

a proper and adequate educational program. Increased economic and social well-being of the people as a whole follows or accompanies rising educational levels in cultural appreciation and technical skills. (1945)

We urge all state and local chambers of commerce, all trade organizations, and all business and professional associations to concern themselves intimately and constructively with the educational levels of the states and communities—to analyze with educational administrators and other leaders the various educational programs and to evaluate their adequacy for training youth and adults in cultural appreciation and in technical skills. We further urge the above organizations to acquaint the entire citizenry with the importance and significance of adequate education in the development of broader and sounder economy and the potential of a rising social well-being. (1945)

The public education system of each state should be financed from funds raised within the state. (1945)

The United States Office of Education should be reorganized and strengthened as a national research and service agency and to eliminate costly duplication of federal services in the field of education. (1945)

The nations of the world are becoming sufficiently interdependent and closely associated to warrant an interchange of educational standards. This country's participation in this cooperative program preferably should be through the United States Office of Education, in conjunction with the Department of State. The present world conflict is bringing about a recognition of their mutual interdependence and the necessity for their close association, particularly in the restoration, development and maintenance of educational and cultural standards. (1945)

Business is and will continue to be an increasing beneficiary of the constant upgrading of the quality of educa-

tion to develop rising skills and broadening desires at higher and higher levels. (1946)

Business should stimulate the finding of funds on a fair and equitable basis for increasing and expanding educational effort, it being recognized that real estate and income taxes have all but reached the resistance point. (1946)

The Chamber of Commerce of the United States recommends to its constituent membership that in each state the necessary funds be allocated or found to provide a more adequate education for its people. This recommendation is made in the belief that the full use of such additional funds would be a wise investment. (1946)

Federal Licensing of Corporations

Proposals for. We oppose proposals that corporations be required to obtain federal licenses as a condition to engaging in interstate or foreign commerce as an unwarranted extension of federal authority. (1944)

Federal Metals Purchasing Policies

The war has demonstrated the soundness of the principle of accumulating stockpiles of critical and strategic materials for military purposes. Minerals that do not deteriorate through stockpiling lend themselves particularly to this program. The policy of stockpile reserves of critical and strategic materials for military purposes must not be used for the purpose of stimulating or regulating industry or to control prices. (1945)

Federal Statute of Limitations

The period within which suits may be brought under the laws of the United States should be fixed by federal statute, and be fitted to the nature of the action. (1945)

Finance

A. Public Finance

I. FEDERAL APPROPRIATIONS AND EXPENDITURES

(ADOPTED 1946)

Economy. It is of crucial importance that Congress curtail government expenditures which are the key to the problems of lower taxes, reduced debt, and a stable fiscal system.

There should be abolishment of all war or other activities no longer needed, rapid reduction in the number of government employees and, until improvement of the fiscal position, deferment of any expensive new undertakings, even those of substantial merit.

A Balanced Budget. The proposed budget expenditures for the year beginning July 1, 1946, are disappointingly high and would mean a further deficit which should be avoided by requirement that expenditures shall not exceed revenues.

For subsequent fiscal years there should be definite and adequate provisions for debt retirement. A balanced budget, with such provision, should be the normal procedure.

Budget Controls. It is urgent that Congress improve the procedures of determining appropriations and of controlling expenditures. These improvements should cover the steps to be taken from the initiation of spending proposals through actual disbursements. There should be discontinuance of reappropriations and most of the permanent appropriations, reexamination of all grants in aid, and more frequent reporting of expenditures to the Congress.

In this improvement process there should be established an overall budget committee to recommend a ceil-

ing on appropriations and to coordinate the total with expected revenues.

Business Cooperation. It is recommended that business organizations refrain, and use their influence to persuade others, including state and local authorities, to refrain from exerting pressure upon members of Congress for the appropriation of funds for the benefit of individual states and local communities. In the case of proposals of appropriations for particular national purposes the principal, if not sole, effort should be centered upon obtaining the approval of the Bureau of the Budget rather than demands upon Congress either before or after the executive budget has been submitted.

Government Corporations. The new budgetary and accounting controls of government corporations recently provided by the Congress are a stride in the right direction. With a few exceptions, the existing government corporations should be liquidated speedily, and such of their activities as it may be desirable to continue should be conducted by the ordinary executive agencies.

Joint Economy Committee. The Joint Committee of Congress on Reduction of Nonessential Federal Expenditures, which has made valuable contributions in many directions, should be continued in order to focus attention on opportunities for reductions in outlays.

(ADOPTED 1945)

Maintenance of the credit of the government is essential for complete victory and successful transition from war to peace.

There should be continuous and resolute endeavor to reduce expenditures, curtail operations of government corporations, and otherwise prepare for a balance of the budget, with suitable provision for debt retirement, soon

after hostilities cease. In these preparations it must be recognized that taxation should not continue long at its present level.

Relief Expenditures. If economic conditions compel expenditures for unemployment relief in the postwar period, reliance should be primarily on state and local administration and financing. Federal assistance, if any, should be only supplemental to state and local financing and held to the indispensable minimum and measured by the extent of unemployment and the financial ability of state and local governments in such areas.

(ADOPTED 1944)

In view of the large expenditures necessary for prosecution of the war, for meeting the growing interest obligation, and for veterans' rehabilitation, it is urged that all other expenditures be restricted to the smallest amounts necessary for the conduct of essential activities.

Improvement is needed in methods of determining appropriations and controlling expenditures. It is urged that Congress decide without delay the steps which should be taken, from the initiation of spending proposals through actual disbursement of appropriations, to assure greater economy and efficiency. In this process consideration should be given to establishment of an over-all budget committee in each house, improved control over appropriation authorizations, repeal of permanent appropriations, more frequent reporting of expenditures to Congress, more effective congressional control over the creation and operation of government agencies and corporations, discontinuance of reappropriations and improved appropriation procedure.

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II. FEDERAL TAXES

(ADOPTED 1946)

Principles of Taxation. Extensive improvements in the federal revenue system and much lower rates of taxation are essential to a healthy economy.

