

## HEALTH

### Medical Insurance

"I propose specifically that our Republican Party adopt as its program that it will inaugurate a system of medical and health insurance to cover the major cases, and only the major cases. This could be done with reasonable administrative simplicity by basing it first of all upon the coverage of those on social security for medical and hospital expense in excess of \$250 in a single calendar year. By an effective administrative establishment, requiring the verification of claims, the reasonableness of charges, and a spot-check for improper bills, the entire system could be efficiently and effectively administered on a federal-state basis.

"I specifically propose that we do not make it a complete insurance for all medical and health expense. If we do that it means that all doctors and hospitals look for their entire revenue to a government insurance organization. This cannot help but make them subordinate in government. This, I oppose. I specifically urge that we do not adopt the Wagner-Murray-Dingle Bill, or any other complete, compulsory, health insurance coverage. The normal health and medical expense incurred by millions of our citizens can be met in the manner in which it is now met, by the individual choice of physician and hospital, by either saving in advance to pay the bills, or by paying them in installments afterwards, or by taking out personal private insurance, or joining the Blue Cross Plan. But when it comes to the major unexpected expense we do need an insurance principle of coverage. I see no manner of effectively providing this protection except through action by government.

"Provision should also be made for voluntary joining in the insurance by those not on social security, through the payment of a premium to be established by actuarial experience as the plan progresses.

"Such a plan will promptly lift one of the most disastrous phases of our health and medical problems from the American people. It will reflect itself indirectly in the expansion and improvement of hospital and medical expenses. From the best available data it will involve the insurance payment of bills for not more than one million American families per year in the average amount of \$500 each or a total cost of one half billion to meet effectively one of our most serious humanitarian deficiencies.

### Expansion of Hospital Services

"But this alone is not a complete answer to the problems of American health. There are now more than a thousand of the three thousand counties in America without any recognized hospital facilities. There are thousands of small communities without any medical service. We do need national leadership in a systematic and sound expansion of hospital services, with health centers in smaller areas related to the parent hospital, and with mobile ambulances and health clinics moving out as spokes on a wheel of mercy.

"The management of this expanded hospital service should not be governmental. It should be of the self-perpetuating, semi-public corporation type which has demonstrated its greatest effectiveness in various charitable and educational units. In other words, the management should be established by the original appointments of a body of outstanding men in the hospital areas as the public stockholders, the election by them of a board of directors or trustees, and the filling by them of vacancies in their own number so as to keep the corporation alive indefinitely and responsive, not to political pressures, but only to the broad constructive public opinion of the community. Developing under such an approach of improved programs of preventive medicine, of safeguards against epidemics and diseases, of checkups of school children for medical and mental infirmities, we can make a very significant advance in America entirely consistent with the great fundamental principles of freedom and of service of our form of government.

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p. 11  
"The opposition party has been insisting on a degree of regimentation and compulsion and impossible administrative procedure which would tend only to centralize great power over the individual citizen and over the medical profession and hospital by government. This we must oppose. But let not our opposition be negative. Let it be a constructive proposal of the right way to meet a problem. It is through steps such as this that our Republican Party can be of great service to the people, and as it responds to the needs of service it will find the support of votes from the men and women of America."

(Highland Park, Ill., Nov. 21, 1947)

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### HIGH PRICES

"There can be little doubt that the future economic stability of the United States is of paramount importance to the prospects for happy lives for ourselves and for others in the years ahead. Clearly that economic stability is endangered today by the rising spiral of the prices for the necessities of life. These "too high" prices of food and other commodities, already out of reasonable reach, and still climbing, are the most urgent requirement for action by the Government of our country. All the lessons of the past definitely indicate that the higher these prices climb the more difficult is the task of leveling off and stabilizing our whole economic system without a depression crash.

"Everyone has a major stake in this price level problem. It pinches most severely the white collar workers and fixed income portions of our population but it also creates a distressing personal budget problem for the vast majority of our people.

"Furthermore, those groups of our population who attain temporary high profits and high income from the mounting prices, actually stand in position to suffer the greatest loss in a deflation bust.

"I am not one of those who surrenders to the notion that boom and bust are inevitable in a free economy. I hold that if we learn the lessons of the past, and act upon them in an alert and intelligent manner, it should be possible to maintain this superb economic machine of ours at a high level of production with a broad and fair distribution of goods and with only reasonable fluctuations up and down.

"But each new stride in the productivity of a modern industrial machine requires new advances in establishing the rules of the economic road to avoid disaster."

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"Specifically, at this time I urge that the United States should take these major, rapid, decisive steps:

#### (1) Law Against Excess Inventories

The establishment of a new excess inventory control power in the Government as a weapon against hoarding, profiteering and semi-monopoly. Such a law should provide for powers of control only over inventory accumulations in excess of 120% of a five-year average. It should automatically be ended when price levels decline 15%.

#### (2) Credit Control

Government should have a new power to limit credit, especially consumer installment credit, to reduce the upward pressure upon prices.

(3) Limit on Speculation

Speculation in scarce commodities should be placed under new limitations, with a temporary maximum for any individual speculating in the sum of \$100,000, and a permanent outlawing of any speculation by officials of the government in commodities affected by Governmental purchases or decisions.

