

BOWLES

D. J. - Sunoco. Monday, Feb. 18, 1946.

Chester Bowles, our new Economic Stabilizer, went all out today in a plea for cooperation from Congress. "Price controls are absolutely and imperatively necessary, indispensable," ~~said he~~ ^{was the way he put it, i. e.} "If we are to be saved from an outburst of inflation that would smash our economic system beyond hope of repair!" Those were his words. Talking to the House Committee on Banking, he repeated that sentiment again, and again, ~~and again~~. The inflationary crisis, he declared, is at its peak. The Truman government, ^{having} ~~erred~~, lifted wartime controls too soon. ^{Hence} ~~and that is~~ ^{the reason for our present} ~~the reason for our present~~ ^{state of the nation.} ~~condition~~.

Bowles made no reference to the repeated declarations by Mariner Eccles, Governor of the Federal Reserve Board, which give another explanation for the menace of inflation. ~~Perhaps Bowles did not read it.~~ ~~What Eccles said was~~ that the real cause of

inflation was the colossal number of government bonds that have been absorbed by the banks. The way in which the war was financed is the main factor responsible for the terrific over-supply of money in the country, while at the same time the needs of the war effort drastically curtailed the output of consumer goods.

Bowles, ~~in his appeal to Congress, ignored all this. What he~~ wants Congress to do is to extend price controls for another year, up to June Thirtieth, Nineteen Forty-seven. He spoke scathingly of the associations of business men and others who were trying to remove price controls. He mentioned in particular the National Association of Manufacturers, which has been issuing full page advertisements in the newspapers, urging readers to call upon their congressmen to do away with price controls. The argument of the N.A.M. and others is that nothing will bring

prices down so quickly as supply to meet the public demand, which means full production. That, said Bowles, does not make sense to him. He called it selfish, and short-sighted.

He also
he said that President Truman's new wage-price program does not mean either a freezing of wages or general price increases throughout industry. It is, he said, a good program and a workable program. If everybody backs it up, it will keep inflation under lock and key and maintain stability in our economy. The new policy will not affect food prices, or at any rate not much, and they represent forty per cent of the cost of living. However, to keep food prices where they are, the present food subsidies must be continued. Rent, he went on, amounts to nineteen per cent of the cost of living. *That* There should be no raise in rents. *That* Clothing is twelve per cent of the cost of living,

and the new policy will not affect it. Where an increase of prices will be needed is in the industries using metals. ^{end} That, said Bowles, is a relatively small section of the cost of living line.

Farmers, ^{said he,} ~~he continued,~~ hold the key to economic stabilization, largely, in their hands. ^{So he} ~~he~~ hopes that much as our farmers may dislike subsidies, they dislike and fear inflation even more. ^{That} No group would suffer more from inflation.

Business in America on a whole is doing ^{according to our new economic stabilizer,} extremely well. Only fifteen per cent of it has been substantially affected by conversion from war to peace. Although the new Truman policy does not mean the freezing of wages, nevertheless Bowles told ^{the} ~~the~~ Congressmen that wages generally will be stabilized according to new patterns. Which mean wage raises of sixteen to twenty per cent. ^R ~~At the same time, we hear from other~~

sources that although the ~~hi~~ large scale strikes are
 either settled or on the verge of being settled,
 beginning in March we may expect ^{many} small strikes, —
 walkouts in small industries and business ^{as} by the
 thousands. ~~That is predicted by competent labor reporters~~

Bowles admitted that there is a bulge in the
 price line, as President Truman said last Friday.

^{With a}
~~There is~~ grave danger of a break-through. A speculative
 fever has taken hold of the country, said the Economic
 Stabilizer, ^{with} ~~and~~ the pressure ^{nearing} ~~in the boiler is up to~~ the
 bursting point. ^{And, he added:} ~~He added: "the~~ "the
 lobbyists and the profiteers are licking their chops."

STEEL

Benjamin Fairless, President of U.S. Steel, feels ~~very~~ cheerful about ^a ~~the~~ settlement of the strike. Talking to newspapermen today, he seemed to be full of good-will, for everybody, had no criticism to make of President Truman, on the ~~entirely~~ contrary believed the President had done everything he could be expected to in the circumstances. Production of steel will be in full swing in ten days or two weeks. ~~and~~ Fairless predicted ^{this plus} increased production, lowered costs, more jobs, prosperity.

