



Squash Center Comments on Gasoline Rationing

"GOD MADE ME
A
RABBLE-ROUSER!"

GERALD L.K. SMITH

DEFEATISM

SENATOR
NYE

SENATOR
REYNOLDS

..AND GOD SEEMS TO
HAVE MADE US VARIOUS
PARTS OF A HORSE!

DR. SEUSS

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(The Newspaper File)

April 27, 1942

Attached is Berryman cartoon which you have undoubtedly seen. At the risk of being accused of seeing ghosts behind every tree, it is well that someone says that a cartoonist would not normally remember that far back unless he had a friend somewhere to remind him of you.

This Berryman is probably the son of the original cartoonist. The front page cartoons of the Washington Star are the most important cartoons printed as far as they affect the eyes of important people. Berryman should be given a chance to like you.

Attached, as comedy mainly, is another cartoon. It is also to see how our Detroit line is working in PM. (You have a recent memorandum on Smith, from Detroit, given you Saturday.) If you would like to have the original to present to anyone, let me know.

New Republic

MAY 25, 1942

which—however indirectly—are sure to follow leaving too much purchasing power in the hands of consumers.

Vice President Wallace

As the months go by, the true stature of a great Vice President becomes more apparent to a vast number of Americans to whom Henry A. Wallace had seemed a rather obscure figure in the galaxy of New Deal personalities. One need only read his speech to the Free World Association, extracts from which appear on page 725, to understand his profound conception of the humanitarian advances and reforms which can be forged out of the crucible of the war. This is the Vice President as he has always been; the speech does not represent recent growth or a newly adopted attitude. But his character has been more clearly outlined by these months of war, and so has the President's long-range wisdom in passing over a field of more glamorous vice-presidential aspirants to make this selection. Mr. Roosevelt, with strenuous years behind him and a difficult future ahead, can be comforted by the knowledge that his next in command is not a Throttlebottom wished on him by the erratic politics of a national convention but a man whose lifelong efforts prove him a statesman capable of the grand conceptions, for which the world has never had greater need.

Austin Stateman

Page 12—Friday, June 12, 1942

VP by Davidson



A very different Henry Agard Wallace from the one usually seen in photographs is depicted in this new bust of the vice president by Jo Davidson. The noted sculptor emphasizes the rugged strength and inherent toughness of fiber which characterize his subject's face.

WHY DID GOD MAKE AMERICA?

Address by Hon. Henry A. Wallace before a group called by the churchmen for the purpose of conferring an award upon President Roosevelt, June 8, 1942, New York City, N. W.

*File
Lectures*

"In the beginning," according to the Good Book, "God created the heaven and the earth. And the earth was without form, and void; and darkness was upon the face of the deep. And the Spirit of God moved upon the face of the waters. And God said, "Let there be light: and there was light." And then Moses the Lawgiver tells the rise of his people, Israel. As the story unfolds it appears that the Lord God Jehovah is a particular God with a special interest in only one chosen race, the Jews, and one promised land, Palestine. Over the centuries God was planting in the hearts of the Jews in the land of Palestine the seeds of justice, peace, long-suffering and charity. The time had not yet come for Jehovah to move in world affairs in such a way as to build the Kingdom of Heaven here on earth.

It seems as though God must have designed a particular destiny for America; as though the Lord might have said during the growth of the Roman empire, "Wait, America, your time has not yet come, ~~to be discussed.~~" It is necessary first that the Romans establish certain concepts of

discipline, certain types of civil law."

Time passes on and we see another people living on the shores of the Baltic in what is now Sweden, Norway, Germany and Denmark, people living in small villages with a strong sense of justice based on family and village life but with no concept of law in a national or international sense. These sea-faring peoples, coming to England and given the opportunity of geographical circumstance, built the British Empire. But the Lord held his hand over America. Her time had not yet come. She was never to build an empire in the Roman or British sense.

How marvelous the building of physical America! How enormous the resources! The mighty river systems, the Amazon, the Mississippi, the Plata! In fathering the rivers, the mighty backbone of the Rockies and the Andes. And in the mountains, the metals so necessary to modern civilization. And the best of all natural resources, fertile soil, which, if need be, will finally furnish the motive power when at last our enormous petroleum resources run low. But America is more than a recital of rivers and mountains and resources. In the electricity of the air, the brightness of the sunshine, and the color of the landscapes there is a lift and a breadth to America

which might almost be called the physical manifestation of the word "liberty."

This is sensed in South America as well as in North America. I quote a part of a simple little children's poem published in Argentina:

"America vestida de sol y maravillas.

America dorada en tu magnificencia tropical.

America blanca en tu magnificencia polar.

Bendita tu belleza.

Bendita tu grandeza.

Bendita tu alegría."

Santificado sea tu nombre,

America muestra de cada día."

Yes, America, clothed with sun and all marvelous things, extending from the golden magnificence of the tropics to the white glory of the poles, may your beauty, your greatness and your joy be blessed; may the name of America be sanctified day by day; give us, O, America, the serene majesty of your Andes. Give us the generous purity of your sun.

For thousands of years America was appreciated but not exploited by the Indians. And then God said: "Time is ripe. I have left a chosen land, a land

of promise to be given to all my people to be a blessing for the world."

Americans by their very being are symbols of the world unity which is to come. Look at them as Bolivar looked at them in February of 1819 when he spoke to the Venezuelan Congress at Angostura. Speaking of Spanish America, he said that Spain herself in her institutions, her blood and her character was as much African as Spanish. And then he spoke of the grand mixture in the New World between the European, the Indian and the African.

In the United States there is even a greater mixture of diverse customs and cultures than in most of Latin America. English in language, we are not British in blood or customs. We have too many Irish, Germans, French, Italians, Poles, Negroes, and Jews for that. South America is not Spanish, and North America is not English, and both together represent the greater America - the America - made for the most part out of the Old World, but essentially altogether new with a hope in the future based on pride of strength and joy in liberty. And with it all, humility and tolerance. We may live in a chosen land, but we do not belong to a chosen race. And if America is a chosen land, it is not for her sake that she is chosen of the

Lord at a certain stage of the world's history, but for the sake of all the world. We appreciate what has come to us from the steadfast British, the light-hearted Irish, the industrious German, the thrifty Frenchman, and all the rest, just as in Latin America there is the greatest admiration for the long-suffering patience of the Indian, the fiery pride of the Spaniard, the happy good nature of the Portuguese, and the artistic feeling of the Italian. Yes, we appreciate all that has come to us out of the past, but we insist that it be transformed into a greater hope for the future, into something which Europe and Africa and Asia will welcome as their only hope in the time to come.

I speak of all this because we are met here tonight in order that we may recognize what the greatest American of our time has done in the promotion of good will and understanding among all peoples. More than any other man, he has glimpsed the meaning of the three Americas: North, Central, and South. He is a typical American himself, with the blood of many European peoples in his veins. As a great geographer and statesman who felt the breath of the oncoming future; but above all, as a lover of humanity, he created the Good Neighbor policy in 1933 in order that we, by example in the New World, might inaugurate an era of peace and understanding for the whole world. And so, when I re-read

the speeches which he made in Rio de Janeiro, at Montevideo and Buenos Aires in December of 1936, I am struck again with the continual emphasis laid on peace.

Who shall say that the prophet did not have America in his mind and the present day in his heart when he said:

"For, behold, the day, that shall burn as an oven; and all the proud, yea, and all that do wickedly, shall be stubble: and that day that cometh shall burn them up, sayeth the Lord of Hosts, that it shall leave them neither root nor branch. But unto you that feareth my name shall the Sun of righteousness arise, with healing in his wings; and ye shall go forth and grow up as calves of the stall. And ye shall tread down the wicked, for they shall be ashes under the soles of your feet in the day that I shall do this, sayeth the Lord of Hosts."

America without pride of race and with complete tolerance, but with great power, can be that "Sun of righteousness with healing in its wings." America can bring to pass the time of the most great peace based on justice to all the peoples. Because President Roosevelt has demonstrated again and again that he carries all these things in his heart and that he is prepared to put them into

action for all the people of all the world at the appropriate time, we are tonight recognizing him as one of the world's great benefactors. He is one reason why God made America, endowed it with the richest resources, and peopled it with aspiring souls from every land. Yes, we shall see here in America the welding together of the best that was contributed by the Roman empire of old, with the best that is in the British Empire, to make something that is more than a syntheses of the two, something that combines with the experience of Rome and England, the justice of the prophets, and the aspiration for the common man, which is the very essence of the soil and the sun of America. The sun of righteousness is rising with healing in its wings.

Wallace

June 12, 1942

Memorando to the V.P. from M.M.

Subject: Minorities; Bribes to Fight

"America is worth fighting for as it is."

"Dozens of pressure groups are in Washington, but the minority discontents are generally unknown out in the country, or only present in very limited areas, or not as important as indicated."

Subject: Pictures of the President

Too many pictures of military men, MacArthur and others around factories. Ought to plaster them with pictures of Roosevelt instead.

Subject: Attacks upon the Government and War Effort.

Expects attacks to be made on the "conservative" dollar-a-year men and on the so-called "radicals."

Believes must have some way of "getting together."
Believes the New Dealers do not defend themselves. Says it is difficult for a Democrat to get a job in many places, not because of Republicans, "but because Democrats can get no help from Democrats in power."

Subject: Hiding out Symbols of Government, keeping the town "closed" on Sunday.

Believes Sunday is the day the soliders come in to town by hundreds and find no chance to see "The Bill of Rights", the "Constitution", etc. and to see the inspiring symbols and buildings of government, but have no trouble to see saloons and bawdy houses. Thinks the town out to be kept open for soldiers.

Subject: Deportation of Bridges.

Thinks it is legally and morally wrong, and that the President should set the Attorney General's ruling aside. Includes sample document by which he thinks President could do this.

(Mentions that he has not communicated with the White House in over a year "nor have I attempted to have any communications sent there." Thinks the Bridges matter ought to be taken up with the President.

COLUMBIA BROADCASTING SYSTEM

PEOPLE'S PLATFORM

SATURDAY, JUNE 13, 1942

7:00-7:30 P.M.

ANNC'R: THE PEOPLE'S PLATFORM. One of the most important statements since the Atlantic Charter of the peace aims of the United Nations was made by Vice President Henry Wallace recently when he spoke over the Columbia Network on the subject "The Price of Free World Victory." What kind of a world are we fighting for? What will be the place of Democracy in the post-war world? What should be the treatment accorded the Axis nations? THE PEOPLE'S PLATFORM, Columbia's discussion program, presented each week in the public interest, brings you now Lyman Bryson and three noted guests, as they analyze and talk over Mr. Wallace's speech and his answers to these questions. In Columbia's private dining-room with Mr. Bryson are three university leaders: George Barton Cutten, president of Colgate University, Hamilton, N. Y.; Stringfellow Barr, president of St. John's College, Annapolis, Md; and Harry D. Gideonse, president of Brooklyn College of the City of New York. We hear first from Mr. Bryson....

BRYSON: The Vice President's speech seemed to get off to a rather slow start for some reason or other and has been gathering momentum in the minds of a good many people since. Although it was heard by a very large and distinguished audience and heard by everyone who listens to the Columbia Broadcasting Network, it seemed to catch people's attention not at the beginning so much as when they thought it over. I've wondered a good deal why it is that a speech gets a slow start and then seems to gather momentum. Certainly it was not because it was shocking to anybody,

because it's not that kind of a speech. It may be that there's some other explanation for the fact that the points have taken on meaning as time went on.

GIDEONSE: I think one reason is that Wallace is not exactly eloquent and people got more out of his speech when they read it than when they heard it, perhaps, and particularly I think the fact that since the Atlantic Charter we've had very little emphasis by leading statesmen in Britain or the United States on war aims, and this was one hundred per cent about what we want the war—the world to be like after we win the war.

BRYSON: Do you think, Mr. Gideonse, that people were waiting for some kind of an Administration statement that would give us a notion of our more far-reaching aims?

GIDEONSE: Well, an — a notion of just what the Atlantic Charter meant specifically, because the Atlantic Charter had left things pretty vague. Very much the same language had been used twenty-odd years ago, and now here was the Vice President of the United States speaking in great detail what he thought specifically should be done with our victory, if we had it.

BRYSON: It's been a funny war in some ways, hasn't it? People say of the war - "Remember Pearl Harbor." Pearl Harbor is nothing pleasant to remember. It's no great victory. On the contrary, it was a surprise and a defeat.

GIDEONSE: And something to forget about as fast as possible.

BRYSON: Certainly, Not something to make as a reason for the war.

VOICE: Well, I thought we repeated that perhaps a little bit
BARR stupidly because we already had a slogan "Remember the Maine." I think there is a possible meaning for it, and

BARR: that is: ~~that~~ remember that through our own carelessness and lack of ordinary foresight and preparation, we took pretty bad thumpings at the beginning of the fight. In that sense, I think it's a fairly good slogan, if we could give it a little more meaning.

BRYSON: But we aren't, Mr. Barr, fighting to—just to avenge a surprise attack, are we?

BARR: Of course, not - and all the people I know in the services don't feel any sense of revenge. They feel that the Japanese did surprise us. They don't incline to use the word "treachery" very much. They think it was a rather shrewd first blow in a battle; that the Japanese had very little hope of winning unless they got a good swift kick in at the start.

VOICE:
CUTTEN: Seems, Mr. Bryson, that one of the things that came in later that was not recognized when the speech was given was the matter of the revolution that is already taking place and which would be consummated by this war, in which the common man would take a surprisingly large part, and that, of course, has been somewhat in agreement with the policy of the Administration up to the present time.

BRYSON: Well, you don't mean, Mr. Cutten, that the people's revolution is just the New Deal on an international scale, do you?

CUTTEN: Well, that's one interpretation that might be made in connection with it, especially as it was outlined by Mr. Wallace in his speech at that time, and the duties that he speaks of are not duties particularly applicable to the post-war revolution, but rather the duties that we are to undertake now in order to win the war in order that this present,

this revolution might take place, or might continue.

VOICE:
BARR

On the other hand, Mr. Cutten, isn't Mr. Wallace saying quite definitely that this is a revolution that's been going on certainly for a century-and-a-half, and isn't he being rather wise in insisting that Hitler's revolution or what Hitler calls his revolution is actually a counter-revolution—that the revolution that America and France led in the 18th century still has implications for us to work out in our own generation, and that those implications are for what he concludes with, a just peace.

BRYSON: To fight for, Mr. Barr?

BARR: To fight for.

BRYSON: To fight a war for...

BARR: Yes, I think he's insisting that it won't be the first time we fought wars for that.

GIDEONSE: No. That other thing, of course, that emphasizes that and draws it out is that reference that so many people picked on in the speech - the one about - about one of our war aims being that we should have a quart of milk for everybody, or a pint, and that sort of dramatized Mr. Cutten's point about the international New Deal aspect of it and gave it a little Russian sauce, because of the reference to Mrs. Litvinoff in connection with it, and disturbed some people, and that made them talk about the speech--

BRYSON: And it gave everybody who's ever been in China a good joke, because the people in China and most of them in India don't drink milk.

VOICE:
BARR

But we Americans heard about forty acres and a mule a good while before the New Deal, and I don't think the notion of the common man getting a break, economically as well as politically, is at all new to American thought.

GIDEONSE:

That's one of the things that disturbs me about the emphasis on the people in the speech. I don't object to thinking of the people. The people certainly fight wars and the people ought to have a lot to do with writing the peace. But throughout the speech there is, to me, a sort of demagogical emphasis on the people, as if this were the first time in human history that a war was being fought in which the people were interested. I think the people were just as interested in the Civil War and that the people for Europe, for instance, in the war surrounding the French Revolution, as they are in this war. Nothing particularly new or novel about that popular interest.

BRYSON:

Possibly, he meant, Mr. Gideonse, that this century-and-a-half of revolution was all a part of the people's war; this is one of the last battles of it.

GIDEONSE:

Well, there was a great deal of popular interest in the wars about Protestant Reformation, too—

BRYSON:

Right.

GIDEONSE:

—if you want to go back a little further, and I would say that that was part of the same popular movement, if you wanted to discuss that. I think it could be very easily brought out. But the real significance, I think, the people's sense of the speech was that they hoped that the speech would become the beginning of a psychological participation in the

war -- they hoped that the speech would become a charter with which we could give the people in the occupied territory a doctrine with which to resist the depression or the occupation or what the Germans are going with them. And it seems to me that that's the interest and thing about the speech. If that's true, then perhaps it was an extremely useful thing to do.

VOICE:
CUTTEN

But the point that he makes concerning the demagogues is almost entirely a New Deal aspect -- that is, he takes up the demagogue who is connected with the privately-financed revolution of the individual, or whatever you may call that, where, as a matter of fact, some have felt that there has been far more danger in the demagogue who is financed by the Federal Government and who has the power of the Federal

Government back of him. And surely if Mr. Wallace has any respect for the history of this country, he knows that there's been something else beside the laboring man who has made this country and who must be responsible for a good deal of the development after the war as he has been before the war.

VOICE:
GIDEONSE

I think Wallace thinks in terms of the organized economic interests of the time of, let's say, the Teddy Roosevelt administration. It's entrenched big wealth that finances demagogues. As a matter of fact, of course, economic interests in our time have come to be quite as pronounced and quite as self-interested on the farmer's side, as Henry Wallace ought to know, and on the labor side, as they are on the capitalist side. There are demagogues who are supported by all of those economic pressure groups, although Wallace never spends much time or attention on some of them.

VOICE: He seems to think that the only freedom that is really necessary is the freedom for the laboring man and that no other person has any right to any freedom — that is, as far as this speech is concerned and as far as his program is concerned — for the future.

VOICE: Well, Mr. Cutten, are you implying that he also thinks that BARR the only people that ought to drink milk are those that haven't been drinking it, because I assumed from reading the speech that he was interested in seeing that not only those that drink it now continue to drink it, but those that haven't had any get some, and not that he wanted to turn over everything to the laboring man, but that he wanted to make sure every citizen and not merely those who are economically fortunate really participated in the rights of democracy and, as he properly adds, in the duties of democracy.

CUTTEN: Well, there is no doubt that he has that in mind, too, but then his continual emphasis upon freedom from want and the whole of the future prosperity and progress of the world being dependent upon a freedom of want seems to me to be entirely opposed to the lessons which history has taught us, because in the past it's been those who had been forced by want that have made the progress both individually and collectively as nations, and while there is — it is necessary for us to be above the starvation stage in order to have time and energy to do some of the things, still, as we have frequently said regarding the rich "from shirt-sleeves to shirt-sleeves is only three generations," and it's largely because in the second generation there's been no pressure

from want and consequently no incentive to go forward to do the things that might have been done, if the person had been under the pressure of want.

VOICE:
GIDEONSE

I think that overlooks, anyway, psychologically that people don't go to war for a quart of milk or for a plumbing system. They go to war for reasons that have something to do with outraged pride, or with an outraged sense of justice or injustice. I don't think men go to war for material things very easily, although they may frequently talk as if they do, because the climate of opinion of our time is that economic things are the most important things and therefore everybody talks that way, because that's the way it seems in which you can persuade your contemporaries. But the fact that you don't fight for that — I can't imagine people fighting for an increase in the standard of living as over against the number of times you can see them fighting for justice.

VOICE:
CUTTEN

I think, Mr. Gideonse, that you've touched the weakness of this speech, because Mr. Wallace allows the economist to have something to say and he allows the politician to have something to say and he allows even the chemist or the technician to have something to say, but he doesn't allow the psychologist to have anything to say. And war is a matter of psychology, after all, and ^{well} ~~we~~ have to come back to the primary instincts of the people and to satisfying them, if we're going to do away with all war, rather than simply filling their stomachs.