(4) Coordination of Government Purchasing

A complete revision of Governmental purchasing policies placing them under continuous supervision of a Subcommittee of the Congress, so that supplies for essential needs abroad are obtained with a minimum impact upon the American market. The recent investigation into Government purchasing and official speculation demonstrated with amazing clarity the fact that unwise Governmental purchasing had directly contributed to the sharp rise in food prices in the latter half of 1947.

(5) Extension of Rent Controls

"If these major measures are coupled with economy in civilian activities of Government, with only a small cut in taxes and a substantial payment on the war debt, the mounting productivity of the country and the natural buyer resistance will bring us through this critical period successfully without the tragic mistake of adopting all-over centralized controls to the economy. We will develop a modern people's capitalism of tremendous value to the cause of freedom and of better living."

(Montpelier, Vt., January 26, 1948)

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*From Speech in  
Milwaukee, Nov 24, 1947!*

HOUSING

56 "We must take major resolute action to break through the housing jam in America. It requires action by government. It should be action consistent with the fundamental principles of individual ownership, private capital and free workmen of the American system. Specifically, here is what I propose: That the federal government promptly embark upon a major mass housebuilding program in which huge projects of as many as 25 thousand units are let out on contract to private builders for mass, on the site, construction. Through this we will begin to translate to the housebuilding field, the kind of efficiency, economy and speed which America has developed in the building of automobiles, refrigerators, tractors, radios, furniture, and airplanes. Cities selected for the projects should be those that are not only congested, but in which the city administration presents a modern up-to-date building ordinance which does not hamstring with archaic provisions the attempts at modern construction. They should be the cities in which building labor modernizes its rules and practices, and instead of presenting a network of featherbedding rules, with petty jurisdictional squabbles, developed at a time when they were seeking to protect shrinking building jobs in a depression, adopts a new set of rules, designed to build the largest possible number of houses at the least cost, depending upon the entire success of the whole American economy for their future high employment and steady jobs.

"These major projects should be developed in a manner that the supply of lumber, plumbing, electrical equipment and all the other component parts of a house are expanded for them. The entire field of ordinary construction of tailor-made houses to suit owners, or of private buildings for re-sale, should be encouraged to proceed in its present manner. The major new developments under the Federal mass home-building program should be used in the first instance to expand the number of houses available. Then as total construction

steps up and availability of housing improves, the federal program should replace as many existing structures in the slums as new units are furnished, so that in their long range calculations private capital and builders can make their plans and their estimates without major regard for the federal program.

"Experience of the last twenty years with the very difficult restraints by ordinances and local taxes and union practices, seem to me to clearly call for this kind of major action to break through.

"But equally important, Uncle Sam should not become a landlord. Therefore I propose that the finished houses should be promptly sold, partly to owner occupiers and owner cooperative occupiers, somewhat as in the Swedish and Norwegian plans, and partly to insurance companies and other sources of major capital for investment and rental.

"I am opposed to public housing in which government becomes the landlord, as it has all the abuses and the weakness of bureaucratic supervision, and opens up political favoritism and adds excess centralized power in government."

(Wisconsin, November 24, 1947)

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#### INFORMATION (FREEDOM OF)

"It should be a condition in every aid agreement that the representatives of the American and the world press must at all times have access to information about the aid program, about the areas which are being aided, and the peoples of that area must be given factual information of the program. As a corollary we should agree, as we would do in any event, that the representatives of the press of the nations being aided should have access to information as to the circumstances and areas in which the goods are produced for the program. The right to send the information in both directions without censorship must be inviolate. The present indications are in the nations that will participate, this kind of an opportunity of freedom of press and of information will be available, but is it not of great importance that the principle of freedom of press be asserted as a guide in what I expect to be the extension of the program into other areas in the years immediately ahead? The flow of information and of ideas holds the best promise of being the key to winning for freedom the basic clash that exists in the world today without the tragedy of a third world war."

(New Orleans, La., Nov. 18, 1947)

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#### LABOR (TAFT-HARTLEY LAW)

"You cannot treat labor as a commodity in a free market. Labor is people; it is men and women - fellow citizens.

#### Taft-Hartley Bill

"A labor policy that is fair and just and maintains a balance between individually managed capital and free organized labor is imperative. In my judgment this will develop out of the Taft Hartley law, with comparatively minor amendments of that law in accordance with our experience under it. I do not agree with the attacks upon the law made by labor's leadership, and I submit that if the members of organized labor examine this law, which has been labeled as a bad package, they will find that it has good contents for them and for their country. The provisions to prevent quickie strikes in public utilities and coal and steel and shipping and transportation are good provisions. The provisions for greater accountability of labor's leadership to their members of finances and other union affairs are good provisions. The provisions to decrease the jurisdictional strikes and outlawing the secondary boycott are good provisions. Building upon the concept that the overwhelming majority of the working men and women of America are as loyal and faithful to their country as are any other citizens, we can develop a fair labor policy that maintains a balance between capital and labor and yields productive results for all.

