Address on the subject of the Full Employment Bill, delivered by Hon. John E. Fogarty, MC on the Floor of the House of Representatives, under Special Orders on October 24, 1945.

Gentelemen:

I'd like to say just a few words to you in behalf of Private Enterprise. The Capitalist system which fosters Private Enterprise has doen great thihgs for our Country - and through contributing to the greatness of America, Private Enterprise has done great things for all the world.

Our system has been called on twice within our emeories to perform superhuman efforts in producing, overnight as it were, the sinews of war. Our system started from behind scratch in both cases - and in both cases turned out a job that was the amazement of the civilized world. It is impossible to overlook that performance record in any discussion of the economic or industrial life of our country.

It is our firm purpose that the system shall be preserved and encouraged. Frequently the friends of Labor, in whose ranks I am proud to stand, are accused of enmity toward the principle of private enterprise. This is a deliberate untruth and isa scare cry used to hide from public view the legitimate aims of labor unions. The unions are among the foremost of the champions of private enterprise. For generations the unorganized labor has fought for the rifhgt to bargain collectively through representations of their own choosing. They have won that right. They know they can't enjoy fully the privileges of collective bargaining under a state sontrolle system. They know their hopes for a higher standard of living lie in the success of the private enterprise system, and they champion this system for their own preservation.

As a friend therefore, of private enterprise I want to call atention to a danger which I think threatens the continuance of our system.

Recently in the Senate there was considered a so-called Full

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Employment Bill.

In the arguments which raged around this legislation there was positive evidence that all is not well.

The opponents of this bill seeking for any argument or excuse to ~~kkkxxxxxxxxxx~~ to nullify its effect sought to pose as the only champions of private enterprise. They sought to creat the impression that all who supported the full employment bill were the enemies of private enterprise.

In the ammendments which were adopted by the Senate it is evident that what might have been accomplished good ~~xxxxxxxxxxxxxxxx~~ by the legislation has been effectively prevented.

The legislation was proposed to prevent the recurrence of the depression through which we all su ffered in the ~~w~~arly thirties. The proponents of the legislation argued that such a catastrophe might occur again. The opponents of the bill did not deny that they held the same belief. It is taken for a fact then that the danger does exist. The bill proposed a program for effectively dealing with such danger. Its effectiveness has been thwarted and it remains for this house to restore the bill to something like its original character. If this is not done this nation will be without a weapon to deal with economic disaster. Should the lighteneing strike and we are caught un prepared - the blame will be laid - rightly or wrongly at the feet of private enterprise - at the door of the Capitalistic system.

I speak therefore in earnest appeal to those who honestly seek to protect capitalism - I urge you to consider the risk being run - we have suffered as a people thorugh a terrible depression - we have been regimented in our daily lives because of the necessity brought on by an all out war.

We face an era of peace and prosperity. We all admit there is danger of boom and bust agai n - if it happens and we are not ready to meet the test -

then free enterprise - with a minimum of regulation and restriction - may witness its last day - and we may have substituted in its place a regulated economy ~~which~~ a prospect which many consider horrible.

The proposed Full employment is not a proposal for a regulated economy. It is, pure and simple, a proposal to foster full production and full employment. Itsx is a proposal that the National Government shall take ane active part in the functioning of our economy. It is a proposal that Government, Labor ~~and~~ Industry ~~shall~~ cooperate, Agriculture and Industry shall cooperate to produce the greatest good for the greatest number.

~~Only~~ The proposal actually contemplates assistance to Private industry. Its first prposals are directed toward helping private industry and local governments to take care of all employables. It proposes that the National Government shall pursue a consistent and carefully planned economic program - which certainly would benefit private enterprise - and to this end the leggislation contemplates that the best brains of the land shall be put to work in the ~~determination of the~~ charting of that consistent and carefully planned economic program.

Only in the event of failure on the part of private enterprise to rpovide full production and full employment shall the ~~National~~ Federal Government step into the breech with a program - carefully prepared - to provide assured purchasing power for the consumers of the putput of Private Industry. No program may be put into operation without the prior scrutiny and approva of the Congress.

Suppose we pass up this opportunity - suppose we do nothing - consider the dangers we face.

