THE CHARLOTTE NEWS

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TUESDAY, JANUARY 7, 1947

Funeral Oration For The New Deal

THE state of the union has changed in the past twelve months, changed perhaps as much as President Truman's own point of view. A year ago Mr. Truman still sought to preserve the major portions of the Governmental structure he had inherited; he felt bound then to ask the Congress for specific legislation to maintain and even broaden his administrative powers. Yesterday his state of the union address was almost entirely negative: with the exception of his renewed request for legislation authorizing universal training he asked the Congress for little more than a degree of restraint.

No Republican could improve on Mr. Truman's opening statement of policy: "Private enterprise must be given the greatest possible freedom to continue the expansion of our economy." Nor could any Republican doubt that he meant exactly what he said: he has already initiated a broad program of decontrol, and he left no room to doubt that he will abandon the remainder of his war-time powers at the earliest possible moment. He is, indeed, already ahead of a large and growing segment of the Republican Party which fears that decontrol may be too precipitate.

Mr. Truman could not but take passing note of the threat of inflation, but he did not ask that any Federal barrier be erected against it. He places his faith, now, without reservation, in the will and the ability of the American people to keep prices and wages within reasonable bounds by their own self-restraint. The multi-pronged Federal attack on rising prices through wage and price controls is gone beyond recall; the Administration will contribute nothing further to the battle except negative encouragement of production.

Mr. Truman's changed conception of government is best illustrated by the things he didn't say. Some of the old New Deal catch phrases were still there, but they were reduced to generalities, unsupported by concrete suggestions. The President condemned the trend toward monopoly, spoke of the need for decentralizing industries, and remarked that sound labor relations depend upon the "extension and broadening of our Social Security system, better housing for workers, a comprehensive national health program, and provision for a fair minimum wage act." He warned that our natural resources are being depleted, but he made no reference to the Missouri Valley Authority. He noted some deterioration in race relations and a corresponding rise in bigotry, but he didn't mention the Fair Employment Practices Commission. And all of this was in the tone of a man restating his faith in a set of worthy but unattainable ideals, not of a chief executive outlining a program for legislative action.

Perhaps the only major area of disagreement between Democratic President and Republican Congress was set forth in the passages dealing with labor legislation. And even here the President's approach was mild and passive. He offered no major proposals of his own, nor did he defend the labor legislation enacted under his predecessor. He conceded that a thorough overhaul in the present labor code is in order, but warned the Congress that "we must not, in order to punish a few labor leaders, pass vindictive laws which will restrict the proper rights of the rank and file of labor." To guard against this, the President suggested the establishment of a special Commission, with a majority of the members named by Congress, to survey the whole field and report to the Congress not later than March 15. This proposal will appeal, certainly, to the moderate leaders of the Republican Party, who have looked askance at the efforts of their more excitable colleagues to push through the Case Bill and other major alterations of the Wagner Act in the opening days of the 80th Congress. But even this modest suggestion stands in conflict with the official G.O.P. policy which rules out hearings on such measures as the Case Bill on the ground that the opposition has already had its say.

But, except for the President's mild warning (an amber, not a red light) in the case of labor legislation, the most vociferous Republican will find little to quarrel with in Mr. Truman's address. It is a virtually unqualified offer of full co-operation with the Congress as it goes about its task of returning the country, as well as it can, to a pre-Roosevelt status.

The 7,000-word State of the Union message was in a real sense a funeral oration; in accordance with the expressed wish of the electorate and, we think, with a deep sense of personal relief, Mr. Truman officially interred the New Deal. Even the mourners must concede that it's better this way, for it puts an end to false hopes and empty expectations. The air is considerably clearer now.

Built-In Schism On The Left

THE liberal third party movement in the United States has gotten underway with a built-in schism. There is, of course, considerable over-lapping, but well defined and formally labelled right and left wings have already developed.

The dividing issue is, inevitably, Communism. The New York liberal group which received Henry Wallace's blessing took for itself the title Progressive Citizens and welcomed all comers "regardless of party affiliation." The Washington group, headed by such displaced New Dealers as Chester Bowles, Wilson Wyatt and Leon Henderson, carefully closed its ranks against "Communists or sympathizers with Communism."