## Two Infringements

"But in two respects serious infringements of individual liberty have developed:

### (1) Affidavits

"The first arises from the ruling of Robert Denham, General Counsel of the Labor Board, that all officers of the general executive board of the AFL and CIO must sign affidavits that they are not Communists before any local union affiliated with these organizations can qualify for the assistance of the Labor Board or for its rights under the law.

"John L. Lewis has specifically refused to sign such an affidavit. Consequently, thousands of local unions and millions of workers are deprived of their rights under the law.

"These millions of workers in other AFL unions have no control over John L. Lewis. John L. Lewis has no control over the members of the unions not included in the United Mine Workers. It is un-American and contrary to our basic principles of individual liberty that men should lose their rights in such a manner. It appears to me that the only sound rule is that the affidavit requirement shall be interpreted to apply in each instance only to those officers who have direct authority over a specific union, including the power to authorize strikes. Thus, if a local union has complete autonomy and makes its own decisions on strikes and other important measures, the affidavits of its own local officers should be sufficient to qualify under the act. If the local union is a part of the parent organization whose approval must be obtained for strikes and other important action, then affidavits of the officers of that parent organization should be required.

"The interpretation of the law given by Mr. Denham gives to John Lewis a veto as drastic as the veto used by Molotov in the United Nations Security Council. It is not consistent with the American approach of individual rights and is unconstitutional.

### (2) Political Contributions\*

"The second invasion of freedom arises from the interpretation given to the clause prohibiting direct or indirect political contributions of unions.

"Newspapers published by unions should have inviolate the complete right of freedom of press to print anything they wish on any subject, including politics, limited only by the regular laws of libel. To hold otherwise would constitute an opening wedge in an attack on a Free Press. Many of the newspapers of our country are owned by individuals who also have other interests in business or in government. If we permit a classification of newspapers and restrictions on the rights of a Free Press, we fundamentally violate one of the most important liberties of American people.

\* A U. S. District Court recently declared this provision of the Taft-Hartley law unconstitutional.

"I urge that even though you disapprove of every word published in every labor union paper in America, you emphatically insist upon their right to publish it."

(Hampton Beach, N.H., Sept. 19, 1947)

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#### LIBERALISM (DEFINITION OF)

"I would say that the true liberalism is a philosophy of life which seeks the maximum freedom, the maximum social, economic, political and religious freedom for the individual man and woman, consistent with the enjoyment of the same degree of freedom by his fellow men -- his or her fellow men.

"I might give greater emphasis to it under the definition that, as I see it, it means opposing both extremes, the extreme of the right and the extreme of the left -- the extreme of Fascism and the extreme of Communism."

(Issue of UNITED STATES NEWS,  
December 17, 1946)

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#### MILITARY PREPAREDNESS

##### Universal Military Training and Draft

"It is imperative in the years immediately ahead that America should remain strong in a military sense. This does not mean that military strength should be our sole reliance. The productivity and stability of our domestic economy is of greater importance. Neither does it mean that we minimize the significance of the United Nations. I have consistently urged that the United States should take the leadership in the strengthening and development of the United Nations. Neither does it mean that I in any way underestimate the vital concept of the Marshall Plan. This also needs to be followed through.

"But none of these steps will avail us if we permit America to become weak and ineffective in a military sense in these uncertain, unstable post-war years in the face of the obvious clash of ways of life with Russia.

"If we are to be strong in our armed forces we must remain alert and up to date with our air force and out in front with our research. But we also need to maintain minimum available manpower, reasonably trained and equipped for both active duty and reserves. No matter what changes science may bring about, it will always be necessary to use manpower in considerable numbers for the stability of friendly areas under attack, and for the occupation and holding of unfriendly areas after attack.

"The current shortage of active duty manpower in our armed forces makes it essential that new action be taken by legislation to insure this minimum strength.

"I have supported General Marshall's suggestion for Universal Military Training, not from the standpoint that that exactly needed to be done, but that clearly some action was necessary. I recognize that there are many who sincerely oppose it. I say to those who differ, that it is not enough to state opposition. Proposals need to be made for a meeting ground, in accordance with the operation of our representative government, that will assure this minimum strength.

"I specifically suggest for consideration, one possible answer for agreement and action in this session of the Congress. I propose that the leading proponents and opponents of Universal Military Training reach a temporary agreement and enact into legislation the following steps:

"First: The registration of all young men in the country, nineteen years of age or over, who have not yet served in the armed services.

"Second: The establishment of a peacetime selection method for those who are registered.

"Third; The provision that these young men may be called only upon specific action by Congress, specifying numbers and the purposes and conditions of the call.

"It appears to me that such legislation would make it possible from time to time for Congress to pass upon the deficiencies in reserves and training and active duty, and authorize the selection of the essential number of our youth that our country, in a critical uncertain period, would not become too weak in its armed forces.

"It could reasonably be anticipated under such a proposal, just as it is anticipated under Universal Military Training, that a sufficient number of young men would decide that they would prefer to enlist for a term of active duty service rather than be selected in this manner, so that the minimum active duty requirements would always be filled. But in any event, Congress would always be in a position to take action, with machinery already established, to make certain that the essential military strength in manpower is maintained.

"The establishment of such procedure would make it clear to all other countries that we intend to maintain essential strength. At the same time it would not give the military leadership overall control and would make it obvious to other countries that we were not taking an all-out military turn in our policies.