A stable, equitable and workable system, which permits replenishment of the well-springs of enterprise, must be devised. While large revenues are essential, they should be sought with a minimum of braking effect upon incentives to production and trade.

The burden of taxation should be widely and equitably distributed to reach all sections of the public and all forms of economic activity.

Business Taxes. There should be full recognition of the principle that the combined burden of taxes upon business undertakings and investors therein should not prohibit a fair return, after taxes, commensurate with the risks involved.

The impact of high taxes has demonstrated the unfairness and unsoundness of the double taxation now applicable to corporate earnings. While there should be a corporate income tax, there should be no resort to an undistributed profits tax.

The present provisions for carryback of net operating losses should be continued for a few years and there should be immediate and liberal extension of the permission to carry forward such losses, and other suitable recognition, in the cases of both corporations and indi-

viduals, of the principle of averaging incomes over a reasonable period of years.

The corporate rate, with early abandonment of the surtax device, should be reduced for 1947 and again for 1948, with a view to establishing a rate of less than twenty-five per cent within a few years.

There should be immediate repeal of the tax upon intercorporate dividends and of the penalty rate upon consolidated returns with optional use of such returns permitted. More realistic provisions for depreciation should be established.

Capital Gains. The rates applicable to capital gains should be reduced persistently until a flat rate of twelve and one-half per cent is established within the next few years. This will encourage transactions and create new revenues. Offset of losses and gains should be continued, but excess losses should be allowed against other income with the resulting tax reduction reasonably limited.

Individual Taxes. The provisions applicable to individual taxes should retain the withholding principle and present exemptions, but there should be immediate reduction of rates, with early establishment of a ceiling of 50 per cent and corresponding decreases in the surtax schedule. A substantial credit should be allowed for earned net income.

Excise Taxes. Excise taxes properly devised should continue to be an important feature of the revenue system. Such taxes at low rates upon articles of wide use, but not of first necessity, are needed to supplement the income taxes. The war increases in excises and levies of a nuisance type should be repealed.

Estate, Inheritance and Gift Taxes. The Congress should make preparations to surrender the whole field

of estate and gift taxation to the states at the earliest practicable date. Meanwhile, there should be immediate and substantial reduction of the applicable rates, restoration of a full 80 per cent credit for death taxes paid the states, and correlation of the income, estate and gift taxes. There should also be freedom from taxation for an accumulation of liquid assets, in insurance or other readily realizable form, up to the amount of and for the purpose of discharging death taxes. There should be removal of injustices created in estate tax legislation in 1942 through altering the prior treatment of powers of appointment; otherwise, there should be early statutory provision to postpone the application of the new provisions.

Administrative Provisions. There should be early and thorough consideration by the Congress of many necessary technical and administrative amendments to the revenue laws. The principal modifications needed relate to recoveries of foreign war losses; the deductions permitted taxpayers, including depreciation; the reorganization provisions; the credits and relief provisions in connection with excess profits taxes; foreign tax credit; and the estate and gift taxes.

(ADOPTED 1945)

Fair Return After Taxes. Continuance of our system of democracy and free enterprise, economic expansion, employment, and revenues for the government itself depend upon permitting taxpayers to retain sufficient income after taxes to reward incentive and risk-taking.

Business enterprises should now be permitted every practical safeguard of working capital, including prompt refunds and offsets against federal tax liabilities of amounts due from the government. While it may not be feasible to make substantial reduction of taxes until the cessation of all hostilities, definite and early provision

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should be made for the expiration of the excess profits tax at the end of the taxable year in which hostilities cease but without diminution of the right to carry back credits and losses.

Reduction of Rates. Early in the transition period there should be reductions of the rates applicable to ordinary incomes of corporations and individuals. Such other changes in the revenue system as will place it upon a peacetime basis should be made as soon as possible.

Double Taxation. Appropriate methods should be adopted of relieving, if not abolishing, the double taxation of corporate income and dividends, without resort to any form of tax upon undistributed profits. Adequate deductions should be permitted for depreciation, deferred maintenance and reserves. There should be extension of the permission to carry forward operating losses and other suitable recognition of the principle of averaging income over a reasonable period of years.

Administrative Amendments. Many necessary technical and administrative amendments to the revenue laws have been urged in recent years. Decision upon them by the Congress has been deferred for one reason or another. Thorough consideration should be given the proposals at the earliest practicable date and appropriate action taken to clear up the obscurities, unintended hardships and palpable injustices in existing tax legislation.

Estate and Inheritance Taxes. In the proposed revision of the federal tax structure there should be the most earnest attention to consequences of the present estate and inheritance taxes, which are levied by federal and state governments under a system which in effect gives the federal government control of the burdens.

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Estate and Inheritance Taxes. In the proposed revision of the federal tax structure there should be the most earnest attention to consequences of the present estate and inheritance taxes, which are levied by federal and state governments under a system which in effect gives the federal government control of the burdens.

The effects of present rates and provisions are damaging socially and economically. There is discouragement of the natural desire to make family provisions and a serious impairment of incentive. There is dissipation of productive capital with all of the public detriment that follows. The consequences bear hardest upon small enterprises, which must continue to have an important place in the business structure.

The federal government should take the leadership in reduction of rates to a point where these destructive effects will be avoided. There should be consolidation of the present double schedule of rates, and in mitigation of the devastating effects of these taxes there should be freedom from tax for an accumulation of liquid assets, in insurance or other readily realizable form, for the definite purpose, and to the necessary amount, of meeting the death taxes. To prevent the disastrous effects of forced sales of non-liquid assets, among which real estate is important, the states should follow the example of the federal government by extending the time for the payment of these taxes upon such assets to permit realization of fair values. The extension should be for at least five years, with interest after one year upon deferred installments.

Estate and gift tax legislation in 1942 created injustices through altering the prior treatment of powers of appointment. If the Congress cannot agree upon the necessary rectifications at an early date, it should extend the statutory time limit to July 1, 1946.