On domestic issues the preliminary statements of the two groups sound much alike. But there is a glaring and familiar difference in their foreign policy declarations; the PCA followed the Communist Party line demand for immediate destruction of all atomic bombs in America, while the Bowles-Wyatt-Henderson group (Americans for Democratic Action) gave full support to the official atomic proposals made by the United States to the United Nations and opposed by Russia.

It is clear that these two groups will be in rather sharp competition in the recruiting of the country's liberals. And, whatever their political future (it looks pretty dim to us) this competition may be highly salutary—a long overdue process of sorting out sheep and goats.

For better or for worse, we have reached a point in our development when every citizen of liberal pretensions must take a public stand on Communism. And Communism, as the Russians practice it, does not admit of straddling; you may be for it or you may be against it, but you cannot accept it in part. This, of course, makes it an extremely illiberal doctrine, but because it incorporates many of the social and economic tenets that have always bemused liberals it has had at least a brief attraction for most of those who are dissatisfied with the *status quo*. Moreover, as a persecuted minority, however deserved the persecution may be, the Communists have always had a certain claim on the sympathy of all professional defenders of civil liberties.

But the Communists have consistently snapped at the hand that sought to defend them. They are wreckers by trade, and by working their way into liberal organizations they usually manage to brand all those who traffic with them on any basis as fellow travelers. In this season of rising intolerance this is a matter of practical concern for any liberal who plans political action. Most conservatives apply the Communist label to any person who fails to agree with them; the term liberal does not exist in the vocabulary of such worthies as John Rankin, but is automatically replaced by "Red." Thus the liberal, or progressive, must be above suspicion of Communist affiliation if he expects to receive a sympathetic public hearing on any matter of policy, domestic or foreign.

This puts pressure on the liberal from both sides. He may deplore the tendency of the public to see any issue in red and white, but he cannot ignore it. According to the old American ideal we grant every man a right to speak his piece and then examine his ideas objectively; in practice the great majority of Americans now reject any idea coming from Communist sources regardless of its abstract merit. The public mind, by and large, is made up on the matter of Communism, and the liberal who does not take positive steps to reject the Red tag is suspect and therefore politically impotent.

We don't know whether the Bowles-Wyatt-Henderson group had any motive higher than embarrassing the Wallace organization and spiking the guns of its own conservative critics. But, intentionally or not, it has provided the general public with a handy yardstick for measuring the confusing ideologies of the left with some hope of distinguishing between the honest patriot and the truly subversive radical.

Another Voice

Note For A Menu

DEMOCRATS, it appears, will stage both Jackson and Jefferson day dinners during the coming year—and indications, as we see it, are that they either need or think they need the money.

Speaking as neither a free-wheeling new dealer nor yet one of the old-fashioned Southern Bourbons, we would like to go on record as inclining to the view that money is the least of the needs of the Democratic national organization. In fact, we knew it when its chief claim to the support of the electorate was its lack of money, and we are confident that many of its current itches, irks and even disabilities are the result of having had it too easily.

A Jackson Day dinner, presumably in honor of a lad who ate with his fingers and, if he felt so inclined, wiped his hands on his britches, has never troubled us, and we can take one dedicated to the chap who saw us born free and equal; but two dinners and both of them designed to produce from 80 to 90 per cent net profit for those who have consecrated themselves to demonstrating that Jefferson was wrong in believing that the best sort of Government was characterized by the least officiousness is too much.

Not that it bothers us personally; North Carolina will stage only one dinner.—*Greensboro Daily News.*

Then again, big inch is the à la carte serving of restaurant pie, whereas little inch goes with the 75-cent table d'hote.

State Of The Union

People's Platform

South Of The Border

CLOVER, S. C.

Editors, THE NEWS:

MANY of us citizens of South Carolina feel very badly that we are playing so unfortunate a part in the liquor controversy now raging in Charleston and other cities of your state. We must plead guilty to partnership in a gigantic "bootleg" business which has for its object the slaking of a thirst of the liquor guzzlers of your community. We know about that constant stream of cars and bus passengers which runs up and down the highways connecting the two states, hauling great quantities of liquor from our South Carolina stores to your thirsty people who must have their liquor regardless of how they get it.