VOICE:
BARR

Well, isn't Mr. Gideonse saying something a little more

important than psychology? Isn't he saying that people are willing to lay down their lives if they feel that they're not getting justice? And I heartily agree with him that people don't readily fight for a standard of living: they are much more inclined to fight when they feel they've been wronged morally. But mightn't Mr. Wallace say in a civilization that is technically able to provide a very much better living than it is providing for the average man, it's a scandal that some people who are willing to work can't get a quart of milk, and that it is when that quart of milk is missing under certain conditions, that the outraged sense of justice is there, and ~~conditions, that the outraged sense of justice is there, and~~ then you get war. And I agree with Mr. Gideonse that -- you're short-circuiting when you talk about that being an economic war; it's a moral war.... (VOICES CROSSING)

VOICE: The symptoms are economic, but the cause is a moral one.

VOICE: I think his speech is being interpreted that way, Mr. Gideonse.

BRYSON: I think most of the people find the speech a declaration for moral reasons of a right to a minimum economic satisfaction as Mr. Barr says.

GIDEONSE: And I think you have to grant Wallace - that he sticks to what has become, I think, the most characteristic note for which he stands in our public life, the emphasis on how we can only have these things -- this quart of milk and this better standard of living, and so on -- if there is a much deeper sense than there has been in the last 150 years of the duties that we must live up to in order to be able to exercise any of these rights of the common man, and that's

characteristically Wallace at his best, and it occurs in this speech again on an international basis related to the waging of the war and is a statement of moral principle—(several words indistinct—telescoped—"not of note"?). Except that in the speech what bothers me a little is that it's related very closely to the waging and the winning of this particular war. In general, Wallace usually states that in a very much wider framework. To him, it is part and parcel of, let's say, the doctrine of civil liberties or the Bill of Rights, and in this particular speech it becomes a part of waging this war and winning it: we have a duty to produce and a duty to transport and - what are some of the other duties - I've forgotten.

VOICE: Well, of course, the duty to make a just peace which may
BRYSON have been the point at which he thought he was getting the larger aspect of it in. A just peace, I suppose, means a peace that will last and will also take care of the moral right of the common man through economic satisfactions.

VOICE: He's guilty of the fault, as it seems to me, Mr. Bryson,
CUTTEN of the idealist. The idealist usually wants to start from where he wants to go, rather than from where he is, and Mr. Wallace's ideals of the future, of course tied up with what he has always thought in connection with the sociological problems, especially in connection with this country; but how this program that Mr. Wallace has laid out will appeal to some of the European elements seems to me one of the most serious matters that's before us at the present time, because we're not fighting this war alone—it's to be tied

Page 11 was missing

These two pages 10 and 12 don't seem
to fit together so well.

as to whether or not this is actually an Administration statement. That is, whether this can be in any sense taken as the opinion of the Administration at the present time. Mr. Gideonse said a while ago that it's very curious, in this war, we've had very little in the way of a declaration of principle before.... The Atlantic Charter passed from our attention rather quickly, didn't it? We don't talk about it, or do we? Do people talk about the Atlantic Charter?

VOICE: I don't think there is any popular general discussion.

GIDEONSE: It is given a great deal of attention by people who are making a special study of war aims and what the peace should be like.

VOICE: BRYSON: I'm talking about the boys in the camps and the sailors on the ships.

VOICE: BARR: I doubt very much whether they are

VOICE: GIDEONSE: They are not thinking of fighting the war for that.

VOICE: CUTTEN: I doubt it, as far as I see it.

BRYSON: Which means that we're in a, perhaps, unusually poverty-stricken condition for war aims, as you pointed out and this comes along now. Is it? Are we to take it as what the United States is officially fighting for?

VOICE: (?) Don't you think, Mr. Bryson, that this may be but another example of what we ... of which we've had several of where the President had someone else to outline a policy to see how it is going to meet with the people before it has his backing. This is the "maybe" Administration in that respect and waiting to see how it is reflected from the angle of

VOICE: GIDEONSE: In other words, we really will decide in popular discussion whether or not this will become a program of war aims or not. Isn't that what you are saying?

VOICE: (?) That is right.

VOICE: GIDEONSE: That's a trial balloon. If it takes, then perhaps the President will talk about it, instead of the Vice-President and if it

should be qualified in some way then that has some effect on what the Presidential version will be at a later date.

VOICE: BARR: Well, I don't think one can justly accuse Mr. Roosevelt of never putting up his own trial balloons. He has put up pretty good ones at times.

VOICE: GIDEONSE: We weren't saying that, Mr. Barr. We were simply saying that he also very frequently puts them up through up other people.

BARR: Yes, and I should think properly because if Mr. Roosevelt had made the speech himself we might be much more tempted than we are to say this is the official doctrine that the Government's got. I don't think, assuming that Mr. Roosevelt ^{saw} ~~saw~~ the speech before it was made and I find it difficult to assume he didn't - I should suppose he would say "make this statement and see whether the people understand it. If they do understand it, it could become policy." I should think that was good democratic leadership. I don't know ~~how~~ how they would do it ... how else you would do it unless perhaps through an election or something.

VOICE: (?) A platform standing.

VOICE: GIDEONSE: I don't know a thing that points in the same direction ... I know a thing that points in the same direction, of course, is the fact that very shortly afterward ... after the Wallace speech you get the Sumner Welles speech which is a very different sort of language, I must say, to mean more much acceptable language and it says something like the same things - that it seems if there is being engineered an approach from a number of angles to some common ground that might have been the one that had been received more popularly.

VOICE: BARR: Well, assuming, Mr. Gideonse, that this is a trial balloon in the full sense of the term and that the President of the United States and those closest to him would like to convert it into policy, if they can get popular understanding of it, how would you state the policy?

GIDEONSE: Well, now, that's quite a challenge, isn't it?

VOICE: (?) It is a good question.

VOICE:8 (?) It's a difficult question because as you yourself pointed out the speech isn't anything like, for instance, ... as Mr. Wallace's ... what was his pamphlet on Americanism ...

(All talking together - unintelligible)

VOICE: BARR: Well, that's more tentative. What bothers me about the speech is that it all remains so general. That's what I meant a moment ago, with the vague irritation that I felt as I read it, with this emphasis on the people ... the people this, the people that. What I'd like to know is more specifically and concretely just how are you going to achieve this people's revolution? How are you going to recognize the common man? Then you can discuss it and get your teeth into it. As it is, that's something ... that's, I think, why the glass of milk got the attention it did ... it was one of the very few specific things in the story, although it wasn't the important part of the story at all. I personally feel that if it was a propaganda document ... if it was an effort to give the people in the occupied countries, as well as ourselves, something of a blueprint, something that they could live by in this period of strain, that it probably ought to be judged in terms of whether or not it went over in that respect rather than in terms of what you and I might say about it in ... when we analyze it and pick it apart, and I have some doubts about that myself as to whether it went over. I can't imagine it going over very well outside of the United States.

VOICE: CUTTEN: But Mr. Bryson says it's being increasingly discussed.

BRYSON: It's being increasingly discussed in this country. I don't know how it's being received abroad but is there an implication in this, as you gentlemen seem to think, that the United States is now organizing the most powerful ^a army and navy in the world in order to enforce a people's revolution? Is that what we're to take to be the purpose of our fighting?

VOICE: CUTTEN: That, I think, is some of the interpretation that's been made abroad and has not been so well favorably received. I think Mr. Welles'

speech is more favorably received than Mr. Wallace's speech.

BRYSON:

~~CUTTEN: (ft)~~ Of course, the people abroad, Mr. Cutten, certainly would welcome any assertion on the part of a rich and powerful country if it was willing to make any international adjustments that would improve the international economic situation, wouldn't they?

CUTTEN:

No doubt about that.

BRYSON:

What is it they object to?

CUTTEN:

Well, I think the general idea of the people's revolution, which might connect it up somewhat with the Russian revolution, and that, of course, has been one of the things that it's been pretty hard for both Britain and the United States to accept, and it's been one of the reasons why we haven't been so keen about Russia being in with us on this war.

VOICE: BARR:

Yes, Mr. Cutten, but I would think the average Britisher, or any economic group, now knew that his country had already gone through a fairly profound revolution, not only economic but social, political, in a lot of ways, and I think that most people are now habituated to the idea that World War Two is a revolution on an international scale.

VOICE: CUTTEN:

I think everybody is saying we'll never have the same country again. We can't talk about normal and getting back to normal because that's an absolute impossibility because things are never going to be the same and as far as great fortunes are concerned this country or in Great Britain or in anywhere else - they're a thing of the past, and there's going to be more government control of those things, I think, without any doubt. But that seems to be somewhat different from the people's revolution which smacks considerably of a Russian flavor.

VOICE:

(?)

Or German?

VOICE: GIDEONSE:

Perhaps German also.

VOICE: GIDEONSE:

That's what I think is one of perhaps the mistaken psychological aspects of the speech, that a lot of people in England and the United States

are perfectly ready to ~~and~~ accept Russia as a magnificently effective ally in winning a common war but they're very disturbed about that necessarily having to mean anything at all about common objectives once you're through with the war. Now, when we ~~begin~~ begin to talk "people's revolution" that makes it seem as if some people on this side have forgotten about that essential distinction between an ally in waging a war and someone whose political and economic ideas you share after you're through with the war.

VOICE: BARR: Well, Mr. Gideonse, I agree with you in a sense and yet there remains in my mind this difficulty. I have a feeling from what one is able to read about European opinion and I admit it's difficult to make a judgment, I have a feeling that the average European is pretty convinced that the national state system, as it was attempting to operate in the thirties, was ... isn't really violable. I suspect that a certain number of Frenchmen, for instance, at one time were willing to tolerate a German victory because the least it would bring was a moderation of unity, to a community that was hopelessly divided into absurd little sections. Now, if Hitler offered unity but not freedom, it is possible, do you think - and I know it's a difficult question in the light of the rather vague style Mr. Wallace uses - but is it possible that Mr. Wallace is edging toward suggesting unity with freedom? That would imply obviously some kind of Federal solution, which is also being discussed very widely.

VOICE: GIDEONSE: But look, Mr. Barr, we're in the same business as educators, don't you think that it would be much better education if that's what he meant to do with his speech - to devote some attention to those parts of public opinion that are least sold on this notion of sovereignty being something that is out of date? Shouldn't he then in his speech have hit with real sledge-hammer blows at that idea and not have built up any speech ... these vague ideas about standards of living, that everybody in a rough sort of a way agrees with anyway? If that was the purpose, and I agree that's an essential purpose, at least so it seems to me, then in order to educate people you ought to take them ... take the bull by the horns because national sovereignty is still a myth that people believe in.

VOICE: GIDEONSE: Whereas higher standards of living, everybody believes in them, particularly for himself.

VOICE: BARR: Well, I emphatically agree with you that the speech is too loose to achieve that objective. I think it's a flimsy speech, personally, and I think ... and I don't think it was Mr. Wallace's responsibility to come out with something palatable. He's not an advertising man, he's supposed to be statesman. What I was trying to suggest was that maybe this was the first intended step toward taking something that is of interest to the entire community, regardless of state boundaries, namely, a people's revolution would imply a kind of standard of living that ultimately would have to have political sanctions to make it operate. This is a very wild theory and I'm trying to get some stuff into the speech that I don't really see there.

VOICE: BTYSON: Are you saying, Mr. Barr, that perhaps on this common ground of standard of living, something that we all are thoroughly commencing to, and believe in - no argument about it left - by making the kind of statement that he did on that ground, he's preparing the way for a statement which would be less likely to be acceptable, a statement as to some kind of international federalism that would compel us eventually to give up some of our sovereignty.

VOICE: BARR: It looks to me as though he were making this speech to the people of this country, a political speech to the people of this country, forgetting that there was a Europe or forgetting that there was a South America or forgetting that there was a China, and that the speech falls down when it comes to being applicable to the other nations of the world rather than to our own.

VOICE: CUTTEN: Well, what's more, it seems to me that his reason for talking about the people's revolution is that he wants his audience to envisage the people as human beings inhabiting more than one state. This speech seems to me to be at least free of acute nationalism. He's nowhere saying it's to the advantage of America to have such-and-such a settlement and we're not interested in what the other people want. He's not saying that: He's not saying that: He's saying

all over the civilized world there are people who through clumsy economic maladjustments and political chicanery and mismanagement haven't got enough to eat and given technological means for production this is preposterous. This seems to suggest a closer cooperation internationally than has yet been suggested by any document except the Atlantic Charter and I agree with Mr. Gideonse that we've had pretty thin rations and that the point that you're driving at, of course, is the point of getting us to accept a political change in our thinking...

VOICE: ? : That's right:

VOICE: BARR: As well as any others and that, unfortunately, is not spelled out in the speech and it is the point upon which our public opinion needs education most of all.

VOICE: (?) I agree with you.

BRYSON: It would sound very much as if you gentlemen thought that the speech would be a pretty good beginning but that you want something now which will be more decisive and may go a little bit further, if I'm not misinterpreting you, something which would show the necessary political and economic and, as Dr. Cutten said, psychological arrangements that are necessary to fight a war, which will get us at the end of the war some kind of international political order that will assure the realization of such economic means as Mr. Wallace quite properly thinks are moral justice insofar as justice can be interpreted in material terms.

* * * * *

ANNOUNCER: You have been listening to "The People's Platform," the weekly discussion program which the Columbia network presents each week in the public interest. Today's subject - "The Price of Free World Victory," was discussed by Chairman Lyman Bryson, and his guests -- George Barton Cutten, President of Colgate University; Stringfellow Barr, President of St. John's College, and Harry D. Gideonse, President of Brooklyn College of the City of New York.

PEOPLE'S PLATFORM - 6/13/42

Listen again next week at this time over most of these stations for "The People's Platform." Subject under discussion will be "The Axis State of Mind," with four recently returned news correspondents from Berlin and Rome interpreting what they have seen and heard.

This is the COLUMBIA BROADCASTING SYSTEM

(very few cues given as to identity of speakers)

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June 16, 1942

Kiplinger's Washington Letter—June 13, 1942

"Politics in the form of fall election are playing a big part in many governmental policies bearing on war. In conversations with officials, we hear it said a dozen times per week that such and such ought to be done but can't be done before elections. It is a sort of tacit understanding.

"Election politics affect these matters: price control, rationing, inflation control, wage control, farm prices control, heavier taxes, drafting of 18-19 year olds, and military power over civilian employment. On these, government post-election policies probably will be stiffer.

"COMPLETE RE-ORGANIZATION OF WPB IS COMING WITHIN THE NEXT TWO MONTHS. Purchase and production functions will be transferred to the Army and Navy, and present industrial branches will be succeeded by commodity branches. A new allocation qualification system will be mandatory for all, so get ready for it. Write Public Service Unit, WPB, Washington."

June 16, 1942

Detroit investigation brings in this one: The President of the Michigan Manufacturers' Association says that the National Association of Manufacturers inspired the Dies Committee to offset the effects of the LaFollette Committee.

June 16, 1942

Eliot: Knox and the President.

Mrs. Reid - Ingersoll—then the columnists perhaps.

Telephone talk with Ingersoll.

Judith

June 16, 1942

This man sees only high class people in New York City, Boston, Philadelphia, Pittsburgh, and Chicago and Detroit. He is a publishers' representative who meets the sellers of advertising for large corporations and the operating executives of the same. He is an Irish Catholic, has not become anti-Catholic, but has been broadened by four years at Dartmouth: "Isolationists in private conversations seem to be getting nearly as decided in expressing their opinions now as when the America First movement was at its height and we weren't at war. There is too much less national unity than during 1917-18. The isolationists camp seems to be filled with powerful Roosevelt haters, also Americans afflicted with Anglophobia; and poisonous virus against the sons of Shem seems to be taking. " (By "taking" he means spreading in the sense of infectuous.)

It is suggested that if the Axis radio attacks on Roosevelt as a Jew-lover be lined up with printed American attacks upon him as a Jew-lover, and compared line for line and word for word by Edmund Taylor, who is an expert on this, you might have some basic material for the belief that Berlin underground propaganda and radio broadcasting are both moving back from our own people toward Washington now, particularly as the isolationists, stunned by Pearl Harbor, come to life.

June 16, 1942

Civilian Personnel Division, Services of Supply under Somervell:

Mr. James P. Mitchell, formerly of the Western Electric Company, has been appointed director of Civilian Personnel. Mr. Mitchell's assistants include Mr. W. E. Wentworth, former Supervisor of Personnel Developments of the Western Electric Company, who heads the Civilian Personnel branch, and Mr. H. H. Carey, former Assistant Director of Personnel of the Western Electric Company, who heads the Civilian Personnel Policy Committee.

The Western Electric Company has for nearly ten years been working in close collaboration with the Harvard Business School on a series of psychological experiments, using company workers. The three leading representatives of Harvard University have been the late Dr. L. J. Henderson, Dr. Elton Mayo, and Mr. T. North Whitehead, son of the philosopher. These three gentlemen all have strong Fascist leanings, are students of Pareto, the Italian engineer-economist whose ideas were closely connected with the rise of Mussolini. The experiments being conducted at the Western Electric call for the presence of a stenographer in the room with the workers who records every word they speak. The workers are also submitted to a weekly interview by a psychologist who questions them about their home life. The object of these experiments is said to be to maximize out-put.

The new set-up of the Civilian Personnel Division duplicates at almost every point the operations of the War Man Power Commission. It has been operating under Section 6 of the National Defense Act, authorizing an industrial mobilization plan designed to streamline man power mobilization. This organization has been gathering momentum ever since December 7. If the War Man Power Commission does not soon prove more effective, it may be necessary to merge it with the War Department set-up as the War Production Board is being merged with the Armed Services.

June 16, 1942

Below is a section of a private letter from one of the country's best hospital executives—himself an extremely able surgeon:

" . . . I have heard of many more instances of Medical men in the Army performing tasks totally unrelated to Medicine. My assistant's roommate—nine years out of Medical College—and in the Army for the past 18 months—serving the past six months with $\frac{1}{2}$ hr. Medical work each morning and the entire remainder of the day teaching ordinary soldiers how to drive a truck.

"At present we have six of our staff in active service—four leave next week for active duty and by July 1st 17 of the staff of 56 will be in active service. Of the ones who are in only one is getting any real active Medical work to do—the others are all disappointed in that their duties have so little to do with actual Medical service."

The Army will say that they have to prepare for an all-out bloody war and that there isn't any too much time to harden up the doctors, and they should have them where they want them, when they want them, even if they are doing little Medical work. But the picture should be on the table.

June 16, 1942

Should Marshall Field take this into Roosevelt as the literary
work of a friend?

June 16, 1942

N.B.
First Dictation
Taken from CEM
by CLARKIA

The Fantasy of Jones:

The Fantasy of Jones is so real that to write the truth of Jones today and tomorrow should be written as a Fantasy in order really to see it.

This Tennessee cabin boy, Jones, merely knows that certain things succeed. His brother, John Jones, who is a physical, lascivious half-wit but a very shrewd appraiser of Jesse because of his inferiority complex, says, "There is no way to beat Jesse so the only thing to do is to join him." He says that he found this out when his father gave Jesse and John two sows and he found that Jesse placed his sow closer to the feed box quicker.

Jones irritation at frustration on his way to the Presidency has been growing since 1928. He probably now sees that he is through with the Presidency but not necessarily through as a Warwick. Two of his recent direct quotes:

"I became friends with Garner because if he were President I would run the business of the country and that is really all I care about."

"Roosevelt never fires anybody important because he would convict himself of being a poor picker if he did."

The Jones operating policy is that "the ends justify the means". But whenever means are used which do not fit the Jones public formula, there is the usual Richelieu formula of indirect operation.

An example: He is carrying on a consistent campaign to muddy the financial affairs of the President's son. One being "helped" never gets out of trouble under the Jones formula.