Preparations should be made to surrender the whole field of estate and gift taxation to the states at the earliest practicable date.

(ADOPTED 1944)

In the War Period. The Chamber has steadily maintained that federal taxes during the war should seek as

much revenue as possible without hampering our national economy, our system of free enterprise, or efficient war production.

Tax policies should be carefully weighed not only with relation to their direct and possibly controlling effects upon the ability of industry to meet the demands of war, but also the demands which will ensue postwar.

There should be firm adherence to the policy that federal taxes are levied for the purpose of obtaining essential government revenues, with careful weighing of collateral effects, and not to achieve objectives outside of sound fiscal policy.

The nature and burden of war taxes are now such that efforts to increase federal revenues, through any new or additional taxes, should be confined to the development of new tax sources, such as a sales tax, with due regard to the level of existing excise taxes.

Every effort should be made in the war period to simplify the income taxes and to eliminate inequities. While commendable progress was made in the 1943 Revenue Act in the removal of inequities, numerous changes are still required.

Corporations should be permitted to make adequate deductions for deferred maintenance, accelerated depreciation and reserves needed for the postwar period. There should be elimination of the penalty tax upon consolidated returns and of the tax upon intercorporate dividends.

The excess profits tax should be amended to expire at the end of the taxable year in which hostilities cease without diminution of the right to carry back credits and losses.

In the Postwar Period. Provision should be made for thorough revision of the Internal Revenue Code at the earliest practicable date.

The high rates of tax, which are tolerable in wartime

only because of urgent national necessity, cannot be continued in the postwar transition or in time of peace without disastrous effects upon the national economy. Plans for rate reduction should be formulated as far as possible in advance of the end of the war so that business can develop plans for the postwar period. It is particularly important that there be modification of those taxes which, because of their heavy burden and their hampering effects, block the flow of capital or otherwise retard business activity.

High taxes are a consequence of large governmental expenditures. Determined effort therefore must be made to confine these expenditures to essential activities on a scale which, within a balanced budget providing for debt retirement, will permit a general reduction in the burden of taxation levied upon individuals, corporations and goods. Substantial reduction of the burden of taxation will be more conducive to economic progress than the development of an elaborate system of partial and complete exemptions or other unusual incentive devices to ameliorate excessive rates.

At the earliest practicable date there should be elimination of the present double taxation of income produced by corporations, with full recognition of the principle that the combined burden of taxes upon corporations and upon their investors should not prohibit a fair return, after taxes, commensurate with the risks involved.

There should be extension of the provisions for the carry-forward of net operating losses and other suitable recognition of the principle of averaging incomes over a reasonable period of years.

III. THE NATIONAL DEBT

(ADOPTED 1946)

Early establishment by the Congress of definite public debt policies and procedures is of transcendent importance.

There are involved not only protection of the credit of the government, and the interests of individual and institutional holders of its obligations, but the stability of the whole financial system of the nation.

Debt Reduction. As an overall policy there should be provision for rapid retirement of the debt consistent with an expanding economy. This requires insistence upon as low a level of expenditures as will suffice for indispensable public services and as high a level of revenues as economic progress permits, with a view to creation of year-end surpluses sufficient to support a definite program of debt retirement.

Sinking Fund. There should be establishment of a new sinking fund of the pattern applicable to the debt of World War I and designed to retire a substantial portion of the debt in a specified period of years, with expenditure and revenue policies which assure effective application of the sinking fund appropriations to debt retirement. Miscellaneous receipts of a capital nature should also be applied to debt reduction.

Conversion of Debt. There should be such conversion of debt as will reduce the volume of short-dated obligations to manageable proportions and will result in proper spacing of the maturities of all obligations. All issues should have definite maturities; no policy of a perpetual debt should be tolerated.

Cheap Money. There should be abandonment of any endeavor to maintain artificially cheap money and firm rejection of any policy deliberately promotive of enlarged government borrowing from commercial banks.

Savings Bonds. Vigorous efforts should be continued to induce individuals to purchase and hold government

obligations, particularly of the savings-bond type, in order to tap on a voluntary basis the current income of the nation available for savings.

(ADOPTED 1944)

Congress in fixing any increase in the national debt limit should provide for only such amount as will be sufficient to meet the indispensable borrowings of the next fiscal year.

Aside from other considerations, the debt burden is such as to require firm rejection of any policy deliberately promotive of government borrowing, especially from commercial banks.

IV. STATE AND LOCAL FINANCE

(ADOPTED 1946)

State and local governments should keep pace with the fiscal readjustments which are essential in the postwar transition period in the federal sphere. Emphasis should be placed upon adequate budgetary procedure, simplification of taxes, elimination of overlapping taxing authorities, and centralization and identification of administrative authority, both in taxation and in expenditures of public monies, with continuous scrutiny of all public fiscal operations by vigilant citizens' organizations, in order that efficiency and economy may be promoted.

(ADOPTED 1945)

Federal Encroachment. There should be constant attention to reduction generally of the encroachment of the federal government upon the states' sources of revenues, both by reason of principle and in order to enable the states concurrently to relieve the federal government of expenditures made upon their behalf.

(See also PUBLIC LANDS—Acquired Lands and STATE RIGHTS—Federal Encroachment on.)

Intergovernmental Tax Conflict. Under modern conditions conflicts of taxes between the states and federal government and among the states themselves handicap the free flow of commerce and impair the economy of the nation. Every effort should be made to eliminate such conflict through effective coordination and simplification of federal-state and interstate tax relationships and to prevent duplicate and multiple taxation wherever practicable.

(ADOPTED 1944)

Economy Urged. Commendable improvement has been made in recent years in the financial condition of state and local governments. Business organizations should be alert to continue this trend in their communities, while making plans for the postwar period. They should also continue efforts to obtain improvement in fiscal procedures and administration of state and local government and to foster economies of a lasting nature which will not impair efficiency or essential services.

