reasonable criticism of the Act, I have favored its prompt correction. In many cases I have felt that the original provision was just, but since others have differed, I have been willing to accede to their judgment if it did not seem to change any fundamental principle. In a bill of this length, some mistakes were made and in some cases the Board or the courts have construed the language in a way which was not intended. Altogether, twenty-nine changes have been made, the list of which is attached hereto.

I do not regard the bill which results as a perfect bill, and certainly, as we have more experience with it, some further amendments may be required, but if the Senate will adopt our recommendations I am satisfied that it will be absolutely fair between management and labor and will contain all the best features of the Wagner Act and the Taft-Hartley Act.

LIST OF IMPORTANT FEATURES RETAINED

If the Committee bill is amended as suggested in the Minority Report, the following basic provisions of the Taft-Hartley Law will be continued in effect with modification in some cases as set out below:

1. Unions as well as employers will be forbidden to engage in unfair labor practices and be subject to the procedures of the Board to prevent such practices. While we have removed the socalled mandatory injunction provisions, we retain the Board's right to seek temporary injunctions against unfair labor practices by both employers and employees.

2. Unions as well as employers are required to bargain. collectively.

3. Unions as well as employers remain responsible on their contracts, and are liable to suit as if they were corporations in the Federal courts. They are also liable for damages caused by secondary boycotts and jurisdictional strikes.

4. The unfair labor practice of secondary boycott and jurisdictional strike is continued, although one type of secondary boycott is permitted against work transferred from a struck plant.

X

X

X

5. It remains an unfair labor practice for a union or an employer to coerce employees in such a way as to interfere with their right of organization or their right to work. This prohibits mass picketing.

6. The guarantee of the right of free speech has been retained with a slight modification.

7. The closed shop prohibition is retained, although we permit employers to give the union a reasonable time in which to

submit names to fill employment vacancies. The authorization of union shop contracts is continued without requiring any vote. Un may require the discharge of union members only for non-payment of dues, engaging in wild cat strikes in breach of contract, or Unions Communist membership.

8. The power of the States to regulate compulsory union-ism within their boundaries is preserved.

9. Unions are held responsible for the acts of their agents as if they were corporations, but not for the acts of indi-vidual members as such.

10. We have continued the exclusion of foremen from coverage.

11. Labor organizations as well as corporations are pro-hibited from making contributions to political candidates, but the word "expenditures" is removed from the Act. We feel that expenditures of any importance are in fact contributions.

The prohibition of strikes by Government employees is 12. continued.

13. The independent mediation service is continued and not placed in the Department of Labor.

14. While extensive changes are made in the procedure dealing with national paralysis strikes, the power of the President to secure an injunction for 60 days is retained.

15. The non-Communist affidavit requirement has been retained and extended to employers.

16. The requirement that unions make a financial report to the Secretary of Labor and to their members is retained.

17. The requirement for a 60 days notice of proposed termination or modification of collective bargaining contracts so that strikes may not be called without notice to the employer and the mediation service is retained.

18. The ban on check-off of employees' dues without their written consent remains in the Act, though modified to make it unnecessary to obtain new consents every year.

19. The Board's right to prevent excessive discriminatory initiation fees in union shop situations is continued.

20. The protection of welfare funds is continued, but placed under the direct supervision of the Secretary of Labor.

Х

21. While we do not retain the independent counsel of the National Labor Relations Board, we have retained many of the pro-cedural reforms made in the Taft-Hartley Law, including:

(a) an enlarged board operating in panels to expedite " case handling;

- (b) (c) the abolition of the review section;
- (b) the abolition of the review section;
 (c) the emphasis on proper rules of evidence;
 (d) the greater power of review by the courts;
 (e) reforms in election procedures permitting employer petitions, petitions for decertifica-tion, the limiting of elections to one per year and the permitting of a vote for "no union" in a run-off election.

22. We have retained the requirements that equal treat-X ment be accorded to independent unions, that professional employees be given an opportunity to separate representation, that greater consideration be given craft employees, and we have also continued the abolition of the "extent of organization" theory.

LIST OF PROPOSED CHANGES FROM TAFT HARTLEY LAW

1. The term employer is redefined, omitting the exciption of Federal Reserve Banks and charitable hospitals. Sec. 2 (2).

- 3 - ,,

2. The definition of supervisor is revised so that no one may be exempted as a foreman, unless he is actually a foreman. The words "assign" and "responsibility to direct" are eliminated. Sec. 2 (11).

3. We redefine agency to make it perfectly clear that a labor organization is only responsible for the acts of its authorized agents to the extent of other business concerns, and is not responsible for the acts of any member of the union solely on the ground of membership. Sec. 2 (13).