Jones was a pallbearer at President Wilson's funeral. Jones' news-

paper partner said at the time that Jones was instrumental in having Mrs. Wilson subsidized to the amount of twelve thousand dollars a year. Mrs. Wilson has made frequent public appearances with Jones which have been advantageous to him.

It is fantastic to give the Jones mind any purposeful unity. It is merely a mind consistently at work in the same direction of self-power.

The Ralph Ingersoll Draft Board item (see addenda) should not be directly traced to a Jones' directive, but is properly placed in a Fantasy. Little people follow big people when they know where big people are moving. And similarly all the actions of Will Clayton are certainly not Jones actions, and surely the unpleasantness about Farley probably was not even initiated by Jones.

June 16, 1942

Jones Texas Activities:

Texas persons who have watched the Jones technique for eliminating persons in his way remember his work in removing a real estate competitor in the Houston field who was "over building" Houston, into the Governorship where his victim, Governor Sterling, became engrossed in state wide reforms, and then was smashed in Houston by Jones in the 1933 "financial reorganization" of Houston. Jones eliminated him one evening from banking, realestate and newspapers, largely by the use of the cash position of Jim West--the Russell Sage of Texas.

West became unofficial trustee for some Sterling properties. A secondary Russell Sage took over the Houston Post hiding behind ex-Governor Hobby as the ostensible owner.

Later Jones uses his north Texas financial vassal, Fred Florence, (President of the Republic Bank) to "finance" the Post and makes a contract with Hobby which continued Jones control by putting Hobby into Jones debt for a million second mortgage. Perhaps the facts will show that the equity Jones now has over the Post through Hobby never cost him a cent.

Perhaps if an intelligent man, like Douglas, checked this he would bring into the open that instruments Jones used were the most violent of the Houston Texas Roosevelt haters.

Poor Hobby recently has appeared in Washington trying to save himself financially by testifying at a legislative taxation hearing that he and no one else in his position could pay his debts.

Mrs. Hobby is now hear of WAAC. She is the brains of Hobby and Hobby. She supported Wilkie with the Post. Mrs. Hobby became so hysterically fond of Wilkie that she had during the campaign, a very large photograph of Wilkie in her bedroom. Her little son, who was

tremendously pro-Roosevelt, tip-toed into her bed room the morning of the Roosevelt 1940 victory, November 5, and said, "Good morning, Mrs. Wilkie." Mrs. Hobby's career has been handled by Jones advice.

Jones has suggested that the American Statesman at Austin should be sold to the West interests. West said before his death that should Roosevelt die he would give a victory breakfast.

The Jones Political Line in Texas to Washington:

The Hobby-Jones Houston Post was the only newspaper which editorially praised O'Daniel as he left for Washington. When Hobby was asked "Why?", he simply said, "It does not hurt to ride a horse on the way."

The present campaign for Senator in Texas will find the Jones controlled Chronicle and Post friendly to the candidacies of either Moody, the humble (Standard Oil) Attorney, or O'Daniel, should the first primary leave either as Allred's opponent. Texas now reports Allred may run third.

Jones operations in the House and Senate, as far as Texas delegation is concerned, will be to flatter Connally who is now throwing his weight to Moody, the first choice of Standard Oil. Connally has said that he believes Mrs. Hobby is the finest political brain in Texas. She is a natural as a female liason. The second operation is to "fix up" Rayburn's financial supporters seeking government aid. He seeks to be of more influence with Rayburn than Roosevelt. Rayburn hates Connally.

Jones Activities in Chicago:

The Chicago Sun is now in a financial mess which may threaten the usefulness of Marshall Field. Silliman Evans, the Jones protoge, whom

Jones elevated from one of his reporter-ghost writers- to the Presidency of the Maryland Casualty Company of Baltimore, and then to Nashville, Tennessee newspapers . Nashville banker Davis is a brother of Norman Davis. For many years he has been considered the banker behind McKeller, an ally of both Crump and Jones. Davis held loans as did RFC controlled closed banks, over the newspapers. Davis negotiated the two newspaper mergers.

The RFC had securities under one Nashville paper and the Knoxville newspaper, due to the Luke Lea collapse. Some bonds are in the Canal Bank in New Orleans, which was RFC controlled and others directly in the RFC closed bank division. According to Silliman Evans, "Davis worked this out for ~~Stahlmann~~ (Nashville Banner) and myself." This Silliman Evans is now on the Chicago Sun where he is running a poor imitation of the Chicago Tribune and where he, on the surface, has broken with Jones.

But Marshall Field is now seeking a five million dollar loan to tide him over the coming year until his large inheritance is available. It is possible that it is twilight for PM, and that the Chicago Sun will set within the next 60 days; also that much money will be made on refinancing Field. It is only a coincidence that ^{PM Editor and its main asset,} Ralph Ingersoll, is moving into the draft at the age of 41. Field has two millions in PM, undoubtedly more in the Sun as well as a reported contract with Silliman Evans at 150 thousand dollars a year, personally guaranteed by Field for ten years. Silliman has never had the brains to negotiate such a contract. The largest bank in Chicago, the Continental, has a President dictated to by Jones, after a battle with Avery of Chicago who opposed Jones.

Jones Present and Future Washington Line:

Following his intense irritation over the rubber situation, Jones has been intensely active in remaking his lines to the Right. Much of Hull's irritation may be traced to direct contact from Tennessee to Hull. The big irritation is that ^{Jones} ~~he~~ does not see with Roosevelt on the future of the world--he is intensely nationalistic. in political philosophy. He would return to a Mark Hanna-McKinley high powered nationalism in industry. He would return all industry on the day of the peace to corporate control, leaving the debt structure more or less in its own hands through collateral loans and contracts with his own agency, but leaving the government itself and the United States Treasury without direct collateral for its 200 billion dollar debt. He has an utter

contempt for what he calls the "Dreamer" who would make a new world.

And so in sincere action he is moving swiftly. He has given up Welles, but is placating Hopkins. His warm personality has alternately cajoled and frightened Nelson. Just as he played poker and travelled with Knudsen, he is watching Nelson slip. He believes that military control of factories and production will succeed the Nelson civilian control. He believes that large scale business and the military are now lies as McNutt curbs labor by stabilizing labor in the factories. He has encouraged Nelson to move from factory production in the the control of raw materials. He sees that the control of the United States raw materials inevitably means control of all materials coming from the outside of the United States the minute they hit American ports. He is throwing the weight of all his credit control, such as rubber reserve, in to the vicinity of Somervell whom he believes will take over the factory production of Nelson, by-passing the Economic Warfare Board, believing that State and Economic Warfare Board will not get together fast enough. The present friendliness toward Hopkins is designed to bring Lend-Lease into the straight line effort from raw material to the fighting line without the need of either the Economic Warfare Board or State. He may have Hull's sympathy in this as both are Tennesseans and have had many years of close contact through the Davises and others, reaching clear back to 1928 when Jones attempted to assemble Tennessee at Houston behind him for the Presidential nomination. At the time of Farley's greatest dis-affection, he lunched frequently at the Carlton with Farley and Hull. He gave his sympathy against the third term, and probably supported Farley's idea of a Hull-Farley ticket to stop the third term for Roosevelt, when asked. He remarked during these times, "Roosevelt never fires anyone because he would be accusing himself of being a poor picker. Hull's in fine shape because he knows that he can quit at any time with glory." The listeners felt that Jones was expressing his own opinion of the Jones-Roosevelt relationship at that time.

So the Jones mind is that Nelson will go the way of Knudsen slowly; that Henderson is a passing 1942 incident; that the military authority is on the big rise over American civilian life, and the large scale capitalism and the bankers function will carry on from the day violent war ends with the military, until the final peace. He believes then the military will lessen in functioning power, but that the frame-work of final peace--American style--will find large scale capitalism tied up to Government through money credits and possible military support.

June 16, 1942

The significant two things are:

1. The London-Moscow deal with the collateral or secondary Moscow-Washington deal. It is true, but entirely too little of the truth, to say that Roosevelt used Lease-Lend to reach Moscow because the Senate was not available at this time to go further so as to equal the London-Moscow move and make it tripartite. Actually Russia asked certain assurances of London and Washington at the same time. Before the first of the year Washington did not, or could not, and London was not willing. So, in the months that followed, as Hitler attempted, like a rat in a cage, to break the West or the East by promises first to Moscow and then to London and threats to London and then to Moscow and then lies through Stockholm to Moscow about London and then lies about Moscow to London, there were very ticklish and dangerous conditions.

We won because Hitler had promised too much and lied too often. He was out of credit and his threats, of course, had lost some force since his defeat before Moscow and the growth of the American effort.

Analyzing Washington, I should say that under the circumstances we did the only thing possible. But do not make the mistake of believing for one moment that Washington negotiated the London-Moscow business, or that Washington favors, following the victory, the mastery of control by Moscow and London of the seas and land of the world. We simply could not do anything about it under the circumstances. Roosevelt has won a great moral and tactical victory in coming through as well as he has. Therefore, at the peace table he stands non-committed to the London-Moscow business. I am certain that he would have prevented either a secret or public treaty between Moscow or London at this time. For Roosevelt knows that actions speak louder than words and that the peoples do not want London and Moscow to police sevenpeighths of the

people of the world through the use of supreme land and sea forces. My personal opinion is that the people will have their way and that even the peoples of England and Russia see more nearly with Roosevelt and Wallace for a free world with a minimum of force to make it so. The other idea of self-appointed cities like Moscow and London settling this thing now is simply putting the cart before the horse. The horse is the people. The cart is merely the diplomatic and military leaders who would believe that they now may make a deal to tell the horse what he is to do. I would rather be the author of the Free World speech of Wallace or of the Fourteen Points of Wilson, even if they failed.

You here have the line of cleavage in the days to come.

2. In the American scene the intense nationalists will attempt to return to their type of economy. They would re-enact the high tariffs of the old McKinley pre-war days. They would save the American working man's standard of living by putting up a tariff wall. They would bar all immigration—that is free movement of peoples—under the plea that we have unemployment returning from the war. I would be an intense nationalist myself if it would work. But those who remember McKinley and Harding and even the Wilson immigration restrictions, which operated really to bring about unemployment, certainly will not refuse to learn the simple lessons:

- (a) That no part of the world may be divorced economically from the entire world by any form of tariff wall and remain a nation in health.
- (b) A man may only profit in business by dealing with prosperous customers.
- (c) The plainly intelligent selfishness of the American future demands that America be concerned with its brain, and its money, its produce and its brawn, in the development of South America, in the development of its customer intake.

It should use business principles; all of the wasteful and greedy and war making individualism should be refined as bankers and middle men

and labor contractors, such as operate in the Bolivian tin mines, are found wanting in a free and happy association of human beings. The real place for individual initiative—free association—starts with the spirit of man. Obviously fear and suspicion and greed grow corrupt minds. The average man in this world is not that sort of man. A man who is afraid of or cheats or beats his own mule can not get away with it with profit. Treatment of human beings in Bolivia is far worse than any American has ever seen on livestock owned by any intelligent person. In the world ahead no man will be permitted to control tin under any system of free initiative and fix the price and quantity thereof. As far as the American people are concerned, such a man as Petina will never again exist with his fifty million dollars cash in Chase National, with his daughters married to decadent Spanish princes, and with his gentleman's agreement with Dutch and British bankers acting as tribute takers for twenty years against the American consumer until the Japs upset the deal in Malaya.

The world has grown up. The British Empire in rubber, tin, copper, sulphur, diamonds and coal, as far as it fails to serve the people is on its way out. Such men can not get away with a system which merely takes members into the London financial group as they make their way by individual initiative from Bolivia to the horror of this tin situation. It is in things like this that America is to take the lead, knowing full well that a special breed of people can not live safely or happily in America unless education and good working conditions are made world wide. "The expense and the time can not be spared," say American nationalists. Neither can we spend another two hundred billion dollars and have any free initiative left. And anyone knows that free initiative will prosper in the great world ahead. The necessity is that world justice and world opportunity be made safe for all by a just peace which does not bind a man to his place, and which does not bind the produce of man by tariff walls which make his work without value.

General Somervell has come to the top of Military respect among those who pull the strings and get things done at Washington, the general headquarters. Harry Hopkins, who deals in daily power politics for the President (some unkindly say "against the President") has an extreme respect for both Somervell and Jones. And so you have a managing eye at the White House for the toughest and strongest big business operator with the toughest and strongest military figure. The approaching collapse of Nelson and the peculiar position of McNutt tells the story that Labor and Management have not won any victory whatsoever over the capitalistic military viewpoint. United States Employment Service has won a victory as the leading agency of the Jones, Hopkins, Somervell line. Nelson has been built for 1942 as definitely as Knudsen was built for 1941. The people are being given the heroes at the time they want them.

But the model for 1943 is now in the works. Anybody who wants to see it should examine it in Somervell's shop. Jones and Hopkins have looked at it and apparently approve of it. Nelson will be given a job just as Knudsen was given a job. The peoples' heroes are not shot in America, but as surely as this is June 16, 1942, just as surely is the machine for direct military control of war production in factories, in men, in raw materials, and transportation to the front, is being unified under not more than three basic men--Jones, Hopkins, and Somervell.

Their problem is no serious threat to the future of the country as a McNutt and a Nelson are put in the Punch and Judy show of 1942. Their problem is no objection to the 1943 model, which is "Military in control." At the controls are Jones and Hopkins in the back seat, with Roosevelt riding with the chauffeur looking at the road ahead.

But the little people along the road may not be cared for very much on this road to victory. The civilian life of America in 1943 and possibly for much longer needs a bit of careful observation. The fighting forces, the capitalistic forces, and even the government

The other thing--the horrible nationalist prison-making line of McKinley and Harding--will disappear as people reach closer to the peace, but for the next year as people suffer from a shortage and war strain, the nationalists will be very noisily led by such elements as the Chicago Tribune, New York News, and such fascists as Ford, who will first come to Washington this month to talk of Prohibition. Ford is about to come out of his shell and he is certain to attempt, at the age of 78, another Ford-made premature peace. Hitler is counting on this one. Hitler would value a war time fight between the dryes and the wets for what it is worth in political disunion, for Hitler said that America is not a nation because it has no blood purity. He has said that all he has to do in destroying America is to make enough groups mad at each other so as to paralyze the direction of its force.

And now we come to the immediate picture of the last three weeks inside of the war effort. The Military, small and suffering from the usual inferiority complex of peace time, has now become the most important factor of 1942. The non-Military is enjoying the show and lauding the heroes. They even have their own hero--Don Nelson--and as the people turned upon the bankers of 1930 during the financial break-down, they turned in '41 against the capital big business group represented by Knudsen and Stettinius fronting for DuPont and Wall Street. This spring they turned on Jones somewhat in the conviction that no banker big business man was either fast or direct enough to get the job done.

But in all this picture of the people confused, but well and confident, there is much more and much more than Rossevelt, their hero, or MacArthur, their first military hero, or Nelson who would be their hero.

The real significance of the moment is that Jones, a very smart operator, is extremely active using all of his brains and his experience.

power forces, are not the ultimate. The 160 years has seen many types of government "of the people, by the people and for the people" but in Roosevelt's eyes looking ahead "for the people" because they believe he is "of the people", we may have a 1943 year at least not of government "by the people" but of government without the people.

Wallace Vote Saves Florida Barge Canal

Ends Tie on Amendment,
31-30, and Senate Passes
Measure on Voice Vote

Oil Lines Included
In \$93,000,000 Bill

Project Returns to House
After Pepper Agrees to
Drop Ship-Canal Plans

By Jack Beall

WASHINGTON, July 17. — The Florida barge canal project slipped through the Senate today on a voice vote after a 30-to-30 tie vote on an amendment which would have killed the proposal had been broken by Vice-President Henry A. Wallace, who made the count against the amendment 31 to 30. The bill, which also carries authorization for one or more pipe lines across the northern part of Florida, now goes to the House for adjustment of minor differences.

It required the vote of the Vice-President to break the tie over an amendment offered by Senator Josiah W. Bailey, Democrat, of North Carolina, to strike out all that part of the bill relating to the barge canal and to make it simply a pipe-line proposition. This would have reduced the cost by \$44,000,000 in a \$93,000,000 authorization bill.

With the advantage seesawing back and forth during the voting it seemed to come to final rest at 30 to 29 on the side of the Bailey amendment adherents. Then, a second before the vote was announced, Senator D. Worth Clark, Democrat, of Idaho, entered the chamber and cast a "no" vote. The clerk then announced the vote as 30 to 30.

Wallace Hesitates

Vice-President Wallace paused a full five seconds in considering his decision as the Senate laughed at his apparent quandary as to how he should vote, as is his constitutional privilege in case of a tie.

"The chair casts its vote in the negative," he finally announced in crisp tones, and the Bailey amendment was defeated. It was the only controversial amendment. Almost immediately after the bill passed on a voice vote.

The result is a personal triumph for Senator Claude Pepper, Democrat, of Florida, who has been sponsoring ship and barge canal legislation for his state during the last five years. He has been defeated on ship-canal projects twice, but this time he held something of an advantage because the barge canal was capable of being regarded as a war measure, although the Chief of Engineers, Major General Eugene Reybold, had testified it would take three years to get it built.

Administration Senators solidly backed the bill, even though President Roosevelt already has authority and money to build pipe lines across Florida. Only one Republican voted for it, a solid phalanx of nineteen Republicans voting against it.

Recalls Republican Bills

In discussing partisan politics involved in this and other measures which come before Congress, Senator John A. Danaher, Republican, of Connecticut, ironically commented on the few and feeble bills which Republicans are allowed to put through Congress, while anything that has Administration backing is "driven right through." He cited the fact that in the Seventy-sixth Congress only thirteen measures sponsored by Republicans had been allowed to become law. They were of the following types: A bill to provide for the protection of the bald eagle; a bill to provide for moving the statue of John Marshall nearer the courthouse; a bill to provide for the relief of certain tax-paying Indians; and a bill to proclaim Citizenship Day.

"Mr. Vorys, a Representative from Ohio, successfully sponsored House Bill 4305, authorizing the attendance of the Marine Band at the Columbus, Ohio, D. A. R. convention," Senator Danaher said, "while the senior Senator from Pennsylvania

(Continued on page 22, column 1)

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Wallace Vote Saves Florida Barge Canal

(Continued from page one)

(James J. Davis), was granted his crowning glory in the Seventy-seventh Congress by the passage of a bill creating the Muehlenberg Bicentennial Commission!"

Senator Tom Connally, Democrat, of Texas, retorted that Republicans would do better not to concern members with bills to protect the bald eagle and to get the Marine Band from one place to another.

Aiken Votes for Bill

The only Republican who voted for the bill was Senator George D. Aiken, of Vermont, who explained that he was interested in extending the Atlantic intracoastal waterway further than it now runs, from Eastern Florida to Trenton, N. J., and would like to see it go up the Hudson, through Lake Champlain and on to Montreal and Quebec, maintaining a minimum depth of twelve feet.

The bill would deepen the intracoastal waterway system from Corpus Christi, Tex., to Port St. Joe, Fla., and also from Corpus Christi to the Mexican border. The Florida barge canal, it was pointed out, would connect two intracoastal systems, making them national waterways instead of just two separate, more or less local waterways. The pipe lines are to extend across Florida and, when completed 120 days from the start of construction, could pipe oil in appreciable quantities across the Florida peninsula.