"I emphasize again that I make this detailed suggestion, not with an attitude that here is the answer, but rather to stimulate counter-proposals and conferences between those in both parties who now have different views that must be reconciled into action lest we drift along. America by drifting into weakness would add to world uncertainty at a time when steady, firm leadership is a number one need in the world."

(Durham, N. H., January 28, 1948)

#### Airpower

"Adequate military strength must be maintained. First priority in this respect is to be alert and masterful in the air. The key elements of a vital air industry must be kept in active condition. Research must be extensive and sustained. Essential, trained manpower must be available for both reserves and active service. This means that a reasonable number of our young men, under decisions by Congress, will need to take required training each year for essential service, in a program so developed as not to interfere unnecessarily in the peacetime life-plans of the youth."

(Los Angeles, Calif., Feb. 24, 1948)

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#### PALESTINE

##### Partition

"The United Nations made a decision in this very difficult situation. It was a decision for partition. The problem was one in which no one could come forward with a solution acceptable to all,

and in fact it is a problem so fraught with emotion and tension and pathos, that no solution could be found that really satisfied any major percentage of the peoples involved.

"But a decision needed to be made. The United Nations was the only way in which a decision could be made. After careful study and thorough consideration a decision was made, with the affirmative support of more than two-thirds of the United Nations Assembly and more than two-thirds of the United Nations Security Council, including specifically the four major powers, only Great Britain abstaining from voting.

"You know from the day to day headlines the tragedy that stalks in Palestine today. Clearly this requires a United Nations police force to establish order, to disarm the warring factions, to punish violence whoever commits it, and to carry out the decision.

"The United States must not evade this issue. We must in a forthright manner call upon the other members to join with us in establishing a truly United Nations police force in this critical area. We can no more ignore it than can a city police force ignore a riot in one section of a city."

(Burlington, Vt., January 26, 1948)

#### Reversal of Partition Decision

"Yesterday we witnessed another disgraceful countermarch in our foreign policy in the Palestine situation. A confused change is proposed to the Security Council for the amazing reason that lawless Arab resistance to the United Nations' decision persists. What an invitation to international anarchy that turns out to be! It is distressing and saddening to observe that the characteristic of our present administration's foreign policy appears to be that when a decision is needed there is delay and confusion; that when finally made it is established in secrecy; then when it is exposed, bi-partisan support is requested; and finally, when it is understood, it is abruptly reversed. I plead the urgent necessity to open presentation to the American people and the true facts of the world situation, of genuine bi-partisan discussion and constructive agreement, and then a firm support and implementation on a basis of the great moral principles on which America is founded."

(St. Paul, Minn., March 20, 1948)

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#### REPUBLICAN POLICY

"It is my view that Republican Party policy should be developed by open and frank discussion. We should explore together the economic and social facts as we find them to be, and consider proposals to meet the problems before us. We cannot go back to where we left off sixteen years ago. It is never possible to move backward in social and economic policy, any more than it is possible to turn back the passage of time. The question before us is rather, how shall we advance from the point at which we find ourselves toward the goal of individual freedom, and high standards of living for us and for others in a world at peace.

"To me this means that we must find our way through to new, dynamic and humanitarian policies on a number of major problems.

"1. Labor. "The development of a new national labor policy establishing a fairness and balance in the relations between capital and labor on a basis of individual freedom of both with high production and a minimum of governmental power.

2. World Economic Policy. "The development of a new world economic policy to adjust to the tremendous change in our relationship to the rest of the world as now the major creditor nation undamaged by war and with extreme productive ability.

3. Development of United Nations. "The implementation of the growth and development of the United Nations in its search for the means of a just and lasting peace, including the evolvement of atomic energy policy, the control of armaments, and our program toward our defeated enemies.

4. Foreign Relations. "Our long term relationship with the peoples of other nations of the world, particularly Russian and Great Britain.

5. Private Capital. "The necessity of maintaining resilience and resourcefulness and vigor in our structure of private capital.

6. Health, Housing, Education. "The need of improving our economic system, particularly in those areas where decades of experience have indicated deficiencies, such as in housing, and in health, and in education.

7. Agriculture. "The development of the means by which agriculture can remain free, and yet maintain an excellent parity income.

8. Small Business. "I believe that for the future vigor of a free economy in America and of a high standard of living with individual liberty, it is essential that our Republican Party in the years immediately ahead be the champion of small business."

(Topeka, Kansas, January 29, 1947)

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## RUSSIA

### Russian Policy

"I do not believe that there will be a major change in Russian policy for the better until the members of the all-powerful Politburo, including Generalissimo Stalin, become convinced of two things: First, that notwithstanding the strains of war and postwar conditions, our economic system can continue to function with high production and high standards of living and without a major economic crash and devastating depression; and second, that the Communist Party cannot successfully infiltrate and dominate or sabotage this country or any other one of the major powers of the world.

"If they become convinced of these two things, both of which I am confident are true; and if at the time they reach that realization, America is strong and resolute in its military position; then, I believe there is grounds for hope of a major favorable change in Russian policies, and her friendly, vigorous people, who want peace as badly as any of us do, will then take their place in sharing constructive leadership in a peaceful, progressing world."