B. Corporation Finance

(ADOPTED 1946)

Regulation of Securities. Reexamination of the operations of laws relating to securities and security exchanges should be undertaken by Congress at the earliest opportunity. Experience under these laws during more than a decade provides a guide for such modification of their terms as will lighten onerous burdens upon business without lessening safeguards which are in the public interest. Elimination of needless requirements, costs and liabilities in connection with capital flotations should facilitate the expansion of industry necessary for the maintenance of a high level of employment.

(ADOPTED 1944)

Capital Markets. The flow of capital into old and new enterprise is a primary necessity for increased output

and the creation of new work opportunities, new income and wealth for the nation, added public revenues, and higher standards of living.

Every encouragement should be provided for the enlargement of the private capital markets in time to meet the necessary transition from war to peace endeavors. The normal processes of savings and private investment should be fostered.

To stimulate the freer flow of private capital, without government guarantees, into investments in established and new enterprises, there should be timely and affirmative action by the Congress increasing faith in the preservation of the American principle of private enterprise. This should include any necessary revision of taxes, modifications of the laws regulating the issuance of private securities with full protection against fraud as a safeguard for investors, removal of unnecessary restrictions from the regulations of administrative agencies under these laws, and encouragement of free markets for securities.

C. Domestic Banking and Monetary Policy

(ADOPTED 1946)

Banking. The banking system has played an outstanding role in the financing of the war. It has received high commendation for its effective efforts, at considerable expense, in promoting the sale of government securities to individual and corporate investors as a means of reducing the inflationary risks in deficit financing. It has provided at minimum rates of interest such additional amounts as the Treasury has been unable to obtain by taxation and by borrowing from current savings. Earnings of the banks upon their holdings of government securities have not been excessive.

The carefully safeguarded statutory devices by which banking funds are made available to the government offer far less danger to the economy than proposals contemplating dependence upon the sovereign power to create money. There should be resistance to ill-considered schemes for financing the government requirements of funds in excess of tax revenues in any other manner than through the sale of interest-bearing securities.

The banking system as a mainstay of private enterprise should not be harassed by competition from tax-free government lending agencies.

In any postwar revision of banking laws, the dual system of banking, under which the states as well as the federal government exercise chartering and supervisory powers, should be preserved. This system promotes the flow of credit into productive channels and affords checks and balances in matters essential to the well-being of the people.

(ADOPTED 1945)

Federal Reserve System. In facilitating the financing of the war, the Federal Reserve System again has demonstrated its inherent strength. Both in peace and war it has operated to the advantage of the American economy. It is a vital part of the mechanism of commerce, industry and agriculture. The experience of the years has proved the wisdom of the Chamber in supporting the System during the period of inception and development and in opposing hasty innovations.

Vigilance is needed for the safeguarding of the essential principles of the System as the problems of the transition from war to peace give rise to proposals affecting monetary and banking procedures. There should be continued opposition to any change in the Federal Reserve System which does not add to its strength and usefulness.

(ADOPTED 1944)

Par Payment of Checks. The Chamber historically has favored par remittance in payment of checks, that is, a requirement that banks pay at par the checks drawn upon them by their own customers.

In view of pending legislative proposals, such as the Brown-Maybank bills, the Chamber now records its opposition to any amendment or construction of the present prohibition upon payment of interest upon demand deposits which may operate to increase the number of non-par payment banks or to decrease the strength and usefulness of the Federal Reserve System.

D. International Finance

(ADOPTED 1946)

Foreign Credits. As part of its responsibility for cooperation in the establishment of world economic conditions which will promote permanent peace, the United States through public or private funds should provide carefully safeguarded credits in aid of foreign trade and reconstruction.

Assurance should be required to the fullest extent possible that the funds will be used for prescribed purposes in an expansion of an unfettered world trade on a multilateral, nondiscriminatory basis.

When risks are such as to preclude the investment of private funds, the government should make no commitments without full consideration of possible effects upon the budget situation, the banking system and the domestic economy.

Government credits and guarantees are justified only as a temporary stopgap while world conditions are being restored to a basis providing confidence to private investors.

Properly safeguarded foreign credits, accompanied by policies permitting repayment in goods, should contribute

to a greater flow of exports of American products, increased domestic employment and higher standards of living.

International Double Taxation. It is to the mutual advantage of all countries that the exchange of goods, capital and services in international trade, needed for world recovery, prosperity and peace, should not be discouraged or retarded by the double taxation by different countries of the same property or income.

Our government should continue and, to the greatest extent possible in this period of reconstruction, increase its efforts through its own legislation and through treaties with other countries to provide for fair and uniform rules for the apportionment of income earned partly in different countries and for exemption from income taxation of non-residents of the respective countries, including corporations foreign thereto, except as to income derived from businesses permanently established, services performed and property located therein.

Except as income of our citizens and enterprises earned abroad may be recognized as exempt from our income tax, our existing system of credits for foreign taxes should be maintained, broadened to such extent as may be necessary to give full relief from any burden of double taxation with respect thereto.

It is particularly urged at this time that in connection with all international trade treaties in which our government participates, there should be appropriate agreements for prevention of international double taxation.

(ADOPTED 1944)

Monetary Policy. The Chamber reiterates its belief that restoration of a satisfactory international monetary standard and faith in the integrity of currencies are vital needs which must be met.

Stability in currencies is necessary for an adequate revival of private international trade, with its postwar benefits to the people of the United States and of other countries.

The gold standard is the only international monetary standard which has commanded any general acceptance. World trade moves on values based upon gold. The restoration and maintenance of a satisfactory standard are dependent upon the development of confidence, the balancing of public budgets, and the ultimate removal of restraints upon foreign exchange.

The United States should provide the necessary steady-ing influence internationally by assurance of stability of the dollar, free of exchange restrictions. Stability of the dollar will require abandonment of policies which are designed to encourage deficit financing, repeal of the authority to issue greenbacks, and prohibition upon exercise of executive power which would weaken the currency standard established by Congress.