In a propserous era business can and does assume a great deal of the leadership in our country - particularly along economic lines. Because of the failure of business and industry to meet the crisis of the early thirties a responsible portion of that leadership was taken away. Business was subjected to new forms of regulation and control. Some of of those controls - notably the Securities Exchange Commission and the Federal Deposit Insurance Corporation - have become permanent fixtures and are welcomed by all segments of our society.

Private industry is now faced with a new opportunity for leadership. Responsible leaders of industry and business now there is a social responsibility which they must discharge if they are to exercise that leadership. None of us can go our way alone today. We are all inter-dependent. We shall succeed together or we shall all fail.

Private Industry can discharge its responsibility to the men in its factories and to the merchants, business men and professions who depend on that workers income by a genuine attitude of cooperation. It will profit industry nothing to break the unions - scuttle the full employment bill - force wages lower - if in so doing it sows the seeds of a new economic crisis. If a new depression comes who can say what new controls will be imposed on business - who can say business will retain any of its present freedom of operation.

Consider the contrasting positionsof labor and industry at the moment.

This Congress enacted legislation to guarantee industry should suffer the least possible inconvenience during the transition from war to peace. Contract termination was made equitable - funds were provided for easing the difficulties of inventory taking - transfer and storage of equipment, etc.

Industry faces a booming market - a pent up demand that promises a genuine boom in all branches of business and industry. The result is it knows security - it has no fear - it wishes only to rush headlong into this period neither thinking or caring about how long it will last - or what it will cost when the bubble bursts.

On the reverse side of the pictyre is Labor - bullied and ridiculed be what were termed the

cause of the tremenous sums it took home in wages during the war - although it is a fact that alomost 50% of all workers were paid wages below the minimum standard provided by legislation of this body.

Prices during the war years were determined by the take home wages of men working 54 and 60 hours a week and earning time and half and doubl time to implement their regular wages. You know as well as I know that there was no great margin between proces and wages during the war. The statistics prove it is a fact that in some cases wages were far behind prices. Yet these people who must still go on maintaing a family and a home were suddenly cut back to 40 hours a week at straight time. The line a out which so much has been written and spoken was not cut back and the employee faces a constantly growing danger in trying to make 30 per cent less pay meet the prices the current cost of living - with all the indications pointing to rising prices in every line.- with industry and business demanding that all restrictions on prices be lifted immediately.

Where is the fairness in this situation? There isn't any/ Labor wants a square deal and the men at the machines in many cases refued to go on with reconversion and the erection of mountains of profits for industry until labor's just wants were provided for.

Responsible economists admitted labor's position was not only unfair but unsafe for the national stability. When Labor takes the only step in available to it - incidentally a step provided by the Congress - in order

to rectify this situation swiftly it is met with ridicule and abuse. No ~~attempt~~ serious attempt is made to acquaint the public with the justice in its cause. Not attempt is made to dispose of the cause of the dispute.

After several months of wrangling over industrial disputes there is today scarcely an industrialist or economist or politician in the country who does not admit openly that labor mist have an increase. Today the only argument is about how much. Does that breed confidence? Does that produce security? Is it not proper to argue that such an admission could have been made at the very outset of the reconversion period? If it had been there would have been far fewer disturbances - reconversion would have been well along the way - and the feeling of security which we all want to develop would be an actuality instead of still being in the realm of pious hopes.

So Private Industry has another opportunity to demonstarte its capacity for leadership - to prove it does wish to cooperate with Government Labor and agriculture in the building of a greater and freer America.

The Full-Employment Bill is before this house - it will soon I hope be out on the floor for a vote. If it is enacted without emasculation, then labor ~~to~~ will have its promise of security. Industry will have offered its genuine cooperation, and all levels of our society can face the future united.

I cannot countenance the complaitnt that the full employment bill provides a regulated economy. On the contrarty it points out the way to avoid just that. If it is enacted we shall ha e no need for a regulated economy. If it is not passed - or if it is passed in such form as to destroy its real purpose - then I predict Industry will have lost its opportunity for leadership - I predict further that those who take over that responsibility of leadership will be those who incline toward a regulated econ omy. Private enterprise can make its own free choice now.