(NBC, Washington, D.C., July 14, 1947)

### Relations with Russia (Seven Proposals)

"1. Stop shipping to Russia heavy machinery machine tools, electrical control devices and other possible war equipment.

"2. Prompt application of the Marshall plan under effective administration.

"3. Maintain a strong military position; increase our air power and enlarge our research program.

"4. Take the initiative in calling a U. N. convention in 1950 to amend and rewrite its charter for the purpose of strengthening it. A new voting method is needed to end the single veto power. A new means of developing a U. N. police force is essential.

"5. Maintain in this country a free, highly productive, well-balanced economy.

"6. Initiate an extensive worldwide campaign of ideas the objective of which is to advocate, explain and inspire individual freedom for men everywhere.

"7. Check Communist infiltration into the political and economic system of America."

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#### SMALL BUSINESS

"There are many reasons for (the) conviction that small businesses are the red corpuscles so vital to the healthy arteries of American enterprise. The world economic history has shown that nationalization and socialization has come when there has been complete consolidation and combination of industry, and not when enterprise is manifold and small in its units. World economic history has also shown that when there is a legion of men in enterprise who have the authority to make their own independent decisions, then there is a toughness and vitality in an economic system not found on any other basis.

"This is not to say that we should oppose big business merely because it is big. A big country needs a strong element of big business as well as of small business. The most efficient and effective mass production of articles for nationwide and worldwide distribution must come from large industries. But it does mean that we must vigorously oppose all monopolistic practices of big business. We must insist that there be big business to compete with other big business and that the avenues of small business competition also remain open. It also means that we must be alert not to permit big business to dominate our Republican Party. We must not permit major political power to be added to the other great powers that are accumulated by big business units. Excessive concentration of power is a threat to individual freedoms and liberties of men, whether that excessive power is in the hands of men of government or of capital or of labor. We must be vigilant to diffuse power and keep it responsive to the will of the people.

"There can be no question that the case of going into business in America in earlier decades has been a very major factor in the whole development of our country. The ease of starting an enterprise, and then of plowing back in early receipts resulted in developing amazing production and distribution, and in creating high employment and excellent standards of living. It made possible the starting of the small blacksmith shop and the growth to the great factory. It made possible the use of a small pushcart and the growth to the huge fruit distributing company. It made possible the origin of the small local busline and the growth to the extensive transportation system. It made possible the small experimental laboratory, and the growth to remarkable electrical enterprises. Specifically as to the days ahead, it appears to me to be essential that we make it easier than it now is for new small businesses to start and to grow and expand."

(Topeka, Kansas, January 29, 1947)

"Specifically, here are the six steps which I recommend:

"1. A special tax reduction for small businesses should be made at an early date.

"2. Necessary governmental regulations should be simplified at all times so that they can be readily understood and complied with by the independent owner-operator small businessmen.

"3. Union bargaining methods should be revised so that a small establishment does not need to bargain with a number of different unions.

"4. Vigorous action should be taken against monopolies and restraint of trade practices.

"5. No industry or enterprise in our country should ever be nationalized or socialized.

"6. Strong voluntary trade associations should be encouraged and their advice obtained before governmental action affecting the trade."

(Chicago, Ill., October 16, 1947)

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#### SOCIALISM

"I hold that men cannot long maintain true freedom to speak and to write and to assemble and to vote and to worship if they are made dependent upon the will of those in control of Government for their food, their clothing, their shelter and their job.

"I realize that this view runs directly contrary to the traditional theory of the Fabian Socialists. But the evidence of history and the experiences of these recent years vividly emphasize the dangers of concentration of power. For every time that extreme centralized power has been used wisely, there have been a hundred times that it has been abused.

"I believe that those of us who seek to advance the freedom of men should invite the sincere Socialists of the world to join with us in the modernization and rebuilding of economic freedom through capitalism, and to modify their traditional policy of seeking centralized governmental ownership and operation."

(New York Times, April 18, 1948)

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#### TAFT AND OHIO

". . . Let me say with frankness, and with a smile, that if this is to be described as an invasion of Ohio, I come with open hands and with honorable intentions, I come as a fellow American citizen and a fellow Republican.

"I have a high regard for Senator Robert Taft. I respect his sincerity and his ability and his forthrightness. But I find myself repeatedly in basic disagreement with him as to the policies which our Republican Party should follow. It is on the basis of the great issues facing our country and our Party that I have given my consent to a distinguished group of Ohio Republicans to be candidates for delegates to the Republican National Convention. I deeply appreciate the volunteer support Republicans have extended to our actions.

"It is my view that our Republican Party should present to the American people this year a dynamic, forward-looking, humanitarian program. I believe that this is the basis for victory in the final election and the key to a successful administration of our national government in the critical years immediately ahead.

"A recent statement of Senator Taft rather characterizes our differences on issues. He states in New England that he has "no knowledge of any Russian intention for military aggression." He added that "we have to work on the theory that there is going to be peace." Undoubtedly this accounts for his opposition to adequate preparedness.