Endeavors should be encouraged to establish definite rates between the dollar and pound sterling, which are so greatly used in world trade, with subsequent relation thereto of the currencies of other countries as they make necessary adjustments. Stability of those currencies demands resolute determination by the respective governments to establish sound domestic policies, with reliance upon their own efforts to the utmost extent possible and the avoidance of inflationary processes or attempts to obtain mercantile advantage through monetary manipulations.

Plans have been proposed for currency stabilization which contemplate the setting up of an international agency. Some international institution may prove to be desirable, perhaps utilizing existing machinery. It is of the highest importance, however, to insist upon proper limitations of power, sufficient national freedom of action

in monetary policy, and adequate safeguards in credit extensions.

Food Will Help to Win the Peace

When war-stricken people are hungry, food will help to win the peace. The economic costs of war do not end with victory. Wars dislocate people, disorganize production, and undermine efficiency. Much of the world stands in need of more food. (1946)

Our land escaped the scene of battle. We now have a great opportunity to share our relative abundance with the victims of the war-ravaged countries and those countries more profoundly disorganized through the war. (1946)

Every pound of food which we can produce in gardens and otherwise or can save and make available to the victims of the war will help save lives and reduce human suffering. Every additional pound raised or saved will release a pound to help our valiant Allies abroad and the unfortunate victims of the vanquished nations. This strength-giving help will greatly facilitate the restoration of production in other countries. (1946)

The Chamber of Commerce of the United States, assembled at its Thirty-fourth Annual Meeting, pledges its wholehearted support to the effort of mitigating suffering through lack of food. We urge each American through his individual and community effort to cooperate in this endeavor to alleviate hunger. (1946)

Foreign Trade

Aid to World Prosperity. Policies and programs of American concerns engaged in foreign trade should be based upon the principle that greater production and wider distribution of goods at lower prices to all peoples

of the world will improve the level of world prosperity so essential for lasting peace. Adherence to a similar principle by concerns engaged primarily in domestic production and trade would increase the purchasing power of the American market and thus contribute substantially to world economic well-being. (1944)

Carriage of in American Flag Vessels. We should carry in American flag vessels an amount of our foreign commerce at least equal to that carried under foreign flags. (1943)

Controls—Relaxation of in Wartime. Wartime government controls of foreign trade should be relaxed, simplified, and eliminated as soon as possible, with return of such trade to private enterprise under conditions which assure to American firms a fair and reasonable competitive position abroad, particularly as against direct or indirect foreign government competition. (1944)

Customs Administrative Provisions. We recommend that all countries seek to modernize, simplify and standardize their consular and customs administrative regulations and consular and trade formalities and documentation by a thorough and over-all revision to meet existing requirements. (1946)

The United States Tariff Commission, in cooperation with the Treasury Department and other government agencies, should start immediately to survey our present customs administrative provisions and report promptly to Congress its recommendations for any needed changes. (1946)

Export Controls. Temporary modified export controls by the government are recognized to be a practical necessity. Such controls should not extend for a period longer than one year, and should be limited to those

commodities which the Director of Economic Stabilization declares or certifies to be in critical short supply, and such controls should remain operative only during the period in which this condition actually exists. (1946)

Export Trade Act. The policy incorporated in the Export Trade Act of 1918, permitting American exporters to form export associations through which to meet the combined competition from manufacturers and exporters of other nations, has for 27 years had the support of the Chamber of Commerce of the United States. In anticipation of increased competition in the postwar years, it is essential that this legislation now be clarified and brought up to date to give American exporters assurance of an adequate competitive status in postwar world markets. (1944)

Financing Postwar Foreign Trade. In making foreign loans, the United States should clearly condition use of the loans upon the availability of goods. And in no event should controls be used, under agreements or commitments for American financial or other aid to foreign countries, to require exportation of any commodity or product in quantities sufficient to jeopardize American economic recovery. (1946)

Foreign Trade Service. The Chamber of Commerce of the United States realizes the urgent necessity for one unified and coordinated, highly specialized and efficient foreign service in our government, in close and constant liaison with American business interests both at home and abroad. The Chamber endorses the principle of an adequate and commercially competitive pay and allowance schedule; proper training and retraining in the service and with business and industry. Commercial officials of our foreign service should be instructed to promote both American import and export trade. (1946)

Foreign Trade Zones. The Foreign Trade Zones Act of 1934, otherwise known as the Celler Act, provides special facilities for the storage and transshipment of foreign or domestic merchandise moving in foreign commerce and for certain types of manipulations prior to transshipment or to entry into the United States. (1945)

The purpose is to promote the foreign commerce, shipping and related activities of the United States, while fully safeguarding the enforcement of our customs and other laws. The need for such Foreign Trade Zone instrumentalities has been conclusively demonstrated, particularly in the key foreign trade gateways of the country. (1945)

The laws and regulations under which the Customs Bonded Warehouse System and Foreign Trade Zones are being administered should be thoroughly reviewed to determine if Foreign Trade Zones and existing suitably located and designated customs bonded warehouses may be enabled to further expand foreign commerce. (1945)

Foreign Travel. The State Department should give careful study and consideration to the travel regulations of foreign countries applicable to American citizens desiring to visit those countries temporarily for business purposes in order that American businessmen should be reciprocally permitted to enter foreign countries for commercial reasons on a similar basis as is granted by the United States to the businessmen of foreign countries. (1945)

Government Export Credit Insurance. In view of the present authorized facilities of government agencies, particularly the Export-Import Bank, there is no need for the establishment of new government-sponsored or operated credit insurance facilities. The available acceptance facilities and other services of private commercial

banks should be extended and more fully utilized to meet the needs of exporters selling abroad on usual credit terms. (1946)

Increased Imports. The Department of Commerce and other appropriate government agencies should investigate the possibilities of increased importation of articles required by the economy and industry of the United States as a means of payment for our exports, as well as the assurance of a plentiful supply of essential materials. (1946)

Liberated Areas. Private trade in and with liberated areas should be facilitated and fostered. (1944)