But please don't think for a moment that all your neighbors are complacent about this situation. There are still thousands of South Carolinians—in fact a large majority of them—who are humiliated and ashamed because of it. About the time Mecklenburg and Gaston Counties were voting to outlaw the sale of hard liquors the people across the line voted by nearly sixty thousand majority to outlaw its sale in this entire state. But we are having the same trouble you have had in persuading a Legislature to make the will of a majority of the citizens effective. By one evasion or subterfuge or another they have avoided doing this.

Notwithstanding repeated efforts by the temperance forces of this state we have been unable to get through our Legislature measures to put our liquor stores out of business. At the same time your North Carolina gallon law has played into the hands of your bootleggers' profit. That the situation has become appalling is indicated by the recent revelations in your columns and from many other sources. I agree with you that the laws are being nullified, that crime is being fostered, that the courts are being cluttered up with liquor cases and that conditions have gone from bad to worse until they have just about become unendurable.

However, I do not agree with you as to the remedy. Your fellow citizens seem to be drinking an enormous quantity of liquor and crimes due to liquor drinking are increasing at a terrible rate. Your remedy seems to be to give the people more liquor and make it easier for them to get. In other words, open up your city to the legalized sales of liquor. This step would not, by any stretch of the imagination, decrease drinking, or drunkenness, or the accompanying crime and suffering in your county, but would undoubtedly lead to an increase of these evils.

Allow me to propose a better remedy. We here in South Carolina are determined to get control of the liquor business in this state. The movement by the temperance forces now is toward getting a bill through the incoming Legislature to allow any county to hold a county option election to say whether or not the sale of liquor shall be allowed in the given county. The indications are that such a bill will be passed. If it is you can count on an overwhelming vote in York County, and, I believe in many other counties, especially along the borders of the two states, to close these liquor stores which are the abundant source of your liquor supplies. When this is done, then let your own legislature repeal your gallon law and set in motion, along with South Carolina authorities, machinery to stop this illicit traffic across the state line.

There are many measures that can be taken to meet this situation if the responsible officials of the two states really want to meet it. I hope the good people of your community will not let down the bars to this traffic while we are taking steps to control it from this side.

—TILDEN SCHERER.

NAM View

ATLANTA

Editors, THE NEWS:

GRANTED that economists, like anyone else, are entitled to be wrong on occasion, Robert Nathan's report recently issued by the NAM grossly abused his privilege. He is wrong on every major point in his analysis.

The Research Department of The National Association of Manufacturers summarizes its study of Nathan's report with the observation that "the Nathan report is a calculated attempt to mislead both the public in general and organized labor in particular".

In their appraisal the NAM economic experts used U. S. Government statistics and those of recognized statistical bureaus. They rightly concluded that each of Mr. Nathan's three lines of argument was based on "misinterpretation of economic facts and unsound economic reasoning".

In three instances the summarized findings are:

"1—Mr. Nathan's case that general wage increases are justifiable on the grounds that real wages have declined in recent months will not stand up under analysis. It is based on the suppression of statistics on the trend in wages and prices since 1939, and the misinterpretation of more recent trends.

"2—Analysis of Mr. Nathan's argument that substantial wage increases are possible out of corporate earnings has led to the following conclusions:

"His estimates of the present rates of corporate profits have no claim to validity.

"His assumption that present profits will continue cannot be accepted with confidence.

"The figure to which he proposed to reduce corporate profits, cannot be accepted as a reasonable return.

"Even if his figures were accepted, 40 per cent of the wage increase he proposes would be paid out of the public treasury.

"3—Mr. Nathan's pretense that general wage increases are essential for the maintenance of purchasing power does not bear analysis, no matter what interpretation we give to it. If we assume that he is protesting against business profits this is a form of purchasing power which is used as rapidly as any other. If we assume that he means to protest against shifts in individual incomes from one type of recipient to another the figures prove that this alarm is baseless; the only significant shift in individual incomes has been to increase the purchasing power of war veterans relative to the incomes of other classes."