"I believe that we must be much more realistic and imaginative in the development of American foreign policy. I believe that you can interpret the aggressive intentions of the Russian Communists from their actions since the war. The betrayal of Czechoslovakia is the most recent in a long series of such actions. It is not necessary to read in a book of Russia's intentions, they can be read by an alert analysis of the current world wide activities of the Communist Party."

(Cleveland, Ohio, March 18, 1948)

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### TAXES

"We have now reached the point where our tax program is a real threat to the long term future source of dynamic capital. Our entire tax program needs a major revision. Here, specifically, are my views on the shape and scope of that revision:

"Our income taxes are too high for times of peace. Of course they cannot and should not be what they were in the 1920's. We have a 350-billion dollar war to finish paying for, plus an indescribably broadened government operation.

"But the federal government in times of peace should not take more than 50 per cent of the income of any American."

"The rates for some of our citizens now run as high as a confiscatory 90 per cent. This has a bad effect on the whole country.

"One of three things has happened in the high-bracket groups. Some of those who have been heavily hit have lost all incentive to seek new investment, back new enterprise, develop new resources, earn new income. Others have put their money in tax-exempt bonds or have entered into obviously temporary fields in an effort to find capital gains with lower tax rates. Others have found it impossible to accumulate capital for new projects even though they earn a high income before taxes.

"Let me make it clear that when I say that not more than 50 per cent of a person's income should be taken from him, I mean not more than 50 per cent of his total income, including that portion which comes from tax-exempt bonds or capital gains. But I strongly believe that a government which demands more than half of the total fruit of a citizen's labors, or ingenuity, or inventiveness, or other income, is a government killing the future of its average citizen and weakening the long-range strength of its economic system.

"I know that it is not considered politically wise to write such sentiments. Because this view seems to favor the rich I perhaps will be accused of militating against the poor. My response is that I am not pleading special privilege for the fortunate among our people. I am pleading, instead, for the recognition of dynamic capital, and for the realization of its importance to the future jobs and high standard of living and opportunity of the labor and farm millions of America."

(H.E.S. "Where I Stand")

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## TRADE POLICIES

### High Tariff No Longer Suits America

"We desire for the future a continued high standard of living, with jobs to be had for all who wish to work, with abundant production and wide distribution of goods and services, with ample profits, and with an excellent parity income for agriculture, all with the maintenance of individual freedom for our citizens in a world at peace.

"We wish to see the people in other lands likewise make progress for higher standards of living, with more and better food and clothing and shelter, with an increased measure of individual freedom, and to share with us in a world at peace.

"How can we have the best hope of attaining these high objectives? It is my view frankly that we have the best hope of attaining these objectives if all remnants of a policy of economic isolation are abandoned and the Republican Party moves forward in the leadership of America in a new policy of world-wide economic participation. In plain language this means that we directly say that our Republican Party recognizes that a high tariff policy no longer suits America and that we believe in the increased flow of goods and materials and services and travel around the globe.

"Obviously this requires a considerable readjustment in our thinking, and happily it is a readjustment required by our own attainment of great productive strength and strong credit position rather than by the sudden treacherous blow of an enemy as at Pearl Harbor. But the need of readjusted economic thinking that arose at the time of Pearl Harbor.

". . .I am convinced that if we begin now to frankly think this through, to face the facts, to talk it over, by the time we reach the 1948 platform, our Republican Party will take a new position for vigorous American participation and increased trade throughout the world.

"There are four important factors that make this position essential to the future welfare of the people of America.

"First of these is the tremendous increase in our productivity. With the skill of our workmen, the ability of our management, and the vigor of our private capital, we have reached the stage that clearly and definitely in the years ahead, in many lines, we must produce for world markets rather than only American markets, or we will find our economy snubbed in, first glutted and then withering with unemployment and deflation.

"Second, we have developed tremendous capital resources and have become the great creditor nation of the world, so that we need high investment of capital at home and world-wide sources of investment as well, else our capital becomes stagnant and idle and reflects in turn in idle men and economic turmoil.

"Third, with the extensive drains on our natural resources through war and peace, we are becoming increasingly dependent on raw material sources elsewhere in the world for the sound long term future of our economy.

"Fourth, and above all, it is crystal clear to all of us that in this modern one world, we can enjoy that precious peace with justice only in a world at peace. And this world cannot remain at peace unless there be that slow but steady improvement of standards of living of other peoples everywhere. This can only come in turn through an increased flow of trade and higher world production and increased individual rights and freedoms, which will never develop if America turns back to economic isolation.

"Among those of our products for which we need world markets in the years ahead are wheat and cotton and dried fruits and machinery and automobiles, and machine tools. Among the raw materials for which we need to look to the world in the years ahead are not only tin and crude rubber, but also lead and copper and zinc.

"By reason of this combination of circumstances, the United States of America has attained a position of preeminent world economic leadership. We must either broadly, intelligently and fairly administer that leadership, or by narrow, blind repressive action, abdicate that leadership. The result of abdication would be chaotic conditions in world economy, a withering domestic economy, with unemployment and bankruptcies, and less chance of lasting peace for all.