The principal virtue claimed for

Postwar Choices

Vice President Wallace loves to write and speak on the subject of the choice which people presumably may make between internationalism and isolationism. He discoursed eloquently on this topic when, as Secretary of Agriculture, he was busily engaged in building up a system of controlled agriculture that virtually destroyed our export trade in farm products. Now he is at it again, solemnly warning us in an article in the *New York Times Magazine* that the rubber policies we adopt now may lead to World War III. Perhaps it is some comfort to the former Secretary of Agriculture to imagine that this country pursued a rigidly isolationist economic policy until the advent of the first Roosevelt Administration and the era of the Hull trade treaties. But his theory is easy to explode. All that need be done is to contrast the foreign trade statistics and the capital export figures of the postwar, pre-Roosevelt era with those of the last decade. All that Secretary Hull—sometimes, incidentally, called the stepchild of the New Deal—could do to expand foreign trade in this latter period was more than offset by the autarchic agricultural policies of the Roosevelt Administration. Mr. Wallace might, therefore, be spending his time more profitably in considering how this country is going to revive its moribund export trade in farm products after the war—when we cease to give away food-stuffs and want to sell them abroad. That situation makes his worry about the future of our nascent artificial rubber industry somewhat premature, to say the least.

Mr. Wallace evidently fears that when the war is over the United States will be left with a substantial domestic rubber industry based on oil and alcohol which will be independent of overseas crude rubber supplies. He seems, too, to fear that the rubber industry may pass into the hands of producers who will seek and secure protection for their product against destructive competition from abroad. "I trust," says Mr. Wallace, "that the vast bulk of our rubber would come from a really cheap source—from Latin America and the Far East—and that the

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automobile users of the United States would stand like a rock against a rubber tariff." We hope so, too, if the synthetic product remains high-priced. But we likewise hope that our political organization in the world—and that means our military organization—will be well buttressed to insure the supply routes. We need more economic internationalism than we have had, but this war has taught us the danger of excessive reliance upon overseas sources of strategic materials, unless we undertake to take more responsibility for world order. We can no longer afford to give hostages to fortune.

When the war is over, the United States will not be confronted by the black and white choices of Mr. Wallace's imagining. Indeed, back in 1934, Mr. Wallace himself realized that there was a middle ground between what he then called the "improbable extremes" of internationalism and nationalism. There is still a middle ground, and it is to be hoped we have the sense to choose it. For we have to consider our political future in a world that is periodically afflicted by war. Strictly war industries should, of course, shrink to moderate proportions when peace comes, but it would be the height of folly to scrap plants and equipment that may be needed in future emergencies just for the sake of creating a market here for foreign products.

Aug 31, 1942

PM's Exclusive Radio Roundup

Chicago Round Table

The Doctors In Wartime

BY RADIO The University of Chicago Round Table (WEAF) yesterday dealt with problems arising from the fact that civilian physicians in the U. S. A. will be carrying a 50 per cent greater patient load when the army quota of medical officers is attained. Main concern was how to ease this load.

Speakers on the Round Table were Dr. Dean Clark, of the Public Health Service, Dr. Russell Wilder, of the Mayo Clinic, and Louis Wirth, Sociology Professor at the University of Chicago.

Clark: "In the first place, we could move doctors from the places which have over-sufficiency to those places which need them most. For example, Chicago probably has about one doctor for every 500 people, while a West Coast naval station town has one doctor for every 5000, and one in the South has one doctor for every 10,000. Perhaps Chicago will have to give up some of its doctors to go to those communities."

'A Stubborn Lot'

Wirth: "As I know some of the men in the medical profession, they're a pretty stubborn lot, and they're not going to be pushed around."

Wilder: "Most of us have voluntarily agreed to be used during this war as the Government sees fit for any service it wishes us to perform."

Wirth: "What is needed, then, is some Government agency to assume the responsibility for guiding the doctors into the communities where they are needed most."

Clark: "Yes, I think so. There are several agencies which could be given either together or separately responsibility for this and other health problems."

"The second point is using personnel who are not now in use. We have a number of alien physicians—we should be using those refugee doctors in our various civilian needs and perhaps in some army needs, too."

Wirth: "I like the idea of the mailman: one mailman to a district."

Wilder: "May I remind you that a mailman gets a regular salary for his work?"

Wirth: "Then if we have to give the doctors a regular salary, or subsidize them in order to give certain communities medical services, that's something we'll have to do, and I would be strongly for it if necessary."

Clark: "The fourth point is the rationing of services that doctors give. Luxury private-duty nursing, for instance, might be cut down. The fifth point of the program could be—and is already—acceleration of rates of training for doctors and short-course training for nurses and other assisting personnel."

Wirth: "We are uncovering certain problems in the course of the war. One of these is our poor nutrition. That is certainly a challenge to one of the richest nations in the world."

"The second thing is that we are learning certain things out of the war itself. We're learning to use plasma and blood banks, and we're getting better organization of health facilities. Our communities are becoming



Vice President Henry Wallace yesterday dedicated the new Lidice, in Mexico.

Henry Wallace

Dedicates a Mexican Lidice

BY RADIO Lidice, the Czech village which the Nazis wiped out in June in an attempt to avenge *Der Henker*, Reinhard Heydrich, was reborn in Mexico yesterday. Mexicans bestowed the Czechoslovak name of Lidice on a little village that hitherto bore the name of San Geronimo. It is nine miles from Mexico City.

It is the second town to assume the name on this continent. On July 12 on the suggestion of the Chicago Sun a new town in Illinois also was named Lidice, to perpetuate the memory of the town whose male citizens were executed by the Nazis and whose women and children were sent to concentration camps.

The ceremony was broadcast from Mexico (WEAF). Vice President Henry Wallace, spoke for the U. S. A. and Mexican officials dedicated the new Lidice. The program was in Spanish, and an announcer in New York gave a running English translation of the dedicatory speeches.

From Washington, Vice President Wallace first in Spanish, and then in English, said:

"Today in Mexico, the town of San Geronimo, a village of farmers like the original Lidice in size and type of population, is raising the flag of human freedom by changing its name to Lidice."

"Physically speaking, the Lidices in Mexico and the United States may be small, the people may not be wealthy, but as symbols of the unbreakable spirit of the common man, Lidice in Mexico and Lidice in the U. S. are immortal."

The Vice President introduced the Secretary of the Interior of Mexico, Manuel Aleman, who spoke from Mexico as President's Camacho's personal representative.

Lidice, Aleman said, "was lifted from quietude to become a symbol for all which the democracies are fighting under oath never to lay down arms until the mercilessness of obscene power is brought down."

"By the light of the fire that consumed Lidice, we can read clearly what this war means in human suffering."

"Therefore, Lidice rises anew in Mexico, where through long sacrifice we have learned a high sense of dignity and decorum. It is not only symbolic that Mexico adopt the suffering of Europe, but our conscience tells us that it is the duty of Mexico and all coun-

PM - Monday, November 8, 1942

Dim-out Deadline Tonight . . . 6:08

NEW YORK

Wallace Again Makes History With Words

'Packed Rally Hears Further Details About 'Democracy of the Common Man'

Vice President Henry Wallace, continuing in the role of interpreter of U. S. war aims which he assumed in his historic speech May 10, yesterday put into concrete terms the hopes of democracy for the organization of the postwar world.

In a stirring address (complete text begins in adjoining column) delivered at a jam-packed meeting of the Congress of American-Soviet Friendship in Madison Square Garden, Wallace elaborated the Administration's concept of the "democracy of the common man" to be achieved when the war is won.

It will, he said, be "neither Communism of the old-fashioned internationalist type nor democracy of the old-fashioned isolationist sort." It will, however, combine in a "harmonious whole" the five types of democracy which Russia and the U. S.—"both striving for the education, the productivity, and the enduring happiness of the common man"—have in varying degrees sought to achieve.

These five types of democracy, he said, were political, as expressed in the Bill of Rights; economic, ethnic or racial, educational, and democracy between the sexes. In some of these types of democracy, notably ethnic democracy and democracy between the sexes, he said we have much to learn from the Russians.

Breath-Taking Picture

Proceeding to specific expressions of practical, concrete measures for the achievement of peace and prosperity in the postwar world, Wallace spoke of an international police force based on air power, of an international bank, of an international TVA.

He suggested great public works in which many nations would participate, and brought gasps from the audience by drawing a breath-taking picture of a great highway-airway from the tip of South America across the U. S., Canada, Alaska, into Siberia and on to Europe, with feeder highways and airways from China, India and the Middle East. Already, he revealed, he has discussed this project with Molotov, who, said Wallace, remarked with his face alight, "You and I will live to see the day."

The Madison Square meeting, bringing

From Eisenhower

An exciting interlude in the program at yesterday's Soviet friendship celebration in Madison Square Garden was the reading of a message from Lieut. Gen. Dwight D. Eisenhower, who had just launched the North African offensive. He cabled:

"In behalf of the United States soldiers in the European theater of operations, I wish to salute the gallant Soviet army. The magnificent defense of Soviet territory is an inspiration for all of us. Current developments in Russia and in other theaters of war point unmistakably to the ultimate and decisive triumph over the forces of evil and oppression."

together leaders from all walks of American life to pay tribute to the Soviet Union on the 25th anniversary of its founding, was an unprecedented event.

McNair Praises Red Army

Both speakers and audience were inspired by the news of the opening of a new front in North Africa, and enthusiasm for the heroism of the Russians was matched by expressions of patriotic support for our own fighting men.

An un-announced feature was the appearance of Lt. Gen. Leslie C. McNair, commanding general of the United States Army, who was detailed to speak at the meeting by Gen. Marshall.

McNair frankly admitted the Army knew little of Russia's military might before Hitler's attack on it. He paid high tribute to the Red Army for its strategy as well as its tactics, and brought resounding cheers with his closing words:

"We look forward to the day when the American Army can fight alongside the Red Army, bear our full share of the common burden, and go forward with it to victory."

Ambassador Litvinov spoke briefly but pointedly, declaring that it was proved to have been a fatal mistake for other nations to have so long ignored the Soviet Union "as a powerful factor of peace," and that this mistake "was undoubtedly one of the causes of the present war."

Other speakers included ex-Ambassador Davies, Thomas W. Lamont, William Green, R. J. Thomas, Gov. Lehman, Mayor LaGuardia, Sen. Pepper, Paul Robeson, Prof. Francis E. McMahon of Notre Dame, and Corliss Lamont.

Wallace Outlines Five Democracies



This is the complete text of the speech of Vice President Wallace at the Soviet Friendship rally in the Garden yesterday:

We have been helping the Russians celebrate this afternoon a glorious birthday. The second front announced by the President has come in the best possible way. Conquest of the Mediterranean will open the side door to Germany and give us the shortest possible supply route to Southern Russia. We now have reached the time when victory can be taken from us only by misunderstanding and quarrelling among ourselves. This is the reason why this meeting is so important.

From North, South, East and West, Americans have come this day to pay tribute to our Russian ally. It is right that we should do so, because the Russians have thus far lost in the common cause of the United Nations at least 50 per cent more men killed, wounded and missing than all of the rest of the European Allies put together. Moreover, they have killed, wounded and captured at least 20 times as many Germans as have the rest of the Allies. In all of Russian history there is no more striking example of courage and willingness to sacrifice than Russia presents today.

This meeting demonstrates just one thing—the desire and the determination of the American people to help Russia and help her now. President Roosevelt has told the Army and Navy and all the other war agencies in terms which cannot possibly be misunderstood that help to Russia comes first—up to the limit of shipping possibilities. The American people are solidly behind President Roosevelt in his decision to give Russia priority No. 1.

It is no accident that Americans and Russians like each other when they get acquainted. Both peoples were molded by the vast sweep of a rich continent. Both peoples know that their future is greater than their past. Both hate sham. When the Russian people burst the shackles of Czarist absolutism, they turned instinctively to the United States for engineering and agricultural guidance. Thanks to the hunger of the Russian people for progress, they were able to learn in 25 years that which had taken us in the United States 100 years to develop.

The first person to sense the eventual significance of Russia and the United States was the French author, Tocqueville, who 107 years ago wrote:

"There are at the present time two great nations in the world which seem to tend towards the same end, although they start from different points. I allude to the Russians and the Americans. . . . Their starting point is different

Planes to Be Guarantee of Coming Peacetime World

and their courses are not the same, yet each of them seems to be marked by the will of heaven to sway the destinies of half the globe."

Russia and the United States today are far closer than Tocqueville could possibly have imagined when he traveled across the United States in 1835. The continental position of both countries and the need for developing rich resources unmolested from without have caused the peoples of both nations to have a profound hatred of war and a strong love of peace.

We in the United States honor Maxim Litvinov, when we recall how as Foreign Minister of Russia he worked for "collective security." Litvinov, in those days when Hitler was rising to power, wanted to preserve the peace by banding together the nonaggressor nations so they could take a decisive stand against any ruthless nation that might be out for loot. He saw Russia bounded by 14 different nations, many of which were unfriendly for definite historical reasons. He knew that Germany would use one or more of these nations against Russia when she attacked. Litvinov failed for a time, but now he has come into his own again because he was right.

Russia has had her bitter experience with isolationism. So also has the United States. In 1919 Republicans and Democrats alike sought through a League of Nations to express their belief in the collective security of that day. Taft, Hughes, Hoover, Lowden, and Root all wanted a League. Then isolationism came out of its cave and not only killed any possibility of our entering the League, but made it certain that we would adopt international policies which would make World War No. 2 almost inevitable.

Both Russia and the United States retreated into isolationism to preserve their peace. Both failed. Both have learned their lesson.

Russia and the United States have had a profound effect upon each other. Both are striving for education, the productivity and the enduring happiness of the common man. The new democracy, the democracy of the common man, includes not only the Bill of Rights, but also:

- ¶ Economic democracy.
- ¶ Ethnic democracy.
- ¶ Educational democracy.
- ¶ Democracy in the treatment of the sexes.

The ferment in the world today is such that these various types of democracy must be woven together into a harmonious whole. Millions of Americans are now coming to see that if Pan-America and the British Commonwealth are the warp of the new democracy, then the peoples of Russia and Asia may well become its woof.

Some in the United States believe that we have overemphasized what might be called political or bill-of-rights democracy. Carried to its extreme form, it leads to rugged individualism, exploitation, impractical emphasis on states' rights, and even to anarchy.

Economic Democracy

Russia, perceiving some of the abuses of excessive political democracy, has placed strong emphasis on economic democracy. This, carried to an extreme, demands that all power be centered in one man and his bureaucratic helpers.

Somewhere there is a practical balance between economic and political democracy. Russia and the United States both have been working toward this practical middle ground. In present-day Russia, for example, differences in income are almost but not quite as great as in the United States. The manager of a factory may be paid 10 times as much as the average worker. Artists, scientists, and outstanding writers are usually paid even more than factory managers or political commissars. The chief difference between the economic organization of Russia and that of the United States is that in Russia it is almost impossible to live on income-producing property. The Russian form of state Socialism is designed not to get equality of income but to place a maximum incentive on each individual to produce his utmost.

Ethnic Democracy

A third kind of democracy, which I call ethnic, is in my opinion vital to the new democracy. It means merely that the different races and minority groups must be given equality of economic opportunity. President Roosevelt was guided by principles of ethnic democracy when in June of 1941 he issued an Executive Order prohibiting racial discrimination in the employing of workers by National Defense industries. Russia has probably gone further than any other nation in the world in practicing ethnic democracy. From the Russians we can learn much, for unfortunately the Anglo-Saxons have had an attitude toward other races which has made them exceedingly unpopular in many parts of the world. We have not sunk to the lunatic level of the Nazi myth of racial superiority, but we have sinned enough to cost us already the blood of tens of thousands of previous lives. Ethnic democracy, built from the heart, is perhaps the greatest need of the Anglo-Saxon tradition.

Educational Democracy

The fourth democracy, which has to do with education, is based fundamentally on belief in ethnic democracy. It is because Stalin pushed educational democracy with all the power that he could command that Russia today is able

to resist Germany. The Russian people for generations have had a great hunger to learn to read and write, and when Lenin and Stalin gave them the opportunity, they changed in 20 years from a nation which was 90 per cent illiterate to a nation of which nearly 90 per cent are able to read and write. Russia has had a great admiration for the American system of technical education and public libraries. If she can continue during the next 20 years the progress made in the past 20, she will surpass the United States. If, in the future, Russia comes wholeheartedly into the family of nations, we may expect Russian scientists to make contributions to human welfare which equal those of any nation in the world. In any event, the Russian scientists will most assuredly be doing their best to place the results of science more definitely at the service of the average man and woman. Patents based on Russian scientific work will not be held out of use to benefit international cartels.

Democracy in the Treatment of the Sexes

With regard to the fifth democracy, the treatment of the sexes, most of us in the United States have felt complacent. It has taken the war experience of Russia to demonstrate the completeness of our failure. The Russian Revolution gave equality of economic opportunity to women. Those who have visited Russia recently say that about 40 per cent of the work in the factories is being done by women. The average woman does about as much as the average man and is paid as much. Thousands of Russian women are in uniform, either actively fighting or standing guard. We in the United States have not yet in the same way as the Russians called on the tremendous reserve power which is in our women, but before this war is over, we may be forced to give women their opportunity to demonstrate that with proper training they are equal to man in most kinds of work.

The old democracy did not serve as a guarantee of peace. The new democracy will be neither Communism of the old-fashioned internationalist type nor democracy of the old-fashioned isolationist sort. Willingness to support world organization to maintain world peace by justice implemented by force is fundamental to the democracy of the common man in these days of airplanes. Fortunately, the airplanes, which make it necessary to organize the world for peace, also furnish the means of maintaining peace. When this war comes to an end, the United Nations will have such an overwhelming superiority in air power that we shall be able speedily to enforce any mandate whenever the United Nations may have arrived at a judgment based on international law.

The first article in the international law of the future is undoubtedly the United Nations' charter. The United Nations' Charter includes the Atlantic Charter and there is little reason why it should longer be called the *Atlantic Charter* in view of the fact that the broader instrument has been validated by 30 nations.

This United Nations' Charter has in it an international bill of rights and certain economic guarantees of international peace. These must and will be made more specific. There must be an international bank and an international TVA, based on projects which are self-liquidating at low rates of interest.

In this connection, I would like to refer to a conversation with Molotov, when he was here last Spring. Thinking of the unemployment and misery which might so easily follow this war, I spoke of the need for productive public works programs which would stir the imagination of all the peoples of the world and suggested as a starter a combined highway and airway from southern South America across the United States, Canada, and Alaska, into Siberia and on to Europe with feeder highways and airways from China, India, and the Middle East. Molotov's first reaction was: "No one nation can do it by itself." Then he said:

"You and I will live to see the day."

The new democracy by definition abhors imperialism. But by definition also, it is internationally minded and supremely interested in raising the productivity, and therefore the standard of living, of all the peoples of the world. First comes transportation and this is followed by improved agriculture, industrialization and rural electrification. The big planes and skilled pilots which will be ours when the war comes to an end will lead us into a most remarkable future as surely as day follows night. We can make it a future of new democracy based on peace. As Molotov so clearly indicated, this brave, free world of the future cannot be created by the United States and Russia alone.

Undoubtedly China will have a strong influence on the world which will come out of this war and in exerting this influence it is quite possible that the principles of Sun Yat Sen will prove to be as significant as those of any other modern statesman. The British Commonwealth, England herself, the democracies of northwest Europe, Latin America, and in fact all of the United Nations, have a very important role to play. But in order that the United Nations may effectively serve the world it is vital that the United States and Russia be in accord as to the fundamentals of an enduring peace based on the aspirations of the common man. I am here this afternoon to say that it is my belief that the American and Russian people can and will throw their influence on the side of building a new democracy which will be the hope of all the world.

Text of Wallace's Pledge of Our Friendship to Russia in and After the War

The text of Vice President Wallace's address before the Congress of American Soviet Friendship at Madison Square Garden yesterday afternoon follows:

We have been helping the Russians celebrate this afternoon a glorious birthday. The second announced by the President has come in the best possible way. Conquest of the Mediterranean will open the side door to Germany and give us the shortest possible supply route to Southern Russia. We have now reached the time when victory can be taken from us only by misunderstanding and quarreling among ourselves. This is the reason why this meeting is so important.

