

THOUGHTFUL Americans who want an accurate, honest accounting of the nation's home-front effort have come to look forward to the reports of the Senate's War Investigating Committee headed by Sen. Harry S. Truman, Missouri Democrat. The Committee lived up to expectations last weekend when it issued a comprehensive annual report surveying the whole vast field of the war program. The Committee's keynote—that the nation had done a magnificent, awe-inspiring job—was widely interpreted as a sharp reply to the Roosevelt Administration's complaint of widespread lagging on the home front. Said the Truman Committee:



Sen. Truman

"There are those who believe the American people ought not to be told the full extent and meaning of their accomplishments, on the theory that they might become overconfident, and might place selfish interests above those of their country unless they should be misled into fear of imminent peril.

"This paternal attitude is based upon the false assumption by those adopting it that they have a higher degree of patriotism than the average citizen. Such an attitude is an insult to the patriotism and intelligence of the American people."

Among the major disclosures and recommendations of the Truman Committee report were these:

#### National Service Bill

Sen. Truman and his associates rejected the Roosevelt Administration's demand for compulsory labor legislation as merely "sacrifice for sacrifice's sake." Although there may be some manpower shortages in certain areas, the Committee said that the problem would not require "so drastic a remedy." Analyzing the Administration's argument that a national service act would combat strikes, the Committee pointed out that strikes in mining, manufacturing, and construction in 1943 "resulted in a loss of manpower of less than one-fourth of 1 per cent of the manpower actually used."

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#### Civilian Goods Production

Pointing out that "the major war production battles have been won," the Committee called for greater output of civilian goods, especially farm machinery and replacement parts for farm machines and trucks. After citing the tremendous volume of war production, the Committee declared that labor and management "are winning the battle of production. They have made their mistakes and, of course, there are some who could do more. These should be urged constantly to do all they can, but there is no point in sacrifice for its own sake. Civilian hysteria at home and a frenzy of inefficient additional conversion of civilians to war work will not help the men in the fighting lines. . . ."

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#### War Profits

The Committee disclosed that corporations cleaned up about 10 billion dollars in profits *after* taxes and renegotiation—or more than double the prewar average. Committee figures showed that after taxes, 12 out of the 100 firms holding 70 per cent of all war contracts, had more than 10 times their prewar average profits in 1942, 18 had more than three times their prewar average, and 18 showed between one and three times their 1936-1939 average.

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#### Loans On Aluminum

Sen. Truman and his associates revealed that the Federal Government has shown a far more generous attitude toward the Aluminum Company of Canada, which is owned by the same interests which control the Aluminum Company of America, than it did toward Reynolds Metal Company, the only American competitor of Alcoa. Our Government, for instance, loaned the Canadian relative of Alcoa 25 million dollars at two per cent interest without collateral, while it charged Reynolds four per cent and took a first mortgage as security.

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#### The Hotel Program

The report denounced the Army hotel acquisition program as hastily conceived and loaded with mistakes, many of them costly. Many injustices have occurred which the Army has arrogantly "shown little inclination to correct." The Navy's program was praised.

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#### Baruch Report Challenged

The Committee challenged the judgment of the Baruch report that industry should be protected in the postwar period from competition from the plants the Government built in wartime. "This Committee does not believe that it is fair to prewar industry to present the Government-built plants to their operators as gifts, either by allowing such operators to retain excessive profits or by selling such plants at

a small fraction of their real value for peacetime production." The Committee strongly recommended that the Government's war plants be kept functioning in peacetime. It estimated that about 40 per cent of the new plants are capable of producing goods which can be marketed in peacetime. About half of the remaining 60 per cent of new plants will be useful to a somewhat lesser extent.

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#### Cancellations And Cutbacks

Committee tabulations showed that the War and Navy Departments had cancelled a total of 13 billion dollars worth of war contracts up to Jan. 31, and that cancellations will aggregate about a billion and a half dollars per month during the six months ending June 30. Within a few months terminations will exceed new contracts in volume.

The Committee warned that it is essential to provide financial assistance for small steel concerns affected by cutbacks. Big companies, like United States Steel, Republic, and Bethlehem, "will emerge from the war in a stronger position than they entered," the Committee pointed out. Such an industry "can prove a dangerous factor when it is concentrated in the hands of a few," the Senate investigators asserted.