### Reciprocal Trade

"A Republican Secretary of State, the Honorable James G. Blaine, under Presidents Garfield and Harrison, first initiated with substantial support the reciprocal trade principle. Currently and realistically, when our national administration is divided between Legislative and Executive branches, Republican and Democrat, it is the only program under which our world economic policy can be advanced. It is not a perfect program. Improvements in the methods of negotiating the agreement should be developed as Senators Vandenberg and Millikin have ably pointed out. But the alternative is either to go forward now with the reciprocal trade agreements, or to slide backward in economic isolation. I consider it to be of tremendous importance, therefore, that our Republican Party follow through with interim support of the reciprocal trade program.

". . . Recognizing the difficulties in world trade presented by state-dominated trading agencies and bilateralism and discrimination, we should make it clear that while we intend to move forward on a world trade program, we will at the same time not be blind to discriminating obstruction of world trade by others. We will maintain saving causes to prevent the dumping of goods. We will be interested, not only in the reciprocal relationships of other nations toward us, but in their non-discriminatory relations to each other, as only by an increasing multilateralism of trade, fair and equal toward each other, can the peoples of all nations hope to restore and develop their standards of living.

### Safeguard American Economy

"Likewise in looking to our future Republican trade policy, we must make it clear that we recognize that adjustments must be gradual, that we must safeguard American industry and labor and agriculture, against sudden and extreme dumping of goods, and maintain quota limitations on any one product. Further we must see to it that our exports and imports maintain a balanced percentage between agriculture and industry and between industry of various sections of the country. In other words our total trade policies must be equitable so that increased imports of agricultural products be met by increased exports of other efficiently produced agricultural products, and not by substitution of industrial products.

"Likewise our extension of credit in other parts of the world, our investments, private and public, must be on a sound basis, to be represented and reflected in sound development of resources in other lands, and of restoration of economic systems, and not be representative merely of political maneuvering.

## The Choice

"The choice is clearly this. Do you wish to share in an expanding market with rising standards of living around the world, or do you wish to hold exclusively a shrinking market with increased unemployment and lowering standards of living. Do you wish to sell 80% of a large and expanding domestic market or do you wish to sell 100% of a small and shrinking domestic market. It is only natural that many wish that they could do both. They would wish that they could hold exclusively a market which was also rising and expanding. But the plain laws of world economics in this modern world point out definitely that this is not possible. Just as an attempt to be narrow and restrictive between our states at an earlier day failed, so would an attempt to separate the nations of the world in an economic sense in this modern world fail."

(New York, N. Y., February 12, 1947)

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### TWO PARTY SYSTEM IN SOUTH

"I believe the time has come for the development of a genuine two-party system in the South. I agree with many of the leaders of the press, of education, and of business in the South, that this development would be of great advantage to the people of the South and to the people of America as a whole.

"I recognize full well that it will not be easy. I know that the black chapters in the history of the Republican Party's dealings with the South are not easily forgotten or forgiven. But I sense throughout the Southland a new awareness of the historic times in which we are living, as a great nation dedicated to the principles of freedom in a world in which a fundamental clash of ideologies and of ways of life is in evidence at every hand. I note an increased willingness to judge parties and men on the basis of the principles and programs which they advance, and upon their demonstrated sincerity of purpose rather than upon the history of their predecessors.

"This new note in the Southland is at one and the same time a bright hope and a firm challenge to our Republican Party. It presents to us the fact that we will never win substantial support in the South on a negative program of vitriolic attack upon the Democratic Party. We can win new support particularly from the young men and young women of the South only as we present a constructive forward-looking program and come to grips with both the domestic and foreign problems of our country. We can gain new followers in the South only as we are convincing that we will serve the people well in the years ahead.

"It has been demonstrated time and again in the history of the world that the presence of two vigorous political parties as alternatives for the people's choice has a desirable effect upon both of the parties. It contributes to the development of new ideas, to advances in economics as well as in social and political problems, to a more vigorous and successful leadership for the people, and provides a greater safeguard against political tyranny, reaction, or the loss of human rights.

"Neither a one-party system nor a multi-party system responds as well to the necessities of the people and to the reflections of a free public opinion. A multi-party system, as it splinters up in third, fourth, fifth, sixth, and seventh parties, soon results that no party can command a substantial and majority support as to give effective leadership. It was one of the factors that caused the Weimar Republic in Germany to fall and gave Hitler his chance to rise. It was one of the weaknesses of France between the two wars. It is one of the

retarding difficulties in much of Europe today. Under a two-party system there is first a contest between broad differences of position within each major party and out of that gradually arises a preliminary decision of position of the party as a whole. Then the people have their final choice of the alternatives of two parties. The direct result is greater participation of the people themselves in effective government. The delusion of greater participation in a multi-party system is countered by the lack of effective government after the election is held.

"I strongly urge concentrated effort in the States of the South to build a strong Republican Party and to participate in a two-party system. Do not hesitate in building the Republican Party to develop your own concepts as to what that party should be for. The great principles of state's rights in America apply to political parties as well as to state governments."

(Orlando, Fla., November 20, 1947)

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UNITED NATIONS (CHARTER REVISION)

"Clearly the strengthening of the United Nations holds the best prospects of a lasting peace. As an indispensable accompanying move in the President's program, the United States should initiate action toward conducting a major amending convention to rewrite and strengthen the United Nations Charter."