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Compares the Two Peoples

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A Tribute to Litvinoff

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The Ferment of Today

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AT THE GARDEN MEETING YESTERDAY



Ambassador Maxim Litvinoff and Vice President Henry A. Wallace
The New York Times

Some in the United States believe that we have over-emphasized what might be called political or Bill-of-Rights democracy. Carried to its extreme form, it leads to rugged individualism, exploitation, impractical emphasis on States' rights, and even to anarchy.

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Russia May Surpass Us

Russia has had a great admiration for the American system of technical education and public libraries. If she can continue during the next twenty years the progress made in the past twenty, she will surpass the United States. If, in the future, Russia comes wholeheartedly into the family of nations, we may expect Russian scientists to make contributions to human welfare which equal those of any nation in the world. In any event, the Russian scientists will most assuredly be doing their best to place the results of science more definitely at the service of the average man and woman. Patents based on Russian scientific work will not be held out of use to benefit international cartels.

With regard to the fifth democracy, the treatment of the sexes, most of us in the United States have felt complacent. It has taken the war experience of Russia to demonstrate the completeness of our failure. Those who have visited Russia recently say that about 40 per cent of the work in the factories is being done by women. The average woman does about as much work as the average man, and is paid as much. Thousands of Russian women are in uniform, either actively fighting or standing guard. We in the United States have not yet, in the same way as the Russians, called on the tremendous reserve power which is in our women, but before this war is over, we may be forced to give women their opportunity to demonstrate that with proper training they are equal to man in most kinds of work.

The old democracy did not serve as a guarantee of peace. The new

democracy, in which the people of the United States and Russia are so deeply interested, must give us such a guarantee. This new democracy will be neither communism of the old-fashioned internationalist type nor democracy of the old-fashioned isolationist sort. Willingness to support world organization to maintain world peace by justice implemented by force is fundamental to the democracy of the common man in these days of airplanes. Fortunately, the airplanes, which make it necessary to organize the world for peace, also furnish the means of maintaining peace. When this war comes to an end, the United Nations will have such an overwhelming superiority in air power that we shall be able speedily to enforce any mandate whenever the United Nations may have arrived at a judgment based on international law.

The United Nations' Charter

The first article in the international law of the future is undoubtedly the United Nations' Charter. The United Nations' Charter includes the Atlantic Charter, and there is little reason why it should longer be called the "Atlantic Charter" in view of the fact that the broader instrument has been validated by thirty nations.

This United Nations' Charter has in it an international bill of rights and certain economic guarantees of international peace. These must and will be made more specific. There must be an international bank and an international TVA, include say an international Dnieperstary dam for that matter, based on projects which are self-liquidating at low rates of interest.

In this connection, I would like to refer to a conversation with Molotov, when he was here last Spring. Thinking of the unemployment and misery which might so easily follow this war, I spoke of the need for productive public works programs which would stir the imagination of all the peoples of the world, and suggested as a

starter a combined highway and airway from Southern South America across the United States, Canada and Alaska into Siberia and on to Europe, with feeder highways and airways from China, India and the Middle East. Molotov's first reaction was, "No one nation can do it by itself." Then he said, "You and I will live to see the day."

The new democracy by definition abhors imperialism. But by definition also, it is internationally minded and supremely interested in raising the productivity, and therefore the standard of living, of all the peoples of the world. First comes transportation and this is followed by improved agriculture, industrialization and rural electrification. The big planes and skilled pilots which will be ours when the war comes to an end will lead us into a most remarkable future as surely as day follows night. We can make it a future of new democracy based on peace. As Molotov so clearly indicated, this brave, free world of the future cannot be created by the United States and Russia alone.

Undoubtedly China will have a strong influence on the world which will come out of this war and in exerting this influence it is quite possible that the principles of Sun Yet-sen will prove to be as significant as those of any other modern statesman. The British Commonwealth, England herself, the democracies of Northwest Europe, Latin America, and in fact all of the United Nations, have a very important role to play. But in order that the United Nations may effectively serve the world it is vital that the United States and Russia be in accord as to the fundamentals of an enduring peace based on the aspirations of the common man. I am here this afternoon to say that it is my belief that the American and Russian people can and will throw their influence on the side of building a new democracy which will be the hope of all the world.

GRAND STRATEGY FOR THE REPUBLICAN PARTY UNTIL 1944. (12/1/1942)

PART I. THE WRONG STRATEGIC CONCEPT: FALSE ASSUMPTIONS OF THE EASTERN INTERNATIONALE

1. The War is no issue.
(It is the only issue. For two generations the Civil War was the only issue between the two major parties. In the South it still is.)
2. There is unity and agreement over war aims.
(There is agreement only over the negative war aim of beating the Axis. The positive war aims: the President's Four Freedoms for everybody, everywhere; the Vice-President's five Democracies, -- political, economic, as in Soviet Russia, ethnic, as in Soviet Russia, education and sex are not understood, still less approved.)
3. To win the next election, the G.O.P. must share the credit for winning the war. (For winning the last war with distinction and glory and without scandal or discredit, the American people turned the Democrats out as soon as the war was over. A repetition of this precedent is the only hope of the Republicans. The Republicans won the Civil War, for which they were kept in for two generations. This precedent is the hope of the Democrats. After the last war the American people felt the war job was done. After the Civil War, they felt it was not. The South had to be kept from repeating the Secession. If the Crusade for perpetual and universal peace and plenty, of which our participation in this war is but the opening phase, is to go on as long as evil and want remain unconquered anywhere, then President Roosevelt and his associates or successors should remain in power.)
4. The only issue is how to win the war.
(How is never an issue. It is a technical question. It is for experts now and historians later to wrangle over, not for politicians to make capital of. Kibitzing the Administration's conduct of the war is peanut politics. It won't help the Opposition though it may occasionally get the gallery for a Kibitzer. Most important, Kibitzing does not help win the war. It is not in the public interest.)
5. To be for winning the war is, also, to be for all the President's post-war objectives. Therefore, -- to believe in a return to the foreign policy of Washington's Farewell Address after the war is treason. It is isolationism. The Republican Party must purge the isolationists and repudiate isolation by unqualifiedly endorsing the President's post-war international program, the extent and implications of which almost no one understands or even suspects.

(Assumption 5 sounds plausible. But the precedent of the last war completely shatters it. The American people fought against the Kaiser but not for Wilson's 14 Points. They repudiated Point 14 by not joining the League after the War. The Republicans won on an anti-internationalist and anti-intervention wave of popular reaction. By the precedent of 1920 the Republicans can win only on such a reaction after this war.

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PART II. THE RIGHT STRATEGIC CONCEPT: CORRECT ASSUMPTIONS.

correct assumptions, vision and creative imagination for the future. These are the chief needs of the Republican Party. Political success is a matter of having the right formula for tomorrow.

1. To survive, a political party must meet the challenge of real issues as they arise or else go the way of all parties which fail in this respect.
2. The duty of the GOP is to serve the Nation in 1944 by offering it a real alternative to the Roosevelt international crusade, not to

offer to run the crusade better or differently.

3. The survival of the two party system requires an opposition of principle. Principles, not personalities; ends, not means; - these are issues.
4. The present war requires a truce on political opposition. Though this may be necessary for the fighting of total and global war, it is something to be regarded as highly dangerous to democracy. During the American and British wars of the 19th Century an opposition of principle was always maintained. Daniel Webster denounced our Mexican War on the floor of the Senate while the war was in course. The two great parties fought on opposite sides in the Civil War. The two great wars of this Century are reversions to the type of the religious wars which raged more or less continuously for centuries during the Middle Ages, or really from the rise of Mohammedanism in the Seventh Century, through the two hundred years Crusades and down to the Peace of Westphalia ending the Thirty Years War in 1648. For democracy a truce on true political opposition is like a dangerous operation or drug treatment for a gravely ill person. Sometimes the operation is a success and the patient dies.
5. A permanent crusade for world peace, plenty and righteousness would, like the present war, require a permanent truce on true opposition and the death of the two party system of government. A religious crusade can't tolerate heresy or heretics. Before Mr. Roosevelt takes the American people back to religious crusading, they should have its implications fully explained to them and be given the chance to choose.

If Willkie and the internationalists have their way, the country will be unified and agreed on a permanent Crusade of such totalitarian character, such cosmic magnitude and such indefinite duration that the undertaking can only be rationally carried on under a single and necessarily self-perpetuating regime, exactly as in Soviet Russia or Nazi Germany. The peoples of these countries did not decide they wanted a dictatorship. They were merely sold a Crusade which can only be waged by a dictatorship.

To have two-party democracy, it is necessary to have elections over issues. During a crusade there is only one issue. But it can't be an issue in the elections. It must be a subject of national unity and agreement. In Russia, for a quarter of a century, there has been but one issue, -- communism. In Germany, for nearly a decade, there has been but one issue, Nazism. In America, committed to Mr. Roosevelt's crusade, there could be no other issue.

In Russia, there are elections, but not over communism, the only issue. In Germany, there are elections, but not over Nazism, the only issue. In America, if the internationalists have their way, there will be an election 1944 and other years, but not over the Crusade, the only issue. Stalinism may be substituted for communism, Hitlerism for Nazism and Rooseveltism for the American Crusade. Life Magazine rendered a service in pointing out that we have in Washington to-day not the Democratic Party but the Roosevelt Party.

6. Individuals, like Ramsay MacDonald or Wendell Willkie, can often make brilliant careers for themselves by creating for themselves a nuisance value and by wrecking the political party to which they belong and which they use as a tool of personal ambition. The two party system is extinct in England. The great Liberal Party is dead. The Labour Party can't replace it. It all came about as a result of the last war. Coalition governments, of personalities rather than principles, killed two party government in Britain.

7. The following can't be issues:

A. THE NEW DEAL. Why

It's a New Deal War. Only as such does it make sense.

Read the Atlantic Charter and the official statements of war aims. Art. V. of the A.C. says, "they desire to bring about the fullest collaboration between all nations in the economic field, with the object of securing for all improved labor standards, economic advancement and social security."

The Republican internationalists think to win in 1944 on a platform of billions for the New Deal for the world but not a penny for the New Deal at home. How naive!

B. WAR CONSEQUENCES:

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|---|--------------------------------------|
| 1. Administrative blunders. | 2. Incompetence |
| 3. Inefficiency. | 4. Growing bureaucracy |
| 5. Extravagant spending. | 6. Liquidation of private enterprise |
| 7. End of white supremacy. | 8. " " the middle classes |
| 9. Loss of liberty. | 10. Rationing and regimentation. |
| 11. Levelling down American living standards in order to level up those of the less privileged foreigners. Huey Long wanted to share the American wealth among Americans. The International crusaders want to share the American wealth with the world. | |

Issues have to be causes, not consequences. The Republican Opposition won't get anywhere shouting "Hurray for the cause and down with the consequences."

8. Americans vote against, not for. Now they are against Hitler and the Japs. They are not for the President's internationalism any more than they were for Wilson's League and 14 Points during the last war, as the sequel proved.

9. The only winning Republican slogan is "Bring the boys home."

It is obviously out of the question to raise any such cry until Hitler and Japan are beaten. But as that is the only winning ticket for the Republicans, they should not now pledge themselves not to use it when the time is right for its use.

10. The function of Republicans as citizens in helping to win the war is no different from that of all citizens.

11. The function of the Republican Party is to hold itself available to offer the American people an alternative to Mr. Roosevelt's post-war crusade. The big function of the Republican Party during the war is to preserve for the American peoples the right to choose an alternative. Mr. Willkie and the internationalists want them now to sign away that right.

THE ARGUMENT.

THE WAR, NOT THE NEW DEAL, IS THE ISSUE. WHY REPUBLICANS SHOULD LAY OFF
THE NEW DEAL.

Many Republicans are making the big mistake of interpreting the Republican gains in the November, 1942 elections as an anti-New Deal vote. It was a vote against the consequences of the war. Few voters, of course, would, right now, give the true reasons for their vote against the Democratic Party candidates in November 1942.

The elder J. P. Morgan once said that there were two sorts of reasons: real reasons and good reasons. Real reasons adverse to the Administration are not given.

John L. Lewis who gave the Republicans West Virginia is no anti-New Dealer or anti-labor man. He is anti-Roosevelt and anti-war. The Republicans gained both farm and labor votes. These were votes against the impact of war measures on farm and labor interests, specifically, on farm prices and industrial wage rates, hours and freedom of bargaining. They were not votes against any New Deal boon to agriculture or labor.

Labor is for high wages and low food costs. Agriculture is for low wages and high food costs. Both, however, are for Government and New Deal aid, each for its own class and each against aid to other classes. These attitudes don't add up to opposition to the New Deal.

The New Deal has raised farm prices and industrial real wages. That much of the New Deal has the support of agriculture and labor.

A rational war economy, however, calls for the cancellation of these gains. It calls for the freezing of farm prices and real wages while taxes and other costs raise the cost of living and lower the standard of living. It calls for the conscription of farm and industrial labor; for regimentation, for rationing and for priorities; for "blood, sweat and tears." These were voted against last November.

The South is for the New Deal boons for Southern farmers, the wealthiest of whom get the biggest government checks for non-production. The South is for WPA projects in the South. The South is for the war but not for what the war is for, race equality, etc.

Republicans who say "On with the war and over with the New Deal" are naive. They make the same sort of sense one of Stalin's Russian followers would have made who cried out during one of Stalin's purges, "Hooray for the purge and to Hell with Communism." Stalin's purges and starving of millions of Russians in the collectivisation of Russian agriculture were a part of the price the Russian people had to pay for Communism. Only a lunatic can say "Hooray for paying the price and to Hell with the thing for which the price is being paid."

Neither Roosevelt nor Churchill can tell the common people, here, in Britain or anywhere else, that they are fighting merely to protect and restore the British Empire, the status quo or international capitalism. We can't tell the Chinese that we are fighting to put the British back in Hong Kong and the colored peoples in their place. The public parks in Hong Kong bore signs stating that dogs and Chinese were not allowed in the parks.

THE SOCIAL GAINS OF THE NEW DEAL ARE POPULAR; WAR SACRIFICES ARE NOT; THEREFORE MANY REPUBLICANS THINK IT SMART TO SAY THAT THE DEMOCRATS ARE FOR THE NEW DEAL WHILE THE REPUBLICANS ARE FOR MORE WAR SACRIFICES.

The only chance for the Republicans is that the New Deal may become linked with the war in the thought and memory of the people. Many Republicans like Senator Vandenberg are doing their best to avoid any such identification. They want to make sure the Republicans are identified with making the war tough and the Democrats with having shortened hours and raised wages.

If the war needs the New Deal now, the New Deal back in 1937 and thereafter needed the war. The New Deal never became a success until the war made it one in 1940. Then, for the first time, the New Deal could spend enough to be a success, to end unemployment. Many Republicans are all for what made the New Deal a success but against the New Deal. The New Deal's big problem is to make the war popular. Many Republicans think to discredit the New Deal by making war sacrifices popular.

WHY WAR CONSEQUENCES CAN'T MAKE ISSUES: CAUSES MAKE ISSUES.

Administrative shortcomings during the war are inevitable incidents of so colossal an undertaking. To point them out is easy. But it is peanut politics. Actually the President is doing a magnificent job,-- economically, militarily and politically. We are spending twice as much in one year on this war as we spent last time on the entire war and reconstruction loans to the Allies. Yet to date, prices are up only some 25% against a hundred per cent by mid-1918 or nearly 200% by the end of 1919. The physical output of American industry is now double what it was before the war started back in 1939. During the last war physical output never rose more than some 20% above the pre-war level. And so on. Critics of the President's conduct of the war have a poor case.

Clare Boothe Luce went to town in Connecticut station wagon politics by denouncing the President for talking a hard war and fighting a soft war. This charming lady who is for fighting as well as talking a hard war has a considerable personal fortune, her personal earnings are deservedly high, she has no son, her husband is over the draft age and a millionaire whose business is doing quite well during the war. Just think what clever Democratic campaigners would do to the Luce line if they were really forced to make a fight. The line is absurd. Besides being unfair to the President, it is an insult to the American taxpayer, war workers and, above all, the American fighting man on forty odd foreign fronts, not to mention our seven ocean naval fronts. Belittling our war effort is a swell line for communists but not for Republicans, for whom the bourgeoisie is not the enemy but their clientele.

Though it may bring down the house in station wagon Republican circles, it is ridiculous to taunt with fighting a soft war a President who is drafting over ten million fighting men, who within a year after our entry into war has out some forty AEF's all over creation, who is spending \$75 billion a year on the war or over half the national income, who is rationing things like coffee and gas and planning soon to ration nearly everything and who, last, but not least, is taxing the American people as no people were ever taxed before. Hardly had the Luce line about fighting a soft war made the headlines when the President went over the top in the headlines with our North African offensive. While the Luce Republican brain trust was thinking up wise-cracks, the President was planning the North African offensive.

It should be obvious, even to Luce thinkers, that the President has powers, money, plans and experts enough to make the war far tougher than any people could possibly endure. He is undoubtedly too smart to follow the Republican station wagon politicians and try to make the war senselessly tough and costly in lives. He is intelligent enough not to do Dieppe raids when, with a little more time, patience and preparation he can do safer, easier and militarily more profitable campaigns like the one now in progress in North Africa.

Republican publicity hounds may have to talk tough to make the headlines. Hitler's raw material deficiencies may have made him feel that he had to carry off the desperate venture of Russian conquest. But President Roosevelt is under no such compulsion to attempt the rash or desperate. He can build air bases along the

North African litoral and all over the British Isles from which slowly to pound Axis Europe into eventual industrial and military helplessness. If this takes years, so much longer will Mr. Roosevelt be sure of power and the well-off Republicans opposing him of being slowly liquidated by war taxes.

The time may, of course, come when it will be good politics to talk about our failure to win the war. It can't however, well come before 1944. If this time ever comes, the failure will be, not that of failing to beat the Axis, but of failing to bring about the world-wide Utopia, the millenium for which we are fighting. In that event, the issue will not be the conduct of the war but the war itself, or, rather, the great crusade of which the war against Hitler was only the opening phase.

Republican politicians should be bright enough to understand that, after years of war, you can't make a bid for votes by telling the people and the troops that they have done a bad job. That you can't discredit the commander-in-chief without reflecting on his command and people. Briefly, the dumbest Republican ought to be able to figure it out for himself that the conduct of the war can never be an issue, no matter how badly it may be conducted. Hitler may be overthrown because of the Russian campaign. If he is, it will not be because the campaign was badly conducted, but because it was a mistake to have attempted the campaign in the first place.

THE ABSURDITY OF TRYING TO MAKE ISSUES OF A GROWING BUREAUCRACY, EXTRAVAGANT SPENDING, INCREASING STATISM AND REGIMENTATION OR LOSS OF LIBERTY, RATHER THAN THEIR CAUSE

This is total war. It requires rationing of nearly everything and regimentation of nearly everyone. Rationing and regimentation require an army of bureauerats and enforcement agents. Loss of liberty and the liquidation of private enterprise and inequalities of wealth and income are inevitable incidents of waging total war.

To ask intensification of the war and contraction of the bureaucracy is as assinine as it would be to demand more and bigger battles with fewer and smaller armies. To see that no one buys, sells, transports or uses bootleg gas, coffee, sugar and a growing number of rationed commodities will take an ever larger army of spies,, enforcement agents and clerks. This is elementary.