National Foreign Trade Week. We urge member organizations of the National Chamber to participate in the annual observance of "National Foreign Trade Week." (1946)

Postwar Aims. The Chamber of Commerce endorses the principle that a greater production and wider distribution of goods at lower prices to all peoples from all sources of the world will improve the level of world prosperity and promote a gradually rising world standard of living. (1945)

The principle of nondiscriminatory multilateral economic relations is the basis of the foreign economic policy of the United States. (1945)

The existence of excessive and unreasonable tariffs and all forms of discrimination whether through exchange controls, quotas, preferential treatment, monopolies, subsidies, bilateral trade and exchange agreements and other trade restrictions seriously obstructs such wider production and distribution. (1945)

The Chamber of Commerce urges that the United States Government declare itself as opposed to all such

restrictive practices in the administration of its own foreign trade policy, and in all its trade agreements and other negotiations with other nations exert its full influence toward the early elimination of these practices. (1945)

Production for Export. We commend the action of farsighted American manufacturers who continue to take care of their established foreign markets by giving foreign customers proportionate equality of treatment with domestic customers during the period of limited availability of goods. The government, for its part, should refrain from any arbitrary allocation to export of goods needed to promote early attainment of full production in the United States. (1946)

Protection of Foreign Investments. Our government should pursue a vigorous policy against any measures of foreign countries which are hostile to or discriminate against our investors or investments abroad. Fair and equitable treatment for our nationals should be provided by treaty. (1946)

Protection of Nationals Abroad. Through treaties establishing mutual rights, United States nationals abroad should be protected in their ownership of real property, in the employment of agents or employees of their own nationality with reasonable quantitative or percentage limitations, and in the matter of equal justice. (1944)

Restoration of Private Foreign Trade. Prompt steps should be taken to discontinue Treasury and other government procurement for the account of foreign governments and to liquidate the United States Commercial Company and similar purchasing agencies to the end that foreign trade may be returned to private channels.

Likewise, the purchasing activities of foreign missions and agencies in the United States which tend to obstruct the channels of American private foreign trade and distribution abroad should be discontinued. (1946)

Trade Agreements. The policy of the Trade Agreement Act should be continued. This policy gives adequate authority for the government, through its established agencies of negotiation and administration, to reach effective agreements for the reciprocal and selective adjustment of tariffs and other barriers to trade, including quota restrictions and other obstacles to the reasonable flow of goods and services. (1946)

There should be appropriate safeguards in legislative provisions for ample public notice and open hearings, and clauses in the agreements providing, in case of unforeseen developments, for the modification or withdrawal of concessions, in order to prevent serious injury to domestic producers. Neither in the original form nor in practical application by reason of events that were not contemplated should agreements be permitted to cause destructive competition in American agriculture or industry. (1946)

Treaties of Friendship and Commerce. Inasmuch as no treaties of friendship and commerce exist with many important countries, it is recommended that the Department of State be urged to negotiate treaties with the countries with which we have substantial commercial relationships and that negotiations to modernize existing treaties of friendship and commerce be instituted without delay. (1946)

Forests

Continuance of Present Policy. The Chamber approves the principles of maintaining the country's forest resources through coordination of responsibilities in the

federal government, the states, and private owners. (1946)

We believe that coordinated educational efforts in each region, fostering proven productive forest practices, made effective where necessary through appropriate state laws, will result in their general application on commercially-owned forest lands without the burdens, annoyances and hazards of the administration and enforcement of such practices under federal law. (1946)

Sustained Yield. The National Chamber should make unremitting efforts to obtain effective state legislation and to encourage the application by private owners of forest practices suited to sustained yield. (1945)

Free Enterprise

Individual and state rights, temporarily surrendered to the national government during the emergency, should be restored as speedily as may be done consistent with the needs of our economy. Government's greatest contribution to sound postwar reconstruction and a healthy economic structure lies in giving maximum encouragement to the initiative, self-reliance and resourcefulness of our people under the proven American system of voluntary, competitive private enterprise. (1946)

We reaffirm our allegiance to that system. It has protected our rights as free men and has made possible in America a higher standard of living than ever before attained in any country. (1946)

We deplore and will actively oppose any effort, direct or indirect, to substitute for that system any other economic system regardless of the source of the effort or its Utopian objective. (1946)

Businessmen should always strive to solve their own problems by voluntary action within the limits of the

American system and thus avoid invitations for government intervention and bureaucratic action. (1946)

Government Competition

The cost of government activities that compete with private enterprise should be determined according to standard business accounting practices and should be made public. The public is entitled to accurate information by which it may test the efficiency of such activities. (1946)

The government now should withdraw with all possible dispatch from those manufacturing, merchandising and other business operations which it felt impelled to undertake during the war emergency. Where government agencies control products for sale or distribution, they should use the established channels of private trade which provide practical and economical distribution. The government's own needs should be met by contracting with the lowest responsible bidder after the widest possible competition. (1946)

The government also should give attention to certain tax policies which promote government ownership. Because of high federal taxes, public agencies can pay higher prices than private enterprise for utilities whose sale is being forced by the "death-sentence" provisions of the holding company law. Both for the sake of revenue and in fairness to private enterprise, Congress should provide for continued taxation of these properties if transferred to public ownership. (1946)

Destructive Nature of. The government should refrain from entering any field of business which can successfully be conducted by private enterprise. Tax-free, rent-free, cost-free, artificially low-cost financing, and other government competition with the lawful enterprises of private

citizens are destructive and should be ended. Whatever form unfair competition by government assumes, its effects are detrimental to the general welfare. (1945)

Pricing Policies in Government Sales. Any government sale of products, that are also manufactured and sold by citizens, should be at prices sufficient to cover all costs and the same burden of taxes,—both in respect to ad valorem, excise and income taxes,—as citizens pay. This pricing policy should apply regardless of whether or not the Congress specifies preference or priority in sales to municipalities, cooperatives or other publicly-owned agencies. (1944)