Several plants reopened today under the new agreements. The Weirten Company, whose twelve thousand workers belonged to an independent union, announced a flat wage increase of twenty-two cents an hour. That brings the base pay per hour, to one dollar. A spokesman for the C.I.O. says ~~that~~ this means the Weirton independent union has accepted in fact a wage cut for two-thirds of its members - rather difficult to understand.

On top of that we learn that the next thing we may expect is a nationwide telephone strike. The Executive Board of the National Federation of Telephone Workers met at Tennessee today and recommended a work stoppage. The Board urged the president of forty-nine federated unions to call a strike, but did not set a date. The unions representing a hundred and fifty thousand telephone workers have already filed notice of a strike if they do not receive an increase of two dollars a day, sixty-five cents an hour minimum, and a forty-hour week. The Strategy Committee has already drawn up plans for the strike.

No sooner was that announced, than two hundred and fifty long distance telephone operators walked out in Philadelphia. This appears to be a wildcat affair, nothing to do with the major countrywide strike which is expected. The officials of the Company in Philadelphia

don't know why those two hundred and fifty walked out.

They don't believe it has anything to do with what

happened at Memphis today.

Reconstruction Finance Corporation... without
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to the United States... the most important objective
to Allen...
...of the President's
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ALLEN

One of President Truman's nominations went over successfully today. The Senate confirmed George E. Allen, the President's personal friend, as Director of the Reconstruction Finance Corporation. It was not without protest. Senator Langer of North Dakota said Allen's nomination to an important job like this was a disgrace to the United States. But the most vehement objection to Allen came from Senator Taft of Ohio, ^{who} ~~he~~ declared ~~on the floor of the Senate~~ that all of the President's recent ~~nominees~~ nominees were unfit for their posts and were chosen only because they were personal or political friends.

Nevertheless, Allen was approved by a voice vote. Before that, there was a move to return his name to Committee ^{for Reexamination;} ~~confirmation~~ but that was defeated forty-three to thirty-seven.

he asked their approval, which the venerable princes of the Church, in their small red caps, gave in one word.

Meanwhile, the prelates were waiting half a mile away in Apostolic Chancellery. There, side by side, sat Archbishops Glennon of St. Louis, ~~Archbishop~~ Stritch of Chicago, ~~Archbishop~~ Mooney of Detroit, and ~~Archbishop~~ Spellman of New York. Presently, a messenger, a young American priest, Father Martin Gillipan of Cincinnati, arrived from the Papal Secretary of State, handed documents to each of the Archbishops with a bow, and said "I congratulate Your Eminence." Prelates in the company of the new Cardinals then read aloud the formal notification from the Papal Secretariate, and the four American Archbishops, as well as twenty-eight other prelates from other corners of the earth, officially became Cardinals.

Three of the ^{new} American Cardinals ^{today} read brief statements of thanks to the Pope on behalf of members of their diocese.

The statement of Francis Cardinal Spellman ended with a poem. Cardinal Spellman is an authentic poet, frequently expressing his devotion in dignified verse, as did the late Cardinal Newman.

Many of Spellman's poetic writings have been published.

Preceding his poem, Cardinal Spellman said, "I place before you some reflections that are pertinent for thought and action. These reflections are not new. On the contrary they are old and in the scornful language of modernity they might be termed reactionary."

"Man's need is to return to God.

"There is a plausible heresay that conceived religion as service to one's fellow man. But teachers and prophets of this doctrine forget that there is also the First Commandment as well as the second one; and indeed that validity of merit in obedience to the second commandment must be motivated on reality of the first commandment. One's neighbors are to be loved and served, but the primary and fundamental basis of this charity must be the love of God."

And he added: "I serve man poorly if I substitute his service for worship of a living God. I serve man best and most ~~effix~~ effectively when I conceive of him not in the jargon of self-blinded atheists, but in the warm, human and divine relationship of a child of God, a brother of Christ and my own brother.