In a word, Mr. Nathan's assertion that wages can be raised without increase in prices is wrong, and his theories false.

It is my earnest hope that those who now plan to use his report as a basis for action think carefully and well. If so they will undoubtedly find the fallacies in the report and arrive at the inevitable conclusion "that it is now and always has been impossible to get something for nothing."

—WARREN WHITNEY.

Southeastern Regional Vice-President, National Association of Manufacturers.

Marquis Childs

Drama In Congress

WASHINGTON

IF Hollywood had written the script, the drama on the first day the Senate met could not have been sharper. It was a situation made for a movie producer.

The triumphant Republicans were gathering. Handshakes and back-slapping were the order of the day. This was the beginning of the new dispensation.

The atmosphere on the Democratic side of the aisle was subdued. The losing team was taking defeat with dignified good humor. They were waiting for the Republicans to make their move to deny Sen. Theodore O. Bilbo a seat.

Then, from the back row on the Democratic side, the young hero sprang up. It was perfect typecasting. Glen Taylor, Senator from Idaho, could be played by James Stewart or Gary Cooper. As it was, Taylor did very well by the part.

In the first place, he had to be clever and quick to beat the opposition to the draw. On the other side of the aisle, Michigan's Sen. Homer Ferguson was waiting for the moment. Ferguson had brought the Bilbo issue through the Republican conference. He had won approval for a resolution to bar the Senator-elect from Mississippi at the door of the Senate.

FIRST TO PUNCH

But Taylor was in there first. He put in his resolution and therefore it had precedence. What is more, he was prepared with a speech and a good speech. On top of that, he could read his speech in a voice that had some dramatic quality. It could be heard even above the disorderly buzz of the Senate. Perhaps more politicians should try the radio before they come to the Senate.

The young Senator from Idaho had gone back into the record of previous instances when Senators-elect were met with charges disqualifying them from membership. In one such case he found that Sen. Walter F. George of Georgia had made a most significant speech.

In the move to oust Frank Smith of Illinois, a Republican, the Democrats had taken the initiative. They were then the party of opposition. Republican leaders suggested that the day would come when the Southern Democrats would have cause to regret that action. They would be faced with charges against one of their own number for violating the election laws. How would they like it then?

Sen. George solemnly rejected this suggestion. He said that if it was established that a Senator-elect had violated the Constitution—no matter what provision—then the Southerners would vote to deny him a place in the Senate.

QUOTES BILBO

Having established this background, Taylor went on to show how Bilbo had violated the Constitution. He quoted the vicious, shocking language that Bilbo had repeated on platform after platform during his campaign for re-election. It had been a deliberate invitation to violate the amendments to the Constitution that guarantee to all citizens, regardless of race, color or previous conditions of servitude, the right to vote.

In basing his case against Bilbo on the race issue, Taylor was on sound ground. It is infinitely more important than the charges growing out of the war contracts. The latter are bad. But they are nothing like as bad as the crude incitations to riot and violence implied in the demagogic raving that Bilbo did in Mississippi last June.

As though any further drama were needed, at the peroration of Taylor's speech Bilbo came over and sat down a few feet from the speaker. He sat there glowering up with an arrogance rarely equalled in Senate history.

From the beginning of his term two years ago, Taylor has been regarded as a maverick. He has not played by any of the Senate rules, whether printed or unprinted. Often he has gone off the deep end when his more cautious colleagues, even those who agreed with him, were for discretion. Again and again he has violated the first of the unprinted rules, which is, "Don't stick your neck out." Occasionally he has looked foolish and his cautious colleagues have snickered.

COURAGE REWARDED

But boldness and courage are now and then rewarded, even in politics. Taylor showed on the very first day of the new session that it is not essential for the Democratic Party to collapse like a worn-out accordion. This is a lesson which should be taken to heart by Democrats, not only in Congress but everywhere. Two living parties are essential to a two-party system.