Particular Industries

Airports. Publicly owned airports should, as soon as practicable, be put on a self-sustaining basis. (1944)

Governmentally financed airport projects which would result in destructive competition with existing private airports serving the same areas and types of aviation service should not be undertaken. (1944)

Aviation—International. To facilitate the change from a war to a peacetime basis and to provide international services during the transition period, which will be so critical for our foreign trade, transport planes should, as rapidly as possible without impeding the war effort, be made available for operation on the most desirable international air routes. (1943)

Banks. We favor a persistent reduction in the scope and number of government lending and guaranteeing agencies, with the conviction that ultimately the United States Government should withdraw from competition with private sources in the lending field. (1944)

Distribution. Agricultural commodities acquired by the government should not be disposed of domestically at less than cost, except in case of emergency such as drought. "Costs," for this purpose, should include all handling, storage, distribution, etc., costs. (1946)

We urge that private business channels be utilized to a maximum degree in the procuring, transporting, and distributing of relief and rehabilitation supplies and in the furnishing of other relief and rehabilitation services. (1944)

Electric Utilities. Experience during the war confirms the Chamber's position that private capital, properly regulated because devoted to a public service, is best capable of supplying a progressive development in the generation and distribution of electric energy in keeping with the growth of the country and the needs of the public. (1946)

When electric energy is generated by public agencies in connection with public works for flood control, improvement of navigation, reclamation of arid lands, or similar purposes, power should be recognized as produced in a multipurpose project, and a central regulatory agency, such as the Federal Power Commission, should be given a duty to arrange a cooperative procedure for transmission and distribution of such power that will prevent destructive competition with existing private enterprises and give due weight to the service that should accrue to the public by reason of regional advantage. (1946)

We reaffirm our advocacy of legislative policies respecting the development of water resources, that afford full opportunity for private enterprise, both to participate in such development and to purchase and use or resell products, goods or services, including power, that

result from water-use and water-control projects developed by government. (1944)

Merchant Marine. There should be a strong, consistent national policy with respect to the American merchant marine. Continuation of the policies for shipping in foreign trade embodied in the Merchant Marine Act of 1936, based on private ownership and operation with government regulation and support, is regarded as equitable and desirable from both national and international viewpoints. There should be broad public understanding of the fact that subsidies provided thereunder do not give advantage to American shipping over that of other nations but only seek to equalize American with lower foreign construction and operating costs where they exist. (1943)

After World War I there were long delays in returning our shipping to commercial operation. It is especially important that, where practicable before termination of the war and as soon as the tonnage situation permits without impeding the war effort, as many vessels as possible be promptly placed in private operation on essential trade routes. (1943)

Government Favoritism

In General. No form of lawful enterprise should be favored by government over any other form and each, whether cooperative or individual, whether in single units or in multiple units, should stand on its own merits with protection from unfair competition and free from tax exemptions and any other public subsidies. (1945)

Unfairness of. Government should always leave open opportunity to all of its citizens for the development of all legitimate forms of lawful enterprise, each form being allowed to succeed or fail in accordance with its own

merits. These are the only courses for government to follow in fairness to private enterprise and its employees, to consumers, and to taxpayers generally. (1946)

Grade Labeling

Requirement for. Nothing should be done through official action to affect the good will established by producers for their goods by addition of any attempt at governmental grading or other such designation. (1946)

Highways

Bond Issues for. Bond issues should not be employed for highways of general use, unless an adequate program is impossible from current highway revenues, and should in general be avoided for local roads. (1944)

Costs—Apportionment of. The costs of building and maintaining highways should be paid by the interests they serve in proportion to benefits. Highway users should pay the major part of the costs of highways of general use, including main thoroughfares in urban areas, in addition to paying their fair share of the general costs of government. Local roads and streets should be financed from general revenues or property assessments augmented by a share of user revenues proportional to use. (1944)

Federal Government's Function. The function of the federal government in highway development, except for direct responsibilities for highways on the public domain, should be primarily one of coordination in the interests of interstate commerce. (1944)

Grants in Aid. Allotments of federal aid among the states should, among other factors, give adequate con-

sideration to traffic volume and needs as determined by comprehensive surveys. (1944)

Federal aid should be required to be matched in not less than equal amounts by state funds, with exceptions when reasonably necessary in states containing large areas of the public domain. (1944)

All federal aid for highways should be administered by a single federal agency, working exclusively with the state highway departments. (1944)

Off-Street Parking Facilities. Establishment and maintenance of off-street parking facilities or other highway accessories that may be needed to facilitate the flow of traffic should be encouraged, but recognized as a responsibility of state or local jurisdictions. (1944)

Revenues for. Contributions by highway users to the cost of building and maintaining highway systems should be through special taxes or fees based on logical standards reasonably commensurate with the value of the use; and no part of the proceeds of these special user levies should be diverted from highway purposes. (1944)

Right of Way. Acquisition of right of way should be recognized as a responsibility of the states under the federal-aid system. Acquisition by the states of reasonable amounts of adjoining land and property to avoid damage claims or to establish and protect freeways and parkways should be encouraged. (1944)

State and Local Governments' Functions. Each state within its jurisdiction should be primarily responsible for the development of programs applicable to highways of general use and for the construction and maintenance of such highways. Lesser political units should be primarily responsible for those of local use, but state highway departments should have general supervision over

expenditures of state-raised revenues applied to local systems. (1944)

Street and Highway Safety. The sharp increase in street and highway fatalities, injuries and property losses since discontinuance of gasoline rationing has focused attention on the need for renewed and intensified effort to turn this tide. Through cooperative effort a comprehensive program for dealing with the many phases of the problem is available and only needs effectuation to reduce the highway toll greatly. This program includes a uniform vehicle code for adoption by states, a model traffic ordinance, a manual on traffic control devices, standards for improvement of enforcement procedure, engineering standards for highways and vehicles, general and specialized educational material, and cooperative research to develop and test new measures. The several states should be urged to adopt proven safety practices and to enforce vigorously such practices. The President's Highway Safety Conference to be held May 8-10, at which committees at work for several months are to report, may be expected to add materially to present knowledge as to ways and means to promote highway safety. Businessmen and their organizations should give sustained support to the street and highway safety program. (1946)