"Practical" Republicans may think it safe to call attention to the bureaucracy and unsafe to crab about its cause. To this it need only be remarked that the small dogs bark but the caravan passes. Crabbing about the bureaucracy has been a popular pastime for blowing off steam in Soviet Russia and Nazi Germany for years, coupled with fervid protestations of loyalty to the cause of the complaint. But such talk has had no political significance. It has not kept the bureaucracy from growing in numbers, powers and arbitrariness. Where a bureaucracy exists, it is necessary; where it is necessary the issue is not the bureaueracy but what makes it necessary. In Russia, it is communism; here it is now the war and later will be the crusade.

Trying to make an issue of economy while demanding an intensification of the war is no less absurd. The usual justification is that the critics only want less spending on non-war objectives. On examination, the criticism usually won't hold water. The more men the Government takes into the fighting forces, the more women, children and aged persons it takes into war work, the more new needs for social service are created. This is elementary. The notion that with an increase in war spending a decrease in non-war spending is either possible or desirable may be dismissed as preposterous. The war creates new demands for state assistance for health, housing, care of children, the aged, the infirm and all public services.

THE FATE OF PRIVATE ENTERPRISE AND THE MIDDLE CLASSES DEPENDS ENTIRELY ON HOW LONG THE WAR LASTS AND HOW TOUGH IT BECOMES, NOT ON GOVERNMENT OR POPULAR PREFERENCES.

The New Deal is not liquidating its opponents. The war is doing it. But they are as much for the war as they are against the New Deal. The New Deal, of course, will profit from their liquidation as a social force. It may relieve their feelings to blame the New Deal for what the war is doing to them, but it won't help them any.

General Somervell was right when he told the country that small business can't handle most big war contracts. Such contracts can only be given to big outfits. The Army, Navy and other Government spending Departments have neither the time nor the technical personnel to educate and direct production by thousands of small enterprises. It is only where the small fellow can make something the Government wants that he can be used--advantageously.

As for salesmen, they are not needed. Rationing clerks take their place. Fewer retailers and service businesses are obviously indicated. The perfect regime for total war has been achieved by Soviet Russia. If we go on for many years with this crusade, there is the model we must follow. There they have expended production, kept down consumption and kept the people sold on the crusade. For these three tasks private enterprise is not indicated. Free enterprise means business losses on bad ventures and business profits on good ventures. When the State is the principal buyer, when the people live on rationed allowances of nearly everything when there is no need for risk taking or guessing about future demand or supply, why should there be freedom of enterprise or profits? Business cannot demand the incentive of a profit to manufacture or serve on a cost plus basis. Why should one man be drafted to fight and die while another is allowed to make a profit on an easier and safer service to the country? Equality is what we are fighting for: draft one, draft all.

Whether private enterprise survives and what state it will be in at the end of the war depend on how soon the war ends. The only hope for the survival of a measure of private enterprise lies in an early peace and a subsequent return to the foreign policies of Washington's Farewell Address. The internationalism of Wilson and Roosevelt would be the continuation of total war by other means. It would mean a permanent war footing for the American people. Playing Santa Claus will cost the American people just as much as playing Caesar to the entire world.

PART III. THE FUTURE. TWO POSSIBLE HYPOTHESES WITH THEIR RESPECTIVE ALTERNATIVES.

First Hypothesis: We win the war soon, or by '44 -- that is we beat the Axis by then.

ALTERNATIVE A.

The American people will then demand that we follow the President's internationalist policy; that we police the world, plan for the world, feed, clothe and house the world, industrialize the world, raise the living standards of the world. (Only by doing all these things can we win the war and enjoy peace, love and laughter, ever after.) If this be the nation's choice, the Democrats should stay in power. During holy wars, heretics can't be tolerated nor a chance to vote for an alternative. History proves this, whether in Torquemada's Spain or Stalin's Russia. For a time, the internationalist wing of the Republican Party might play Trotzky's game: "Me too, but I can do it better." In the end, they should go the way of all Trotskys.

ALTERNATIVE B.

The American people will demand a return to traditional American foreign policy to Washington's Farewell address and relative isolation, an end of the national undertaking to save, run and uplift the world, to enforce peace, plenty and security for everybody, everywhere, to level up the Asiatics, Africans and Europeans by levelling down the American standard of living. In this event, the Democrats will be turned out as they were in 1920. The Republicans will come in on a wave of reaction, not against the New Deal or against bread and circuses, but against the war and against Washington's ration cards and radio propaganda.

The Republicans cannot do much to influence public opinion one way or the other during the war. The war must produce its own reactions in the American people. The Republicans must help lick Hitler and Japan and leave the future, if any, of their Party to post-war reactions. Only, the Party, if it is to function after the war and not be succeeded by another party, must be prepared to meet the challenge or to give the people an alternative if they grow tired of the millenarian crusade. Willkie and the internationalists want to get the Party now to commit itself not to ride a wave of post-war reaction. If the wave comes and they don't ride it, others will.

Second Hypothesis: We don't win soon, i.e.,

We don't lick the Axis by 1944 or

We lick the Axis by 1944 but, because of Russia, China and others who won't play our way, we don't have sin under control the world over by 1944.

ALTERNATIVE A.

The American people will demand that we fight on indefinitely for a better world. Thus the crusade could go on for decades or centuries like the Crusades and the religious wars of the middle ages. If this be the national will, the Democrats should stay in power. There would be no possible issue on which to turn them out.

ALTERNATIVE B.

The people will demand peace. It would not be a peace of defeat, but a peace of failure to create a world-wide Utopia and bring about the millenium. In this event the Republicans would ride in on a wave of anti-Crusade reaction, unless they had made this impossible by committing themselves irrevocably to the Crusade.

A HISTORICAL COMPARISON: THE LAST WAR AND THE CIVIL WAR.

The Republicans won the Civil War and most of the subsequent elections for a generation. The Democrats won the World War and lost the first election afterwards. The explanation contains food for thought by Republicans. After the last World War the American people voted against the war and not against the Germans who were no longer feared or hated. After the Civil War the Northern majority feared and voted against the South and Secession. Similarly, the South voted and still votes against Sherman's March to the Sea and the Post-war Carpetbag regime, a recurrence of which the South still fears.

In the Civil War the majority in the North were for Union. In the last war the American people were not for Wilson's war aims. This was proved by the Republican victory in 1919 and by the rejection of the League. Willkie has publicly recognized this repudiation of Wilson's war aims. In the last war the American people were only against certain hate-fear stereotypes, the Kaiser and German militarism--which they had been conditioned to emote against. Consequently, when the war ended in the elimination of these hate-fear stereotypes, the American people had nothing

more to hate or fear; and, as they had not been fighting for anything, the war was finished business for them when the Kaiser fled. They then got what they had been fighting for, if it can be said that they were fighting for anything, namely, back to normalcy.

Is this war like the last or is it to be like the Civil War? It remains to be seen. If, as during the last war, the American people are only fighting against and not for, the Republican Party cannot be reproached with taking the same position as a majority of the American people. As Burke said, "You cannot indict a whole people."

If, following this war, the President war aims remain those of the American people, he will remain their President or name his successor. The reasons are obvious. If the crusade is to go on, why scrap the winner of the greatest war in history for a young Republican who has just made a good governor of New York or Ohio? If the crusade is to go on, President Roosevelt and his New Deal, collectivist Keynes new economics, commensatory spending, perpetual deficits associates have the right formula for perpetuating the crusade.

And here we come to the crux of the Republican problem. What the Republican internationalists like Willkie want is to have the GOP play Trotzky's game. But they would play it with less chance of winning than Trotzky had. Trotzky was a lot smarter than any visible Republican leader on the horizon to-day. He was also a member of Stalin's party, senior in revolutionary leadership to Stalin. The differences between Stalin and Trotzky were personal and matters of method or means to the same general end. The Republican internationalists, however, have nothing or little in common with the New Dealers in the matter of principles or ends. The Republican internationalists are neither New Dealers nor Republicans. They are disciples of Adam Smith rather than either Alexander Hamilton or Karl Marx. They are as much against the protectionism that made the Republican Party as they are against the relief deficits that made Franklin D. Roosevelt.

OF THE TWO POST-WAR INTERNATIONALISMS: THAT OF LUCE, LIFE TIME AND FORTUNE, NAMELY, A RESTORED INTERNATIONAL FINANCE CAPITALISM AND THAT OF FDR, AN INTERNATIONAL NEW DEAL IT SHOULD BE OBVIOUS THAT ONLY THE LATTER CAN BE TRIED EVEN EXPERIMENTALLY.

The Luce internationalism is ably set forth in the Fortune May 1942 supplement edited by Raymond Leslie Buell, former President of the Foreign Policy Association, scholar and academic bellweather for the internationalist Wall Street sheep. The Roosevelt internationalism is being cooked up by an assortment of brains trusters like Berle, Welles, Feis and others in the State Department and many more in the Bureau of Economic Warfare, the Treasury, the Federal Reserve Board and several special governmental agencies for research and planning and propaganda.

The essence of Luce's internationalism is finance. The essence of FDR's internationalism is relief. Luce would revive and operate the international finance capitalism that broke down in 1929 and has been more or less scrapped everywhere, including the land of its birth, Britain. FDR would have the United States play Caesar and Santa Claus to the world. The Caesar part may not work; the Santa Claus part can't fail to work as long as the American people are willing to decorate the Christmas tree.

The reasons should be fairly obvious. They are implicit in the facts that for a decade Mr. Roosevelt is in the White House and Mr. Hoover, in the doghouse. It boils down to this: Imposing on the world compliance with the minimum requirements for the restoration of the gold standard and a revival of international

finance capitalism is inconceivable to a realist, while getting foreigners to accept American hand-outs is a cinch.

The Luce formula calls for something like this: The United States and Britain would achieve and maintain world wide military hegemony by means of predominant armaments and especially, air power. They would then form a customs union, demolishing all tariff barriers between themselves and binding themselves neither to erect new ones nor to resort to other methods of controlling imports between them. They would adhere to a currency agreement re-establishing the gold standard. They would agree, that is to say, not to restrict or control the transfer of gold between themselves and to maintain the convertibility of their money into gold at a fixed rate. The objective of this military, political and economic settlement is clearly stated by the Fortune formulators. It is "to give confidence in the future on the part of investors and entrepreneurs." This is the old confidence stuff Mr. Hoover talked until he went out.

The main trouble with any such formula, constituting a universal or world system to which the entire world would have to bow is that nobody except Wall Streeters and a few college professors of economics would be willing to renounce the use of the conventional tools of economic nationalism such as tariffs, currency, banking and general control of production, trade, domestic and foreign and of marketing, and don't overlook control of wages and prices to farmers and the allocation of the nation's productive resources to different fields of production.

Outside of college faculties and Wall Street bank board rooms, there is no agreement about free trade. President Roosevelt, in his speech of August 14, 1942, commemorating the first anniversary of the signing of the Atlantic charter spoke unctuously of "a grand union of humanity, dedicated to the realization of that common program of purposes and principles set forth in the Atlantic Charter." This "grand union" includes communist Russia and capitalist America. Of course, there is no agreement about any "common program." The two subjects of agreement among the Axis foes are beating Hitler and getting all they can out of America. When Hitler is defeated they will have to unite them only the common purpose of getting as much as possible out of Uncle Sam.

TWO CARDINAL POINTS IGNORED BY THE REPUBLICAN INTERNATIONALISTS:

1. The era of free trade and international finance capitalism is over.
2. The Republican Party was made by economic nationalism and protectionism during the eighties and nineties and it has been wrecked by the collapse of international finance capitalism in the thirties.

The Republican internationalists want to impose a catholic system of finance and trade on the world. In the middle ages an attempt was made to impose a catholic system of universal Christianity in Europe. The attempt failed. The religious wars ended with the adoption of the principle *cujus regio ejus religio* or that each nation is entitled to its own brand of Christianity. Any formula of economic nationalism may be imposed on the limited area of one nation. Any formula of economic internationalism would have to be imposed on the entire world. Every nation has a right to its own economic and monetary system.

Mr. Roosevelt's internationalism has this advantage over the free trade internationalism of the Luce and Wall Street Republican internationalists: FDR can and does allow Secretary Hull to preach free trade while the Government practises protection, mercantilism, bi-lateral trade arrangements and all sorts of special subsidies. The essence of Mr. Roosevelt's practise is control; the essence of Mr. Hull theory is freedom. Hull preaches one thing; Roosevelt

practises another. About all Secretary Hull's free trade talk has accomplished of importance has been to throw a thick smoke screen, a sweet smelling one too, around the gradual transfer of the tariff making power from Congress to the President. While Hull has preached more freedom for international trade, Roosevelt has made it progressively less free and more controlled.

Phony free trade talk, accompanied by large government subsidies to agriculture and by such a volume of government orders to industry that they can't be filled, is good politics. If the war settles down into a permanent crusade to uplift the world, free trade and tariff protection will become obsolete or mere historical terms. Production, trade, distribution, prices, costs and profits, if any, all will be determined by simple government fiat, enforced by a treasury check in one hand and the club of a law enforcement agent in the other.

The libertarian economics and finance of the Republican internationalists require the establishment and enforcement of an international system of money, credit, migration and free movement of goods, labor and capital which broke down in 1929 and which has since proved everywhere impossible to revive. Hitler did not cause this collapse. It caused him.

Why an internationalism based on freedom is harder than an internationalism based on control,-- that is harder to aim at experimentally,-- is simple. To operate a regime based on control is a simple exercise in power. To set up and operate a regime based on freedom would be a matter of putting the clock back to the 19th Century. Turning back the clock is one of the few things power can't do. See Omar Khayam. The Wall Street-- Republican internationalists want to go back to Queen Victoria. The Roosevelt internationalists merely want to imitate Stalin's control on a world scale.

The question is not which brand of economic internationalism will work, Mr. Roosevelt's or Mr. Luce's. Neither will work in the sense of realizing its objectives. The question is which brand of economic internationalism can a politician use to stay in power. The finances and economics of Mr. Roosevelt's system are as simple as those of Soviet Russia. The Washington commissars would decide how much of American national income had to be given to foreigners; take it from Americans; give it to foreigners and rationalize the whole business through appropriate propaganda, explaining how welfare, like peace, is indivisible, how it is everybody or nobody, everywhere or nowhere. All there is to it, is control, coercion and propaganda. As long as the American people can be kept sold on playing Santa Claus to the world, whether as a Christian duty or national self-interest matters little, just that long Santa Claus internationalism will work for whoever is in charge. The big point is that it will encounter little foreign opposition whereas the Luce-Wall Street-free trade internationalism would encounter the intransigent opposition of economic nationalism everywhere.

The quest for power makes sense. The quest for freedom makes sense. But a quest for freedom by means of a monolithic world order, even for sweetness, light and freedom, does not make sense. A measure of economic freedom is attainable to-day only within the framework of a fairly strong and self-sufficient national economy. Such a framework would be neither 100% isolationist nor 100% internationalist or dependent on foreign trade. It would, however, have to be more isolationist than internationalist for the simple reason that the largest area of economic agreement possible is the national state.

INTERNATIONALISM AN UN-REPUBLICAN HERESY. HAS ARISEN SINCE THE NINETIES.

The great trouble with the Republican Party is the contradiction

between the economic nationalism that made the Party and the Nation's industries and the economic internationalism that has made the New Deal. Most of the elder statesmen of the Republican Party of the past fifty years have been internationalists. Their internationalism has stemmed from Wall Street, the Bank of England, Manchester, the Carnegie, Rhodes and Rockefeller Foundations and the American colleges, all propaganda agencies for the British international idea in finance and trade. The absurdity of the Republican cult of the British, free trade and internationalism should be obvious. The Republican Party is the Party of the Union cause in our Civil War, and the Party of protectionism in the decades following the Civil War. Liberal Britain was opposed in ideology and interest both to the Union and the rise of American industry under tariff protection.

The free trade interests and ideas of mid-Victorian liberal England lay with the South and Secession. Fortunately for the Union cause, British economic liberalism was stymied by British humanitarianism and sentimentalism over the slavery question. Henry Ward Beecher, one of the greatest orators of all time, made a triumphal tour of England during the Civil War rallying sentiment for the Union Cause. The humanitarian transcended the economic. British economic liberalism was unable to follow fully the logic of economic self-interest, though Gladstone, the greatest liberal of the 19th Century, did come out openly in a public speech for the South during the Civil War and though the British did give the Confederacy so much aid in the way of fitting out privateers to prey on Union commerce that the British had to pay us \$15,500,000 on the Geneva arbitral award in the Alabama cases in 1870.

By the Nineties, however, British policy had taken a new orientation. The change was due to the rise of Germany as a naval and shipping as well as a continental military power and particularly to the Kaiser's bid for naval parity with Britain after he had dropped Bismarck and come out for German imperial and colonial expansion in a big way.

After the nineties the two forces which brought America and Britain together were British fear of the Germans and American envy of the British. There were substantial grounds for both emotions. We envied the British their court, aristocracy, institutions, manners, sports, the very cut of their clothes. We especially envied their success in finance and trade, their wealth and power.

We were not playing a sucker's game. We were playing the usual game of the successful social climber. He tries to imitate and form ties with the best people. It was people like the Morgans, who started out as storekeepers in Hartford and rose out of trade into finance, who regarded the British with envy and sought to emulate their example. The big idea of the social climber is that whatever succeeded for one individual, one class or one nation should succeed for another. It does not however, always so follow. We owed our greatness to our resources in land and immigrants not to foreign trade; to the frontier, not finance; to isolation, not intervention.

Here a peculiar trait of the British mind played an important role in the world wide raising of British prestige, and especially in this country. The British, in their thinking about themselves, have a tendency to moralize and generalize. Practises which succeed for a time for them become transmuted into principles and truths of universal validity and applicability. Disraeli's most famous quip

on the floor of Parliament was, "I don't mind the Right Honorable gentleman's having an ace up his sleeve but I do object to his always saying that the Almighty put it there."

What was not recognized then, either by British rationalizers or foreign admirers of their success, was that the system fitted only a peculiar situation and a special period. This was the age of the frontier, of rapid population growth, of settlement of new countries, of migration, and of rapid industrialization almost everywhere. The British had got in on the ground floor of world-wide industrialization,-- of the industrial revolution.

Recognition that the free trade era is over for good may be found in practically all good British thinking and writing since the Macmillan Report was issued in 1931. Confirmation may be found in the following three reports of this year on the general subject of post-war reconstruction and economics:

The Report of May, 1942 of the London Chamber of Commerce.

The Report of May 1942 of the Federation of British Industries.
(FBI).

The Report to the British Government by Sir William Beveridge.

The FBI report has the following to say about the chances of post-war free trade:

"It is easy to talk of Anglo-American co-operation, but we must be realistic and face the difficulties. What will be the position of the United Kingdom after the war? In the past we have been a country which has been the most important purchaser of food-stuffs and raw materials, and many other products of the world. We have paid for these by our physical exports, by the export of capital, by interest on past investments and by our services. After the war, we shall not be in the same favourable position as in the past. Instead of being a creditor, we shall be a debtor nation, to an unknown extent in view of the implications of 'lease-lend'. As already stated, a large part of our overseas assets will have been hypothecated and in certain cases destroyed. Our ability to render services may for the time being have been reduced. The stability of our currency and foreign exchange situation will be in danger.

"In such circumstances, the view is widely held in industrial circles in this country that we must, at any rate for some considerable period, rely upon a policy of directive imports, on the assumption that we only import from overseas countries those essential commodities for which such overseas countries are prepared to accept payment by the only means which will be open to us, i.e., by the export of our own products and such services as we can render. In effect, almost a system of barter, at any rate, a system of bilateral trade which will regulate our imports by our capacity to pay for them. This involves import and export controls, possibly by quota, preferential treatment of the imports of those countries which are prepared to assure us of the means of paying for them, and exchange control. Otherwise our economic stability crashes, owing to our importing beyond our ability to pay, which is the road to national bankruptcy.