Samuel Grafton

Knutson's Tax Plan

NEW YORK

PRICE control has been wrecked, but the drive toward inflation is not over. We now have, for example, Rep. Knutson's plan for a straight 20 per cent cut in income taxes, to apply across the board to all brackets up to $300,000. This would cost the Government three billions, and one can search law and Scripture for a week without finding a single compelling reason for making this slashing cut at this particular time. For we are still near the top of our price rise; and to choose this moment for so sharp a cut is an inflationary act if Mr. Knutson were to station himself on the steps of the Capitol and fling the three billions, in dollar bills, to all comers. It is like handing a drink to someone who is already higher than a kite.

CRUDE PROPOSAL

By every test, the proposal is a crude one. Mr. Knutson talks about adopting the slash at once, to give "quick relief to millions of workers." But the man earning $50 a week will receive "quick relief" to the extent of about $19 a year under the Knutson plan, while the man earning $50,000 will save $4,822 as his quick relief. It is a little forced to talk of this as a plan for the relief of the wage workers, for the bill is not very important to wage-workers, one one or another. It will not increase effective demand for goods in the lower brackets; its chief effect might well be only to prolong the wartime luxury market a little longer.

But this offense against liberal principles is perhaps not important. What really hurts is the violence the Knutson bill does to conservative principles. For the Knutson bill presents American conservatism with a moral problem of the first order. American conservatives knew well enough that the taxes which are so easily collectible in an inflationary period should be used to reduce the public debt and to balance the budget. If the Republican Party chooses to use our present fiscal fertility for a distribution of tax cuts instead, it will not have turned against liberal principles, but against its own principles.

DISINTEGRATION NOTE

That will be shocking, for there will be in this spectacle a certain note of disintegration, of loss of order, even conservative order, of a kind which would make it very difficult to say from now on that there is such a thing as a conservative philosophy.

The temptation to cut taxes is very great, yet there is wrapped up in this question the issue of whether the Republican Party is really a party, or whether it is a very large special interest group. Nobody is in worse trouble than he who is in trouble with his own principles, and the question now presented to higher income tax payers is that of how much they are willing to pay for their beliefs.

The quarrel is not between liberals and conservatives, but between conservatives and conservatives. One would hardly care to speculate about the future of a balance-the-budget party whose official act was to put the budget three billions of dollars further out of balance, for the sake of a tax-cut stimulation.

TORIES IN TROUBLE

The issue is whether a sophisticated and conservative, or primitive and destructive strain of conservatism is to take over the GOP. What arguments will be used to support the tax cut? Is it worthwhile to unbalance the budget, for the sake of getting more money into the hands of the public? A conservatism which came into power by fighting that slogan will be in grc t trouble if it now attempts to adopt it; it will be an unbashed and ignorant conservatism, in trouble with the world because it is in trouble with itself.

Drew Pearson's Merry-Go-Round: Forrestal Angles For Jimmie Byrnes' Job

WASHINGTON

A LOT of jockeying is still on backstage to take Jimmie Byrnes' place if he resigns as Secretary of State—even though it now looks as if Byrnes will be retained his health.

Up until recently there were three chief possibilities for the job—Gen. George Marshall, Gen. Eisenhower, and Secretary of the Navy Forrestal.

Neither Marshall nor Eisenhower have pushed themselves for the job. On the contrary. However, Marshall was Truman's candidate, while Eisenhower was the candidate of George Allen.

Around Christmas time, however, Marshall's friends made it clear that he was fed up with being a diplomat, did not relish becoming Secretary of State and wanted to retire to Virginia as soon as his job in China was finished.

In regard to Gen. Eisenhower, it was George Allen's idea to put him in the key job of Secretary of State as a build-up for the Presidency—if Truman does not run again. Eisenhower grew up as a Kansas Democrat, made his first public speech at a Jackson Day dinner and was picked by a Democratic Administration to be Supreme Commander.

Third—and most active—candidate for the State Department is Jimmie Forrestal, who, a bit bored with the Navy, has been itching to get his hands on foreign policy for many months. Those who follow State Department affairs figure he would be the least qualified of the three-despite the general public sentiment against having a military man at the helm of foreign policy.