(Cleveland, Ohio, March 19, 1948)

"Such a convention can be called under the present charter without a veto. It appears to me that it is necessary and essential that it be called.

"In the first instance, it will set a constructive goal out ahead of all the current clashes and disappointments and failures of parleys and of relationships. It will serve to emphasize that our ultimate American objectives are for peace and progress and freedom of mankind. It will brighten the hopes of peoples everywhere. The sum total of depressed minds and helpless attitudes is now a staggering millstone of the world.

"Clearly the United Nations needs strengthening. Definitely it requires a new voting method to end the single-power veto, new means of developing its own police force.

"Think how evident, in troubled parts of the world, is need for a U. N. constabulary to move in; new steps toward the rule of laws in special problems and in human rights on a world-wide level, in the place of the domination of men or of absolute sovereign states.

"Certainly atomic energy must be inspected and controlled on a world-wide scope.

"I say in all earnestness, today there are grounds for hope that if we measure up to our interim responsibilities, the situation in 1950 will be right for progress in the United Nations."

(New York, N. Y., January 5, 1948)

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## VANDENBERG AND LINCOLN

"As I see our current scene in America, the statesman who best applies to world problems the concepts of Lincoln, is the Honorable Arthur Vandenberg. His insistent search for "peace with justice," has had a great impact on our nation's foreign policy. He opposed, and in some measure corrected the unilateral imperialistic flare included in the first presentation of the Truman Doctrine. He contributed to the development of the sound humanitarianism of the Marshall Plan. He has faced and overcome with firmness, but with tact and skill, narrow opposition within our own Party and limited vision in the opposing party. He is today engaged in the constructive reshaping of the Marshall Plan to place it on a practical and businesslike basis without the miserly loss of its essential mercy. In the face of short-sighted opposition within our Party he has retained his poise and his balance. He merits and needs support from the rank and file within our Republican Party for his leadership. He will receive it."

(Germantown, Pa., February 12, 1948)

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## WALLACE AND McCORMICK

### Wallace

"As I see it the Wallace doctrine would make of America a nation of fellow travellers going down the wrong road. It would place American hand in hand with those elements in Europe who would decrease individual economic freedom and would subsequently dim other human liberties. It would dissipate our domestic assets, centralize our economic authority in America, and bring about lower and lower production at home. It would repeat the errors of appeasement of the 1930's. It would discourage in other lands the stalwart believers in true liberty and take us away from the victorious and dynamic quality of a people's capitalism. America should never adopt the Wallace Doctrine.

### McCormick

"The McCormick doctrine would make of America a nation of cold-hearted misers passing by on the other side. It too, in its isolation, would lead to tragic results for our country. It would make us hated around the globe. It would set the world against us. It would lead us to boom and bust and finally to a defensive war. It would make us a temporary pleasure ship in the path of a storm of despair. America should never adopt the McCormick Doctrine.

"There is a natural attempt of those who follow either one of these two doctrines to attempt to throw all who disagree with them over in the extreme opposite camp under the opposing banner. But it is tremendously important that we realize that the choice is not between these extremes.

### In Between

"In between is a very broad area in which I am optimistic that we can find the course of a strong and wise and humanitarian world policy. It must be a policy that seeks peace and plenty of freedom for ourselves and for others. We must become a nation of courageous pioneers blazing the postwar world trail toward peace and plenty and freedom. We must recognize that these three -- peace and plenty and freedom -- are indivisible."

(Jefferson, Iowa, May 21, 1947)

## THE WEST

"The eleven states of the United States located to the Westward of Denver are a remarkable and significant area of America. They have shown an amazing growth in population in the last few years. In fact, these eleven western states have grown over  $3\frac{1}{2}$  million in population, an amount equal to the growth of the thirty-seven other states.

### Two Cabinet Members

"I have specifically proposed that the next Republican cabinet should include two members from these eleven western states, and that one of the two should be the Secretary of the Interior because of the exceptional interest of the West in reclamation, water resources, public lands, and other subjects of such extreme direct relationship to the Department of Interior.

"Such representation on the Cabinet will cause an improved and constant emphasis of the importance of the West and the development of national policy.

### Stronger West

"We must make it very clear that a stronger West does not mean a weaker East. In fact, a stronger West will contribute to an ever more powerful nation and a stronger East.

"The years ahead must witness major developments in the reclamation of land, the conservation of resources, the development of water in this vast area that rises spectacularly from the great plains and slopes down to the Pacific. Its remarkable growth in population now makes it possible to establish and support in the West mass production industries of a wide variety of products for the area market. This development in turn lifts the standard of living of the area and increases the job opportunities. Wise policies in Asia can also lead to a mutually advantageous future for the hundreds of millions of people there, and new opportunities of trade and commerce from the West of our own United States."

(Denver, Colo., November 15, 1947)

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## WORLD GOVERNMENT

(World Government News, official organ of United World Federalists, Inc., names Harold Stassen "World federalism's foremost champion in high political circles." Long an advocate of world law, Stassen believes it must be developed through continuous strengthening of the U. N. and must eventually be enforced on individual citizens. "To safeguard human rights, individual enforcement is necessary," he states.)

(World Gov't News, February 1948)

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