The Apostolic Chancell^yry was crowded when the American Cardinals received the notifications of their elevation to the purple. Friends and companions crowded around them with congratulations.

CURLEY

A federal judge in Washington imposed a penalty of six months to one-and-a-half years, ^{plus} ~~with~~ a thousand dollar fine, ^{on Congressman and Mayor} ~~Representative~~ James M. Curley of Boston, convicted of using the mails to defraud. At the same time, the judge announced in court that he hoped the case would be appealed. This, of course, Representative-Mayor Curley's counsel are planning to do. The judge said, "I want others as competent or more so than I, to take this record and pass upon it before the defendant suffers any punishment." ~~XXXXXXXXXXXX~~

The court also sentenced to jail, on the same charge, Donald Wakefield Smith, once a member of the National Labor Relations Board. Still a third, James G.M. Fuller, was also sentenced, but he is already serving a five-year term in Atlanta on another conviction.

Curley told the court that he had no criminal intent whatsoever, had no idea the project with which

he had become associated was not fair and square. And he added that the people of Boston, while the trial was going on, elected him Mayor by the largest majority ~~xxxxxxx~~ any candidate ever had in ~~the~~^t city.

The question arose whether the House would expel Congressman Curley. Representative McCormack, the Democratic leader, who is also from Massachusetts, said he would fight any such attempt. The rule is that any member ^{who} ~~that~~ goes to jail resigns. But the House usually takes no action until all appeals have been denied.

ATOMIC

Major General Leslie Groves, the officer in command of the manufacture of our atomic bombs, said today that the U.S.A. has lost more security in that respect during the past weeks than during all the years while it was being developed. Other officers, whose names are not quoted, declared that top secret information is slipping out all the time. ^{That} There is no adequate legal protection in this matter.

Canadian authorities at Ottawa ^{say} ~~declare~~ that the information which leaked out there did not involve any atomic secrets. U.S. officers claim that there has been too much loosely ~~guarded~~ talk by those who have been connected with the development of the bomb, ^{also that} ~~say~~ much has been revealed by witnesses testifying in public hearings, before the Senate Special Committee on Atomic Energy.

It became known in Ottawa today that the Dominion officials received their first information from

a young attaché at the Russian Embassy. In spite of official denials, it is believed that the secrets involved did concern the atomic bomb.

This young attaché, Ivor Gosenko, tipped the Canadian Government off as early as last September. Since that time the Ottawa police have had him, his wife and his little boy in protective custody. Gosenko says he has been followed by Soviet agents and is afraid of being sent back to Russia, where he would be put to death.

The authorities made six more arrests in Montreal. One of the men arrested was an official of the Labor Progressive Party, which has taken the place of the Canadian Communist Party. This happened last Friday when a detail of Canadian Mounties made a raid on Montreal University.

Gosenko's first motive in going to the police was not to betray the espionage ring, but to obtain

protection. At first the police did not take him seriously. Then he went to the office of the OTTAWA JOURNAL and convinced two women in the Editorial Department that his terror was quite real. The Ottawa police ~~then~~ began watching Gosenko's apartment and ~~was~~ one night in September they found a car from the Russian Embassy parked nearby. ^{In it they} ~~they~~ discovered two members of the Embassy staff ^{with} ~~and~~ two other men ransacking Gosenko's apartment. ^{So} _^ The authorities put Gosenko and his family in protective custody; but, the Department of Justice asked the police not to file charges.

The Canadian Government today cancelled the production of goods for Russia, but announced that this cancellation had nothing to do with the disclosures of espionage activity.

BRITAIN

A sports story from England today gives us a graphic idea of the food shortages in Britain. The day is at hand for the great rowing classic on the Thames, the Oxford and Cambridge boat race, ~~the first~~ the first since Nineteen Thirty-Nine.

The average weight per man then on the Oxford Eight was a hundred-and-eighty pounds. This year's Oxford Eight averages only a hundred and fifty-four pounds a man. The reason - food rationing in wartime. And there is no chance for the crack university rowers to fatten up, since even they are allowed no more than one egg a week per man, and no steaks. ~~and~~ One consequence is that the shells in which they used to row are a little too big for them to handle. They've had to order a new and lighter boat made.

and now Hugh — who never rocks the boat.