Note—President Truman is very much hoping that Byrnes will remain on as Secretary of State indefinitely. Despite some personal misunderstandings one year ago, Byrnes and Truman have now become warm friends, and the President gives him full rein over foreign policy.

The Senate Kingmakers

IT was probably Senator Wayne Morse, Oregon Republican who first inspired the name "kingmakers" as applied to his GOP colleagues, Taft, Vandenberg, and White and their now successful efforts to crown their own men as chairmen of Senate committees.

Though Senators Reed (Kans.), Tobey (N. H.), and Wilson (Iowa) got most of the publicity for battling the kingmakers, it was legal-minded Morse of Oregon, former dean of the Oregon University Law School, who embarrassed them most.

His tripping-up tactics came during the secret debate of the GOP Committee on Committees after young Senator Cabot Lodge of Massachusetts, grandson of the Senator who defeated the League of Nations, had been proposed as a member of the Senate Foreign Relations Committee.

The kingmakers had selected two Easterners, Lodge and Smith of New Jersey, together with one Midwesterner, Hickenlooper of Iowa, as a new members of this vital Committee. This brought immediate protest from Morse.

"I consider it strange," he said, "that you have given seats to three men from the relative East and not one seat to the Pacific Coast. Apparently you ignore the fact that we on the Pacific face great problems with the Japanese and Chinese, and that one important phase of the war was fought from our shores.

"If you think that is the way to bring harmony to the Republican Party," continued the gentleman from Oregon, "by ignoring one great segment of the party, then I serve notice right now that I intend to stand up and fight for the Pacific Coast."

Taft Protests

AT this point, Senator Taft argued that Lodge was entitled to a post on the Foreign Relations Committee since he had resigned from the Senate to go to war, thus losing his seniority rights.

"I want to make it clear," replied Morse, "that I have no objection to Mr. Lodge. I think he is eminently qualified to serve. But the time to have settled this was in the meeting of the Steering Committee when Senator Tobey proposed restoring Mr. Lodge's seniority rights. I was in complete agreement with Senator Tobey, but it was Mr. Lodge himself who withdrew his seniority claims and you gentlemen applauded his withdrawal. That decision should stand.

"I'm not asking for the vacancy myself," Morse concluded. "If any other Western Republican has more seniority, the post should go to him. But the West is entitled to representation."

However, the well-oiled kingmakers' machine was functioning perfectly. On a vote, the Oregon Senator was overwhelmingly turned down.

After the vote, forthright kingmaker Vandenberg, who is chairman of the new Foreign Relations Committee, rose half-apologetically to say:

"I want to explain my vote. It was influenced by the fact that the committee's report is already printed and has been circulated for some time. We can't change it now. However, I agree completely with the Senator from Oregon that a West Coast man should be on the Foreign Relations Committee. I put on record that the next Committee vacancy on the committee should go to the Pacific Coast."

Backstage Deal

THIS brought smiles to the faces of several anti-kingmakers. They figured this put Ohio's Taft and his Presidential ambitions in a hole. Obviously he didn't want to antagonize the West. Perhaps this was why he sought out Morse as soon as the secret meeting was over, and in doing so inadvertently let the cat out of the bag.

"Wayne, I just feel awful about this," Taft said. "There should be a West Coast man on the committee. But I think Lodge did one of the most patriotic things I know when he left the Senate to go into the Army, and we just had to give him a place on the Foreign Relations Committee."

The anti-kingmakers have now heard that this was the pay-off. If Lodge had been given his full seniority as proposed by New Hampshire's Tobey, he would have ranked right up with the kingmakers. In fact he would have been chairman of the Finance Committee instead of Millikin of Colorado, a strong Taft man, and a deputy kingmaker. So instead of giving Lodge full seniority, a deal was worked out whereby he was given a place on the vital Foreign Relations Committee—a position he has coveted ever since his dad's his grandfather killed Woodrow Wilson's peace efforts after World War I.

Note—Wonder what twist grandson Lodge's appointment will give to history and our future co-operation for world peace?