

SCHWABE COLL *Legis*

June 18, 1946

Mr. John H. Kane
Bartlesville, Oklahoma

Dear John:

I want to answer your letter of May 28 as best I can. There are somethings going on up here that I have not yet found the answers to, and I doubt if anyone who is not a member of the inner circle can give the answers to all of them.

You ask why a provision was included in the President's emergency labor bill. Frankly, I do not know. I suspect that at the time it was included as an appeasement provision. You know as well as I that the Roosevelt and Truman Administrations have been appeasement administrations so far as dealing with labor problems is concerned. At least, they have always attempted to appease the labor union bosses and racketeers.

I do not like that provision of the bill, and I do not like the provision for drafting the obstinate laborers into the Army. I think such drafting would demoralize the Army. It certainly would not make the type of Army that we have used in winning wars. This seems more like the Hitler or Russian system to me. The Senate, I understand, has stricken this Army draft provision from the bill as it passed the House.

I quite agree with you that the decision to take over property is largely dependent upon the judgement or whims of the President, and that this might afford an opportunity to usher in a program of federalizing industry. That is what the new deal crowd seems to want more than anything else. That is their communistic objective.

I want to refresh your recollection to the extent of telling you that the President appeared before Congress one

afternoon about four o'clock and recommended his bill, which had never been seen by anyone, except a few of the Administration leaders. We did not even have printed copies of the bill. Then the bill was read, and in about 45 minutes the House passed it. This was truly a case of giving Congress the rush act. But the public was demanding some relief and wanted drastic action. It may be that the President was aware that the Senate would mellow the provisions of the bill. The program was one of take it or leave it, and I voted for it because I thought it would relieve public tension to some extent.

With reference to the long range program, you will recall that the President did not want Congress to pass upon any such legislation promptly. He wanted them to study it for six months. This would give an opportunity for a lot more strikes. My opinion is that we will have them. Furthermore, this would keep the consideration of a permanent labor program over beyond election next November, and perhaps a new Congress comes in the third of next January. In the meantime, the PAC of the CIO and other such organizations perhaps think they have a possibility of electing more people to Congress who will do their bidding.

The latter situation is in a terrible state of confusion and I am one who is willing to place the blame where it belongs, on this Administration of the "New Deal-irium". I regret that I cannot furnish you further information, and I assure you you can rely upon me to relay the same to you if I should get more in the future. In the meantime, I think it is everyone's guess as to why certain provisions were included in the emergency bill. In fact, the strike was over before the President appeared before the Joint Session of the House and Senate, and it had been announced in the Senate more than two hours before the President read his message to us. I think his appearance was a farce comedy, and I do not think the people who saw it will believe anything else.

I suppose you are aware that I voted to over-ride the President's veto. If six of our members who voted against over-riding the President's veto had voted with us to over-ride it, the story would have been different, and the House action would have been favorable to over-riding it. Representative Cox of Georgia, immediately after the House vote on the question of over-riding the President's veto, arose and commented very tersely that he had "felt the hand of Esau but had heard the voice of Jacob".

With all good wishes, I beg to remain

Sincerely yours,

George B. Schwabe, M. C.

JOHN H. KANE
BARTLESVILLE, OKLAHOMA

May 28, 1946

Honorable George B. Schwabe,
New House Office Building,
Washington, D. C.

Dear George:

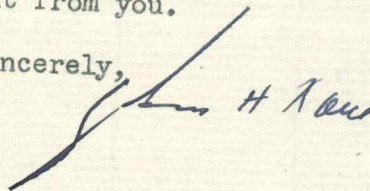
I am well aware of the dire necessity of legislation in reference to the labor union situation, but I have been wondering just what argument exists for the provision in the bill as passed by the House that the proceeds of government operation would be turned into the Federal treasury.

Of course, generally speaking, there probably never would be any profits, but in principle, why was such a provision put in the bill?

Inasmuch as the taking over of properties is very much a matter in the hands of the President, it appears there would be a nice opportunity to bring about in effect federalizing of industry. It further appears to entirely ignore the principle of proper distribution between capital and labor of the proceeds of the joint venture.

I don't want to bother you, but if the argument in favor of such a provision could be expressed in a few words I would appreciate receiving it from you.

Sincerely,

A handwritten signature in dark ink, appearing to read "John H. Kane", written over the word "Sincerely,".