"Contrast this situation with the ideas underlying the policy of the U.S.A. on world trade as expressed up to date. That, as defined by the statements of members of the U.S.A. Government and by responsible leaders of industrial thought seems to envisage a post-war world in which 'trade barriers', exchange controls, directive systems of imports and exports, discriminatory agreements to facilitate trade between individual countries should be swept away. Trade should everywhere be free upon the basis of the unrestricted Most Favoured Nation Clause. Inter-Imperial preferences, with all the advantages they have brought the Empire trade, should be given up. In other words, every country should be free to export to whatever destination it wishes, and to any extent and should be prepared to receive any imports sent to it, irrespective of how the balance of account can be met. But for this country this problem of financing

our imports, so necessary for a small highly industrialized country such as the United Kingdom, is not a matter of economic theory but one of economic life and death."

The above from the British industrialists leaves the American internationalists high and dry. The controlling factors in post-war international trade will not be 19th Century theories of classical economists but the current practices of international monopolists in rubber or steel and of economic dictatorships like Russia.

If the United Nations win, the world price of rubber will be an administered price. An administered price is one established by the monopolists to yield the maximum profit. It is not a free market or competitive price. If we tried to lower tariffs and avoid bi-lateral deals, we should be, at one and the same time, the victims of high monopoly prices for certain commodities like rubber and of dumping prices on certain manufactures. The great evil would not be the unfavorable terms of our trade on our rubber purchases but the terrible instability of prices, demand and supply for our domestic industries. Free trade is a game at which all must play or else none can play it without disaster.

In trade the British are tough. The FBI report tells us what to expect of them. Their big problem is to make ends meet or to balance imports with exports. To do this they must make the most of their monopolies such as rubber and they must use barter and bi-lateral deals. They will emerge from this war impoverished in money and investments, whereas we shall emerge with 90% of the world's gold. For these obvious reasons, their interests and ours are competitive and not complementary. To maximize their foreign income they will try to sell us rubber dear and British manufactures cheap. American free enterprise could not play as individuals competing freely in a game in which the British Empire was playing with all the cards of government, tariffs, subsidies, and restrictive controls.

Our Republican internationalists and Anglophiles who think terms of a great boom in international private finance, investment and trade are day dreaming. We can, of course, give our industries a boom to whatever extent we give stuff away to foreigners in the name of humanity, good will, defense or sweetness and light. Their Governments will take from us the means of building industries to compete with ours in world markets. But this will be a world WPA boom financed by the American taxpayer and consumer at the expense of our standard of living. This time there will not be the suckers found in the twenties to buy Peruvian bonds. The illusions that financing foreign deficits is an American commercial investment and that foreign socialism is productive if only a Wall Street firm sells the bonds can not be sustained after this war.

Talk about freer trade in the post-war period is largely academic, not to say phony, as President Roosevelt's smart planners know only too well. Any Administration coming into office after the war, whatever its promises in the matter of free trade, would have to bow to the imperious necessities of American industry, agriculture and labor for protection, subsidies, stable prices, stable demand and full employment, more or less as the Democrats have done while Mr. Hull has talked an academic and largely phony line about free trade.

The real question is not what the Republicans if elected can or should do about tariffs and foreign trade--they will do what the necessities of industry and full employment may demand in the light of what the rest of the world is doing at the time. The question is what definite effects will talk about freer world trade and tariff lowering have upon the Republican chances in the election. The answer is that such talk can only hurt Republican chances.

Republican hopes lie with the traditional beneficiaries of protection. The Democrats are now giving these interests bigger war contracts than they can fill. Do the Republicans think they will win the support of American industry and the vote of American industrial labor by promising, when war contracts are cut, at the same time to reduce tariff protection?

Free traders want to maximize the volume of foreign trade and international finance transactions. This is the idea of academic theorists and interest of international bankers. But American and British management and labor want full employment. To get full employment, it is necessary to have stable and predictable markets, costs, prices and general conditions for the investment of new money in new productive capacity. Nobody except academic theorists is interested in the economies of international division of labor or being able to buy freely every article where it can be produced cheapest. During the Depression things got so cheap nobody could buy them. Under free trade the British could put the price of rubber down to five cents a pound until our synthetic rubber industry was put out of business and then jack up the price to a dollar a pound.

The present plight of the Republican Party and American capitalism is in large part due to the contradictions between an isolationist tariff and immigration policy to protect management, labor and agriculture on the one hand and an internationalist, Wall Street, foreign loans, intervention and world peace set of policies and ideas on the other hand.

Protection made the Republican Party. Wall Street and internationalism during the twenties put it where it is today. The idea now seems to be to take the hair of the dog that did the biting. Henry Adams, Admiral Mahan, Theodore Roosevelt, Senator Beveridge, Philander Knox, Elihu Root, William Howard Taft, Charles Evans Hughes, George W. Wickersham, Nicholas Murray Butler, A. Lawrence Lowell and even Herbert Hoover were all great internationalists though elder statesmen of a party whose genius and tradition were economic nationalism and isolation.

Woodrow Wilson belonged to the same cult, though, by accident of birth, he happened to be a Democrat instead of a Republican. The two great American issues of the 20th Century have been internationalism versus isolation and individualism versus collectivism. But these issues have not been made subjects of debate, public enlightenment and rational party division in the political campaigns and elections of the past thirty years. The internationalists in both parties have dominated. The two major parties have preserved the alignment of the Civil War and dodged the real issues.

That Woodrow Wilson, an internationalist of identically the same beliefs on the real issue of the hour as Taft, Theodore Roosevelt and Charles Evans Hughes, ever became President was due to several flukes and not to a popular mandate on the real issues of the moment when the election was held. Wilson came in in 1913 because internationalist Theodore Roosevelt had a personal feud with internationalist William Howard Taft and because isolationists William Jennings Bryan and Champ Clark could not agree in the Democratic Party. In both 1916 and 1940 the American people who were strongly opposed to getting into the war had the choice of two internationalists, each of whom was hell-bent for getting in. In neither election did it make the slightest difference, so far as getting into the war, which candidate won. In each election the better interventionist won and the anti-interventionist majority of the electorate lost.

In 1919 the Republican elder statesmen saw that they could win with a yellow dog and without an issue. So they won with Harding and Coolidge and without an issue. The League issue was neither debated nor resolved in a fitting way. It was killed by parliamentary tricks and amendments. Two distinguished internationalists Hughes and Hoover, entered the cabinet of the undistinguished Harding and Coolidge. Then followed a decade of illusion.

The Republican Party, having won on a wave of anti-internationalism scuttled the long range idealism of the League and went in for the internationalism of Wall Street and dollar diplomacy in Latin America. A good time was had by all till the Crash. The sucker public bought Wall Street securities and watched the ticker. The Hoovers and the Hughes pontificated about our contribution to world reconstruction and international co-operation. They harmonized the absurdity of restrictive tariff and immigration laws with playing the role of a creditor nation.

Came the crash. For three years Mr. Hoover preached confidence and called the faithful to the altars of classical economics. He avoided either the corrective orthodoxies, such as lowering the tariff, of classical economics, which he preached or the therapeutic heterodoxies of Keynes and the new economics, such as spending your way out of a depression. In September 1931 when the British went off gold and abandoned the orthodoxies of the Cunliffe Committee report of 1918, Mr. Hoover should have followed suit. Then the British went in for economic nationalism, new tariffs to foster infant industries. This Mr. Hoover could not well have done as we had already milked the protectionist cow dry. What he could and should have done was to stop the withdrawals of gold and the rush to liquidity. This he could not do, however, because of his loyalty to the system. He stayed with the ship and went down with it, always manning the pumps of confidence. England went economic nationalist in 1931. Mr. Hoover remained true to internationalism, the gold standard and the old British economic orthodoxes till the GOP ship went down. Britain, the home of these orthodoxes, scuttled them for economic nationalism in '33.

Mr. Roosevelt, like the British in 1931, started with no real principles, except that in an emergency you must do something and if it doesn't work you must do something else. Among his first acts were the scuttling of the gold standard and the London Economic Conference. These actions were sound though the crackpot reasons of the funny money theorists like Warren and Pearson which he gave for them were largely absurd.

By the end of 1936 the New Deal had developed a formula by trial and error. But Mr. Roosevelt did not even then know what it was. The formula was simply deficit spending. In the Spring of 1937 Mr. Roosevelt was firmly decided to cut down on spending and scuttle the only formula he had developed. At a White House Conference of experts in the Spring of 1937 on countering inflation--they were afraid of inflation when the country was going into a deflationary tail-spin--the only expert present who knew the score was Leon Henderson. He spoke out alone against raising Federal Reserve member bank requirements and cutting relief spending. For this he told the author of this memorandum he was nearly thrown out of the White House. Came the recession of 1937 proving Henderson right and that the President did not know what was his only secret weapon against stagnation and unemployment.

By the Fall of 1937 Mr. Roosevelt had caught a blinding flash of the obvious. He was smart enough to see two things:

First, his only substitute for a revival of confidence, which Hoover vainly tried for two years to talk up, was deficit spending. Second, President Roosevelt could not get away with enough deficit spending to end unemployment without a foreign war or crusade. So, in his famous Chicago address on October 30, 1937, as the old pump priming was being started up again to check a downswing, the President gave birth to a great new idea: "quarantine the aggressors." This idea has now come to full fruition. As long as the American people accept it, they have a permanent foreign crusade on their hands since there have always been wars of aggression and there always will be. So, while aggression is not ended, unemployment is,--that is, as long as the crusade to end aggression continues.

It has been said that the British acquired their Empire in a fit of absentmindedness. The British system of free trade and finance was similarly come by. In the same way Mr. Roosevelt found the solution for unemployment. The rationalizer like Adam Smith and John Stuart Mill, the poets like Kipling and Tennyson, and the philanthopists have since come along to weave appropriate myths about the British pattern. The Roosevelt pattern now has its myth-weavers hard at work. Willkie is one of them.

THE FALLACY OF GALLUP POLLS AND PUBLIC OPINION ANALYSIS: THE MAJORITY CONSENSUS ABOUT THE FUTURE IS USUALLY WRONG. THE VICTIMS OF THE STOCK MARKET SHOULD KNOW THIS. Success and leadership are due to vision about the future, not exact knowledge of currently held beliefs about the future which are usually wrong.

The Republican eastern internationalists and big business men have lately been turning to public opinion analysts just as Hitler is said to turn to astrologers. The public opinion pollers find now that internationalism is the band wagon. So the Republican internationalists propose to have the Republican Party climb aboard and edge Mr. Roosevelt out of the driver's seat after the war. What's wrong with this? Two things: first, the new Deal or Santa Claus band wagon is not the Wall Street band wagon. There are two internationalist band wagons. One of them exists only in the dream of Republican internationalists, academic internationalists and nice old ladies of both sexes. The Roosevelt internationalist band wagon is a going concern, costing the nation now some \$75 billion a year. Second, what is the band wagon during the war is likely not to be the band wagon after the war.

The trouble with public opinion analysis as a guide to policy and strategy is not the inaccuracy of the findings but the irrelevancy of the findings to the future. Political leadership and business success are achieved usually not by giving the people more of what they already think they want but of anticipating future wants, or creating future wants and the things with which to satisfy such future wants.

A Gallup poll could not have told Edison that the people wanted the incandescent light bulb; Bell, that the people wanted the telephone; Ford, that the people wanted a cheap practical automobile; Marx and Lenin that the people wanted communism in Russia of all places; or Franklin D. Roosevelt that the American people wanted big deficits to end unemployment. A Gallup poll in 1932 would have told Candidate Roosevelt what, incidentally, he then well knew, namely, that the American people * return to a soundly balanced budget. That, of course, is what Candidate Roosevelt promised the electorate. Later, he was statesman enough to rise above principles and consistency to the

* wanted an end of the Hoover depression deficits, which were unintentional, and a

lofty heights of political expediency and do the exact opposite of what he had promised on budget balancing. In promising to balance the budget Mr. Roosevelt created for himself no future embarrassment when he found it expedient to do the opposite, because finance is technique and technique can never be an issue. A general can advance one day and retreat the next or change his tactics or strategy without posing an issue. If a general goes over to the enemy, that is a real issue. He can't well return to his original master later on.

The people don't really know what they want to-morrow. They know what they don't want to-day. A politician polling public opinion to learn what he should do is like a doctor asking the patient what to do. Public opinion analysis will encourage stupid business men to go into production or imitation of something which has already been a success. Thus they lose money trying to sell an oversold market. In politics, public opinion analysis encourages the unimaginative to try to copy, with bad modifications, the successful line of the ins. Imitation is not the path to power for the outs. The outs get in by exploiting a demand for a change.

THE BANKER MENTALITY IS THE JINX OF THE REPUBLICAN PARTY.

The banker is an evil genius when he tries to be more than a money changer. As an industrialist or statesman he is, in the long run, always disastrous. Bankers are neither imaginative nor creative. They have not created new industries like the Vanderbilts, Rockefellers, Carnegies and Fords. They try to take over and make money out of manipulating industries which have already made a success. This they have done with the rails, the steels, the utilities and the motors.

Bankers like to go by rule of thumb, statistics, formulas "sound principles", facts. The only time banker management of an industry is profitable is when the bankers get hold of a new industry before it has reached maturity. Bankers follow public opinion. Security salesmen have been running public opinion analysis for bankers ever since the last war. Twenty years ago the investing public believed in big mergers. So did the bankers. The bankers always believe in a security they can sell. When the public reached the height of its enthusiasm for American rails, American steels, American utilities, American holding and finance company securities, each of these categories was a good sale. In Wall Street an enthusiastic majority is always wrong--about the future. In 1929 the public believed in utilities and holding companies. So the Morgans unloaded over a half billion dollars worth of United Corporation (14,500,000 shares in the late forties--they went to 79 in 1929. Now it sells around 7/16ths of a dollar). Follow majority opinion and Wall Street opinion about the future and you'll die in the poorhouse.

Well, the Republican Party is no infant industry. Wendell Willkie is a typical Wall Streeter trying to make a good thing out of a receivership.

For policy and strategy, vision and imagination are more important than facts. The trouble with facts is that one never has more than a few facts. Had a Gallup poll been taken during the last world war asking "Do you believe in President Wilson's Fourteen Points?" nearly everybody would have answered "yes" just as everybody would have answered in 1910 if you had asked them whether they believed a railroad like the New Haven managed by the Morgans or in 1929 a utility holding company managed by the Morgans like United, was a good investment. Had you asked in 1918 "Do you believe that the United States should fulfill its war obligation after the war by joining the League of Nations as called for in the 14th Point?" the overwhelming

majority would have answered "Yes." Any other answer would have then seemed highly unpatriotic.

From such a public opinion poll in 1918 the banker mentality would have deduced that the obvious thing for the Republicans to do then to insure victory after the war was to come out for the League. Willkie knows better. In his November 16 address he spoke with imagination and historical insight when he said, "Nothing of importance can be won in peace which has not already been won in the war itself."

This statement is as factual as any Gallup poll finding. Willkie cited two historical examples: The American people did not settle the slavery issue during the War of the Revolution. So it was not settled until the Emancipation Proclamation during the Civil War. The American people did not join the League during the last war, so they did not join after the war. From these sound historical precedents Willkie soundly reasons that if the American people are not committed to President's internationalism during the present war, they won't be after the war.

What Willkie has really been saying to those able to read between the lines is this: Now that we are in the war, patriotism and war hysteria will not allow the President's internationalism to be repudiated, if the issue is handled right. After the war, however, these compulsions to vote "Yes" to whatever the President wants, in the name of God, country or humanity, will cease to operate. Therefore, the time to consummate the shot-gun marriage of the American people to a permanent world crusade from which they would normally recoil is now, during the war.

Mr. Willkie understands that it may be now or never for the President's internationalism. Unlike the naive Republican internationalists, Willkie is too smart to interpret a present-war time poll favorable to internationalism as evidence that internationalism will be the winning ticket in 1944 or 1948. In this Willkie shows wisdom and statesmanship. It is no reflection on him to say that he is an internationalist before he is a Republican. All Republicans have a right to be internationalists first, and they also have a right to turn Democrats at any time. Willkie was a Democrat who turned Republican at the behest of his Wall Street friends.

Mr. Willkie is to be congratulated on having clarified the issue, something most Republican leaders have been trying to avoid. He, almost alone, among the Republicans has dared raise the question, "What are we fighting for?" He has dared demand that we formulate and agree on the answer right now. The Republican leadership has taken the view that a sufficient answer to the question what are we fighting for is to say "victory." A sufficient answer would be to say to beat Hitler and the Japs and bring our boys home. But most Republican leaders lack the guts or wits to formulate such a simple answer.

Willkie has really made ninnies of most of the Republican straddlers who think to improve Republican chances by having the Party come out now for the President's internationalism, provided it is run by the right people. They argue that internationalism is now the bandwagon. Willkie is smart enough to know that the war bandwagon is likely not to be the post-war bandwagon.

Willkie is interested first in Willkie and secondly in internationalism. The Republican Party is a tool for him with which to serve these two interests. He is doubtless smart enough to understand and not to say right now that if he has his way with the Republican Party and if, as a result, internationalism

is marked "No issue", then the post-war regime will be some sort of coalition. In such a coalition, Willkie would stand a better chance of leadership than in the sort of Republican Government that is likely to arise if no such commitment to internationalism is now put across.

Willkie, unlike most Republican leaders, has imagination and convictions. He knows his interests and how to serve them. Most Republican leaders don't. He is for Willkie and internationalism. The two are compatible. The Republican straddlers on the internationalism issue and the Republican internationalists don't realize that the President's internationalism for the post war period is incompatible with Republican Party victory.

What Republican leaders should do is not hire experts to advise them on public opinion but hire some one to think for them. How many people in 1929 foresaw the Depression? How many in 1932 foresaw the New Deal deficit solution of unemployment? The most useful information to be gleaned from a poll is what the people are against. The consensus of the hour about the future is usually wrong, especially as to the choice of formulas.

The New Deal brain trusters are giving thought to the future. Like the communists and unlike the elder Republican leaders, they have a formula for the future.

The thing to understand about a political formula for the future is that it has to keep the ins in and not, necessarily, to fulfill ideal expectations. Communism in Russia has not fulfilled its rosy promises to the people but it has kept the ins in and the outs out for a quarter of a century and it is now winning a life and death war for survival, thanks to our aid. The big point about a crusade to end sin everywhere is that it does not have to achieve its objectives to be a big success. It merely has to go on and to keep the ins in and the outs out.

The first thing clear thinking should tell the Republicans about the future is that their only chance of serving the American people in the future is that the American people may want a change,--a change not in personalities but a change in principles, a change of policy and national objectives. Modern dictatorships can't be overthrown by palace revolutions or elections changing the administrative personnel.

Doubtless most Republican internationalists and straddlers on the internationalism issue feel that, whatever the Party may say now, it will win after the war on a wave of reaction as in 1919. The answer is that the Republican Party did not get swept out after the Civil War on a wave of reaction. It is not smart of the Republicans to imagine that they can now run with the New Deal hare and after the war bay with the anti-internationalist hounds.

The situation in 1944 will not be like the situation in 1920 in so far as the personalities and regimes of Woodrow Wilson and Franklin D. Roosevelt are concerned. President Roosevelt is the greatest politician of all time. Wilson was no politician. Roosevelt has a bureaucracy and a machine. Wilson did not. For the Roosevelt bureaucracy the perpetuation of his regimes is a life-long meal ticket. President Roosevelt commands powers and funds such as Wilson and no other political leader has ever before possessed.

In the election of 1942 the President and his henchmen never really entered the fight. They were too busy with the war and too sure of a safe majority. In 1944 they will go into action against their bumping

opponents. They will ask the man who has had a steady job on Government spending for a long time whether he wants to go back to the Hoover days and Hoover policies. They will promise job security and stress the fact that the noisiest Republicans are anti-New Dealers. The only weak point in the Democratic case is their indefinite foreign crusade. The only point of attack is what this Crusade will mean for American living standard. If the Republican internationalists and straddlers have their way, no attack can be made on this vulnerable sector.