4. The Board membership is increased from 5 to 7, and made bi-partisan. Sec. 3(a).

5. The independent general counsel provision is eliminated so that the Board will be governed hereafter by the provisions of the Administrative Procedure Act, except that we have retained certain of the procedural reforms made in the Taft-Hartley Law. Sec. 3 (d).

6. The Board is permitted to cede jurisdiction to State Boards, even though the State law is not entirely consistent with the Federal law. Sec. 10 (a) as amended by Sec. 6 (b).

7. The responsibility of unions for the restraint of employees is eliminated, but the legality of coercion of employees in their right to work is reasserted. Sec. 7 and Sec. 8 (b) (1).

8. While the prohibition of the closed shop is rotained, it is provided that an employer may notify a labor organization of any vacancy and give it a reasonable opportunity to refer qualified applicants for such employment. Sec. 8 (a) (3).

1900

9. The vote to authorize the union shop is eliminated, although a vote to de-authorize a union shop is retained. Unions may require the discharge of men expelled from the union because they are Communists or engage in strike in violation of the contract. Soc. 8 (a) (3); 8 (b) (2); 9 (2) (1).

10. While the general prohibition of secondary boycotts is retained, one form of secondary boycott is authorized, namely, a case where a strike occurs in one plant and the work which would have been done in that plant is transferred to another plant. Employees are not required to do work thus transferred. Sec. 8 (b) (4) (A).

11. The limited restriction on featherbedding is eliminated. Sec. 8 (b) (6).

12. The prohibition against free speech is continued, but modified by eliminating the prohibition against the use of statements as evidence. O_n the other hand, the prohibition is extended to cover election cases. Sec. 8 (c),

13. The clause providing for 60 days notice and a waiting period is retained, but corrected so that a strike is not illegal in case the contract is reopened in accordance with its terms. Also the penalty against employees engaging in a strike before the 60 day period is repealed. Sec. 8 (d).

14. The provision requiring a separate union for plant guards is eliminated. Sec. 9 (b) (3).

15. The hearing officer at the regional office is permitted to make recommendations. Sec. 9 (c) (1).

16. Employees on strike will be eligible to vote, even if they are not entitled to reinstatement. Sec. 9 (c) (3).

Sec. 2

17. The Board is authorized to conduct elections prior to hearing. Sec. 9 (c) (4).

18. While unions are required to file reports, the form of the report is greatly simplified. Sec. 9 (f).

19. The Communist oath is continued, but applied also to employers and their officers and extended to include a form of fascism. Soc. 9 (h).

20. The statute of limitations on the filing of charges is increased from six months to one year. Sec. 10 (b).

21. The provision which prohibits the Board from reinstating an individual if he was suspended or discharged for cause is climinated. Sec. 10 (c).

22. The provision which permits a trial examiners report to take effect without action by the Board is climinated. Sec. 10 (c).

23. We repeal Section 10 (1) which makes it mandatory for the Board to seek temporary injunctions in certain cases and giving complete priority to such action. Section 10 (j) is retained; however, so that the Board has the power to seek temporary injunctions in such cases. Sec. 10 (j) and (1).

24. In jurisdictional strikes, the Board is authorized to appoint an arbitrator to decide the question of jurisdiction if it does not desire to pass on such an action itself. Sec. 10 (k).

25. While the provision regulating welfare funds is retained, it is no longer required that there be joint control if the employer does not desire it. Criminal liability is removed if the Secretary of Labor approves the terms of the welfare fund. Other amendments meet objections in the operation of the law. Sec. 302 (a) now Sec. 18 of our amendments.

26. Checkoff limitations are modified to permit authorization to continue from year to year unless rejected. Sec. 302 and Sec. 18 of our amendments.

27. While the prohibition of labor union contributions to political candidates is continued, the prohibition of expenditures is eliminated. Sec. 304.

28. In national emergency strikes, the existing provision is modified in various respects. The President may call on the employer and employees to continue work before appointing a Board of Inquiry. The Board of Inquiry may make definite recommendations. If the strike or lockout continues, the President may either submit the whole matter to Congress for special legislation, or he may apply to the court to authorize an injunction for 60 days or seizure, or both. Sec. 206 to 210 modified by Sections 301 to 307 of our amendments.

16: The hearing alliest as the regional clifford's point in the region of the point of the second a point that to make the region of the second a point of the second as a second a second a second a second as a second a

10. Employees on strike will be old this to very invert

travel

- Prode to The provision receiption of the second second of the second s