After the War the only possible economy will be realizable on an abandonment of the world crusade. The Republican internationalists, presumably, will be for an international WPA project and for economy at home; for giving billions to the underprivileged abroad and cutting down on the dole and subsidies at home.

During the Twenties the Republicans got away with pump priming by having Wall Street bankers sell American investors foreign bonds which are now in default. This was called commercializing war debts, reparations and reconstruction abroad. A Wall Street bond issue made a German or Peruvian deficit a commercial investment. Well that sort of thing will be out after this war. The new internationalism will have to be financed in the good Soviet way of increasing output and keeping down consumption, by means of rationing and regimentation.

ECONOMIC NATIONALISM MADE THE REPUBLICAN PARTY AND THE NATION'S INDUSTRIES. ECONOMIC INTERNATIONALISM WOULD DESTROY THE REPUBLICAN PARTY AND THE AMERICAN WAY.

It is likely that many Republicans, even after reading the argument of this paper, will still remain sufficiently under the spell of the internationalist idea to say, "But, surely, the Republican Party must have a post-war world program." The answer is that the world situation two or more years hence cannot now be foreseen. A plan for an unpredictable future situation is an absurdity. It is easy for an internationalist politician now in power to say that we must save the world to save ourselves. If the people accept this "must", they give this politician a blank check. The only questions then would be "How?" These would be technical problems for the politician's experts and not political issues.

The Republican Party to survive and serve must offer an alternative. Let its leaders have the courage to say that they do not believe that America has to put the world right or to produce political and economic solutions for the problems of security for all nations, all minorities, all persons, everywhere. Let them put the internationalists on the defensive by challenging them to show first that their monolithic world Utopia is probable of achievement and second that pursuit of this chimera is worth its cost in blood, sweat and tears.

Anti-New Deal Republicans who would go in for international intervention can never outbid the New Deal internationalists. Nor can they excel the New Dealers as bureaucrats or world uplifters. The issue is not social security but whether social security shall be undertaken on a national or an international scale after the war.

The Republicans straddled on internationalism after the last war. They scuttled the ideal, political internationalism of the League and went in for Wall Street internationalism and dollar diplomacy. That straddle put them where they are to-day.

The humanitarian, moral, Christian and classical economics case for uplifting the world, whether the J. P. Morgan way or the Harry Hopkins way is appealing but fallacious. Germany did not need our post-war loans for reconstruction. The proof is what Hitler produced without foreign loans. Another proof is Soviet Russia. Without foreign capital over twenty years Soviet Russia produced a mightier industry and Army than Czarist Russia produced with foreign loans over a like period. After this war, some food relief to special areas for limited periods may be needed and could easily be spared by us, especially in the form of wheat. But Europe and Asia don't need American capital to industrialize and prosper any more than Soviet Russia or Nazi Germany needed it.

Politicians may be found everywhere to accept all we are willing to give or lease-lend. If we go in for this sort of foreign policy, the Republicans may be sure that it will be the Harry Hopkins and not the Herbert Hoovers who will run it. Many optimistic Republican internationalists naively hope that the mistakes of the Twenties with foreign loans could be avoided in another era of American foreign financing. But other and more serious mishaps would occur for two reasons: First, there is no way for the United States to rationalize its economy with the role of a creditor nation; Second, there would be no way to prevent politicians with billions to give away to foreigners from making great mistakes and messes, at home and abroad, and from building for themselves a self-perpetuating regime.

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OFFICE OF THE VICE PRESIDENT

C O R R E C T I O N

NOTE TO CORRESPONDENTS:

In the advance copy of the radio speech of Vice President Wallace, to be broadcast at 10:30 p.m., December 28, 1942, please make the following corrections:

Page 4, last line, and page 5, first line -- Strike out the words "the component nations as will deny to any signatory nation equality and security," and substitute the words "each member nation as to jeopardize the security of all."

Page 6, 12th line -- The sentence beginning "The military disarmament will have to be backed up" should read instead, "The United Nations must back up military disarmament" -- (Remainder of sentence stays the same.)

OFFICE OF THE VICE PRESIDENT

AMERICA'S PART IN WORLD RECONSTRUCTION

Radio address by Hon. Henry A. Wallace, Vice President of the United States, on the occasion of the eighty-sixth anniversary of the birthday of Woodrow Wilson, under the sponsorship of the Woodrow Wilson Foundation, the American Political Science Association, the American Society for Public Administration, and the American Historical Association, broadcast nationally by the NBC at 10:30 P.M. (E.W.T.), December 28, 1942

For the people of the United States, the war is entering its grimmest phase. At home, we are beginning at last to learn what war privations mean. Abroad, our boys in ever greater numbers are coming to grips with the enemy. Yet, even while warfare rages on, and we of the United Nations are redoubling our great drive for victory, there is dawning the hope of that day of peace, however distant, when the lights will go on again, all over the world.

Adolf Hitler's desperate bid for a Nazi world order has reached and passed its highest point, and is on its way to its ultimate downfall. The equally sinister threat of world domination by the Japanese is doomed eventually to fail. When the Hitler regime finally collapses and the Japanese war lords are smashed, an entirely new phase of world history will be ushered in. The task of our generation -- the generation which President Roosevelt once said has a "rendezvous with destiny" -- is so to organize human affairs that no Adolf Hitler, no power-hungry war mongers, whatever their nationality, can ever again plunge the whole world into war and bloodshed.

The situation in the world today is parallel in some ways to that in the United States just before the adoption of the Constitution, when it was realized that the Articles of Confederation had failed and that some stronger union was needed.

Today, measured by travel time, the whole world is actually smaller than was our little country then. When George Washington was inaugurated, it took seven days to go by horse-drawn vehicle from Mount Vernon to New York. Now Army bombers are flown from the United States to China and India in less than three days.

It is in this suddenly-shrunk world that the United Nations, like our 13 American States in 1787, soon will be faced with a fundamental choice. We know now that the League of Nations, like our own union under the Articles of Confederation, was not strong enough. The League never had American support, and at critical moments it lacked the support of some of its own members. The League finally disintegrated under the successive blows of worldwide economic depression and a second World War. Soon the nations of the world will have to face this question: Shall the world's affairs be so organized as to prevent a repetition of these twin disasters -- the bitter woe of depression and the holocaust of war?

It is especially appropriate to discuss this subject on this particular date, because it is the birthday of Woodrow Wilson, who gave up his health and eventually his life in the first attempt, a generation ago, to preserve the world's peace through united world action. At that time, there were many who said that Wilson had failed. Now we know that it was the world that failed, and the suffering and war of the last few years is the penalty it is paying for its failure.

When we think of Woodrow Wilson, we know him not only for his effort to build a permanent peace but for the progressive leadership he gave our country in the years before that first World War. The "New Freedom" for which Wilson fought was the forerunner of the Roosevelt "New Deal" of 1933 and of the worldwide new democracy which is the goal of the United Nations in this present struggle.

Wilson, like Jefferson and Lincoln before him, was interested first and always in the welfare of the common man. And so the ideals of Wilson and the fight he made for them are an inspiration to us today as we take up the torch he laid down.

Resolved as we are to fight on to final victory in this worldwide people's war, we are justified in looking ahead to the peace that will inevitably come. Indeed, it would be the height of folly not to prepare for peace, just as in the years prior to December 7, 1941, it would have been the height of folly not to prepare for war.

As territory previously overrun by the Germans and the Japs is reoccupied by the forces of the United Nations, measures of relief and rehabilitation will have to be undertaken. Later, out of the experience of these temporary measures of relief, there will emerge the possibilities and the practicalities of more permanent reconstruction.

We can not now blueprint all the details, but we can begin now to think about some of the guiding principles of this worldwide new democracy we of the United Nations hope to build.

Two of these principles must be Liberty and Unity, or in other words, home rule and centralized authority, which for more than 150 years have been foundation stones of our American democracy and our American union.

When Woodrow Wilson proposed the League of Nations, it became apparent that these same principles of Liberty and Unity-- of home rule and centralized authority--needed to be applied among the nations if a repetition of the first World War was to be prevented. Unfortunately the people of the United States were not ready. They believed in the doctrine of Liberty in international affairs, but they were not willing to give up certain of their international rights and to shoulder certain international duties, even though other nations were ready to take such steps. They were in the position of a strong, well-armed pioneer citizen who thought he could defend himself against robbers without going to the expense and bother of joining with his neighbors in setting up a police force to uphold civil law. They stood for decency in international affairs, but in the world of practical international politics the net effect of their action or lack of action was anarchy and the loss of millions of lives and hundreds of billions of dollars in a second world war.

The sturdy pioneer citizen, proud of his own strength and independence, needed to be robbed and beaten only once by bandits to be ready to cooperate with his law-abiding neighbors. I believe the United States also has learned her lesson and that she is willing to assume a responsibility proportionate to her strength. England, Russia, China and most of the other United Nations are perhaps even more eager than the United States to go beyond the Charter which they have signed as a declaration of principles. The United Nations, like the United States 155 years ago, are groping for a formula which will give the greatest possible liberty without producing anarchy and at the same time will not give so many rights to the component nations as will deny to any

signatory nation equality and security.

Obviously the United Nations must first have machinery which can disarm and keep disarmed those parts of the world which would break the peace. Also there must be machinery for preventing economic warfare and enhancing economic peace between nations. Probably there will have to be an international court to make decisions in cases of dispute. And an international court presupposes some kind of world council, so that whatever world system evolves will have enough flexibility to meet changing circumstances as they arise.

As a practical matter, we may find that the regional principle is of considerable value in international affairs. For example, European countries, while concerned with the problems of Pan America, should not have to be preoccupied with them, and likewise Pan America, while concerned, should not have to be preoccupied with the problems of Europe. Purely regional problems ought to be left in regional hands. This would leave to any federated world organization problems involving broad principles and those practical matters which affect countries of different regions or which affect the whole world.

The aim would be to preserve the liberty, equality, security and unity of the United Nations -- liberty in a political sense, equality of opportunity in international trade, security against war and business depression due to international causes, and unity of purpose in promoting the general welfare of the world.

In other words, the aim would be the maximum of home rule that can be maintained along with the minimum of centralized authority that must come into existence to give the necessary protection. We in the United States must remember this: If we are to expect guarantees against military or

economic aggression from other nations, we must be willing to give guarantees that we will not be guilty of such aggression ourselves. We must recognize, for example, that it is perfectly justifiable for a debtor, pioneer nation to build up its infant industries behind a protective tariff, but a creditor nation can be justified in such policies only from the standpoint of making itself secure in case of war.

A special problem that will face the United Nations immediately upon the attainment of victory over either Germany or Japan will be what to do with the defeated nation. Revenge for the sake of revenge would be a sign of barbarism -- but this time we must make absolutely sure that the guilty leaders are punished, that the defeated nation realizes its defeat and is not permitted to rearm. The military disarmament will have to be backed up with psychological disarmament -- supervision, or at least inspection, of the school systems of Germany and Japan, to undo so far as possible the diabolical work of Hitler and the Japanese war lords in poisoning the minds of the young.

Without doubt, in the building of a new and enduring peace, economic reconstruction will play an all-important role. Unless there is careful planning in advance, the return of peace can in a few years bring a shock even worse than the shock of war.

The magnitude of the problem here in the United States, for example, is indicated by the probability that in the peak year of the war we shall be spending something like 90 billion dollars of public funds in the war effort, whereas two years later we may be spending less than 20 billion dollars for military purposes. In the peak year of the war effort, it is probable that we shall have around 10 million men in the armed services and 20 million additional men and women producing war goods for the armed services. It would seem that within the first two years after the peace at least 15 million of these 30 million men and women will be seeking for jobs different

from those which they had when peace came.

Our expenditures have been going at a rate fully seven times as great as in World War No. 1 and the conversion of our industry to wartime uses has been far more complete. Thousands of thoughtful business men and economists, remembering what happened after the last war, being familiar with the fantastic figures of this war, and knowing the severity of the shock to come, have been greatly disturbed. Some have concerned themselves with plans to get over the first year. Others have given thought to the more distant future.

It should be obvious to practically everyone that, without well-planned and vigorous action, a series of economic storms will follow this war. These will take the form of inflation and temporary scarcities, followed by surpluses, crashing prices, unemployment, bankruptcy, and in some cases violent revolution. If there is lack of well-planned and vigorous action, it is quite conceivable that the human misery in certain countries after the war may be even greater than during the war.

It is true that in the long run any nation, like any individual, must follow the principle of self-help, must look to its own efforts to raise its own living standards. But it is also true that stronger nations, like our own, can provide guidance, technical advice, and in some cases capital investment to help those nations which are just starting on the path of industrialization. Our experience with the Philippines is a case in point.

The suggestions I have made with a view to promoting development and encouraging higher standards of living are necessarily

fragmentary at this time. But in some quarters, either knowingly or unknowingly, they have been grossly distorted and misrepresented. During the recent political campaign one member of Congress seeking re-election made the flat statement that I was in favor of having American farmers give away a quart of milk a day to every inhabitant of the world. In other quarters these suggestions have been referred to by such terms as "utopian," "soggy sentimentality," and the "dispensing of milk and honey." But is it "utopian" to foresee that South America, Asia and Africa will in the future experience a development of industry and agriculture comparable to what has been experienced in the past in Europe and North America? Is it "soggy sentimentality" to hold out hope to those millions in Europe and Asia fighting for the cause of human freedom--our freedom? Is it the "dispensing of milk and honey" to picture to their minds the possible blessings of a higher standard of living when the war is over and their own productivity has increased?

Among the self-styled "realists" who are trying to scare the American people by spreading worry about "misguided idealists" giving away U. S. products are some whose policies caused us to give away billions of dollars of stuff in the decade of the 20's. Their high tariff prevented exchange of our surplus for goods. And so we exchanged our surplus for bonds of very doubtful value. Our surplus will be far greater than ever within a few years after this war comes to an end. We can be decently human and really hard-headed if we exchange our post-war surplus for goods, for peace, and for improving the standard of living of so-called

backward peoples. We can get more for our surplus production in this way than by any high-tariff, penny-pinching, isolationist policies which hide under the cloak of 100 percent Americanism.

Self-interest alone should be sufficient to make the United States deeply concerned with the contentment and well-being of the other peoples of the world. For, as President Roosevelt has pointed out, such contentment will be an important contribution to world peace and it is only when other peoples are prosperous and economically productive that we can find export markets among them for the products of our factories and our farms.

A world family of nations can not be really healthy unless the various nations in that family are getting along well in their own internal affairs. The first concern of each nation must be the well-being of its own people. That is as true of the United States as of any other nation.

During the war, we have full employment here in the United States, and the problem is not to find jobs for the workers but to find workers for the jobs. After the war, it will be vital to make sure that another period of unemployment does not come on. With this end in view, the suggestion has been made that Congress should formally recognize the maintenance of full employment as a declared national policy, just as it now recognizes as national policies the right of farmers to parity of income with other groups and the right of workers to unemployment insurance and old-age annuities.

Full employment is vital not only to city prosperity but to farm prosperity as well. Nothing contributes more to stable farm prosperity than the maintenance of full employment in the cities, and the assurance that purchasing power for both farm and factory products will always be adequate.

Maintenance of full employment and the highest possible level of

national income should be the joint responsibility of private business and of government. It is reassuring to know that business groups in contact with government agencies already are assembling facts, ideas, and plans that will speed up the shift from a government-financed war program to a privately-financed program of peacetime activity.

This shift must be made as secure against mischance as if it were a wartime campaign against the enemy. We can not afford either a speculative boom or its inevitable bust. In the war we use tanks, planes, guns and ships in great volume and of most effective design. Their equivalents in the defense against post-war economic chaos will be less spectacular, but equally essential. We must keep prices in control. We must have continuity in the flow of incomes to consumers and from consumers to the industries of city and farm. We must have a national system of job placement. We must have definite plans for the conversion of key industries to peacetime work.

When the war is over, the more quickly private enterprise gets back into peacetime production and sells its goods to peacetime markets here and abroad, the more quickly will the level of government wartime expenditures be reduced. No country needs deficit spending when private enterprise, either through its own efforts or in cooperation with government, is able to maintain full employment. Let us hope that the best thought of both business and government can be focussed on this problem which lies at the heart of our American democracy and our American way of life.

The war has brought forth a new type of industrialist who gives much promise for the future. The type of business leader I have in mind has caught a new vision of opportunities in national and international projects. He is willing to cooperate with the people's government in carrying out socially desirable programs. He conducts these programs on the basis of private enterprise, and for private profit, while putting into effect the people's standards as to wages and working conditions. We shall need the

best efforts of such men as we tackle the economic problem of the peace.

This problem is well recognized by the average man on the street, who sums it up in a nutshell like this: If everybody can be given a job in war work now, why can't everybody have a job in peacetime production later on? He will demand an answer, and the returning soldier and sailor will demand an answer--and this will be the test of statesmanship on the home front, just as ability to cooperate with other nations for peace and improved living standards will be the test of statesmanship on the international front.

How thrilling it will be when the world can move ahead into a new day of peaceful work, developing its resources and translating them as never before into goods that can be consumed and enjoyed! But this new day will not come to pass, unless the people of the United Nations give whole-hearted support to an effective program of action. The war will have been fought in vain if we in the United States, for example, are plunged into bitter arguments over our part in the peace, or over such fictitious questions as government versus business. Such bitterness would only confuse us and cloud our path. How much more sensible it would be if our people could be supplied with the facts and then, through orderly discussion, could arrive at a common understanding of what needs to be done.

I have heard the fear expressed that after the war the spirit of self-sacrifice which now animates so many of our people will disappear, that cold and blind selfishness will supplant the spirit which makes our young men willing to go thousands of miles from home to fight--and die if need be--for freedom. Those who have this fear think that a return of blind selfishness will keep the nations of the world from joining to prevent a repetition of this disaster.

We should approach the whole question, not emotionally from the standpoint of either sacrifice or selfishness, but objectively from the standpoint of finding the common meeting ground on which the people of the world can stand. This meeting ground, after all, should not be hard to find -- it is the security of the plain folks against depression and against war. To unite against these two evils is not really a sacrifice at all, but only a common-sense facing of the facts of the world in which we live.

Now at last the nations of the world have a second chance to erect a lasting structure of peace -- a structure such as that which Woodrow Wilson sought to build but which crumbled away because the world was not yet ready. Wilson himself foresaw that it was certain to be rebuilt some day. This is related by Josephus Daniels in his book, "The Life of Woodrow Wilson," as follows:

"Wilson never knew defeat, for defeat never comes to any man until he admits it. Not long before the close of his life Woodrow Wilson said to a friend: 'Do not trouble about the things we have fought for. They are sure to prevail. They are only delayed.' With the quaintness which gave charm to his sayings he added: 'And I will make this concession to Providence -- it may come in a better way than we propose.' "

And now we of this generation, trusting in Providence to guide our steps, go forward to meet the challenge of our day. For the challenge we all face is the challenge of the new democracy. In the new democracy, there will be a place for everyone -- the worker, the farmer, the business man, the housewife, the doctor, the salesman, the teacher, the student, the store clerk, the taxi driver, the preacher, the engineer -- all the millions who make up our modern world. This new democracy will give us freedom such as we have never known, but only if as individuals we perform

our duties with willing hearts. It will be an adventure in sharing--sharing of duties and responsibilities, and sharing of the joy that can come from the give-and-take of human contacts and fruitful daily living. Out of it, if we all do our part, there will be new opportunity and new security for the common man--that blend of Liberty and Unity which is the bright goal of millions who are bravely offering up their lives on the battle fronts of the world.