Safety, not only through suitable highway construction, reconstruction and maintenance, but also through protective devices, adequate administration, law enforcement exclusively by state and local authorities, and education of highway users, should be a prime requirement in all highway programs. (1944)

Surveys. Specific highway programs should be based on comprehensive surveys giving adequate consideration to an over-all plan, to the economic benefits of each high-

way and to the proper relationship of the entire program to the whole public budget. (1944)

Vehicle Standards. The public interest in the national defense and the free flow of interstate commerce requires that the federal government prescribe minima standards for size and weight limitations applicable to commercial vehicles operating on interstate highways. (1944)

Industrial Mobilization

The Chamber of Commerce of the United States recommends an adequate state of preparedness for industrial mobilization. Among the ways and means of insuring this are:

1. An adequate stockpiling program, as advocated by the membership of the Chamber in Referendum 87, of 1945, this stockpiling program to include the necessary raw materials not obtainable in this country in sufficient quantities, and to be carried on with due regard to the vital needs of industry in the present reconversion period.
2. A war reserve of manufactured items of military equipment and supplies constantly kept modernized insofar as possible under the limits imposed by Congressional appropriations.
3. Adequate scientific research and development.
4. The placing of educational orders with private manufacturing establishments for combat materiel of all sorts, as authorized in Public Law No. 639, 75th Congress, which should be amended to enable the Secretary of the Navy as well as the Secretary of War to place such orders, until and unless a single Department of National Defense is established.
5. A systematic advance planning for industrial mobilization, with special emphasis on the importance of the work of the Army-Navy Munitions Board, the Planning

Division of the Office of the Under Secretary of War, the Materiel Division, Office of the Assistant Secretary of the Navy, and the Army Industrial College, including joint training of officers of the armed forces and research in the field of military potential. (1946)

Industrial Relations in America

Basic Principles

(NOTE: The following 10 basic principles do not constitute Chamber policy, but were approved as an appropriate summary of the Chamber's Industrial Relations Program beginning at page 57.)

1. It is a self-evident fundamental fact that labor and management can only take out of production in the form of wages, salaries, and other incomes an amount that is commensurate with the effort they jointly put into production. The welfare of each is dependent upon the other. High incomes for all can only be maintained by high production. Labor, management, and the consuming public gain only as the efficiency of production is increased and the resultant cost to the consumer is decreased.
2. We believe that individuals should be free to join or not to join labor organizations. Supervisory employees are a part of management and should be so recognized.
3. We believe in the principles of collective bargaining.
4. We believe that organized labor should be protected in its rights by laws which equally protect other citizens organized or unorganized. We believe in equality of all citizens before the law.
5. We are opposed to violence, intimidation and coercive methods on the part of labor or management. The public interest demands the outlawing of mass picketing and coercion in connection with labor disputes.
6. We believe in union responsibility for its acts, just as we believe in the same responsibility for the employer.

7. We believe that the best interests of all citizens of the United States are served by a minimum of regulative legislation regarding employer-employee disputes and by a maximum of free collective or individual bargaining within the framework of the Bill of Rights, the Constitution of the United States and those general laws which protect *all* citizens irrespective of their personal status.

8. We believe that equitable administration of labor laws, combined with a spirit of mutual understanding and fair play, would correct some of the present difficulties in the field of labor relations.

9. For situations which cannot be so corrected, we favor immediate legal changes to aid in bringing about more stable and more equitable relations whether this means amendments to existing laws, new legislation, or repeal of existing laws.

10. The interests and rights of the consumer and the public in the continuity of production of goods and services must not be subordinated in disputes of labor and management or in disputes between or within labor unions. The success of several state labor relations laws in resolving labor disputes without work stoppages merits serious consideration by the other states.

Industrial Relations in America— A Program

Acceptance of mutuality of interest on the part of employer and employees in the success of an enterprise is an important asset and means to insure this mutuality of interest should be encouraged. (1946)

Accordingly, employer and employees should work together on those things of common concern which fairly conserve their respective interests. (1946)

Industrial peace and good will between employer and employees are found only when there is mutual respect and genuine acceptance of their respective rights and prerogatives. Employers wholeheartedly should subscribe

to the right of employees to organize voluntarily and to bargain collectively. Employees should recognize that full and efficient production requires freedom for management to operate without the assumption of managerial functions by representatives of employees. Supervisory employees are a part of management and should be so recognized. (1946)

The right to work should not be curtailed, abridged or denied in war or in peace. A worker should be free to join or not to join a labor organization. A labor union should recruit and hold its members on its merits and not by making membership in any organization a condition of employment. (1946)

Furthermore, the interests and rights of the public, and specifically the consumer, to enjoy the continuity of production of goods and services must always be recognized in the settlement of any differences between labor and management as well as between unions. (1946)

Collective Bargaining and Settlement of Disputes by Voluntary Means

Collective bargaining on wages, hours and working conditions should be a process by which an employer and the freely chosen representatives of workers negotiate in the interest of effecting a transaction mutually advantageous to the employer, to employees and to the public served by the enterprise of which they are a part. Thus collective bargaining should be carried on with conscientious endeavor to understand each other's problems and in the interest of stabilizing employment relations. (1946)

Written Agreements. Collective bargaining agreements should be reduced to writing in order that there may be no misunderstanding with respect to the specific agreements that have been reached. Both parties to an agree-

to the right of employees to organize voluntarily and to bargain collectively. Employees should recognize that full and efficient production requires freedom for management to operate without the assumption of managerial functions by representatives of employees. Supervisory employees are a part of management and should be so recognized. (1946)

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ment should take steps to ensure that their representatives and members will observe the letter and the spirit of the agreement. (1946)

Grievance Procedures. It is desirable that collective bargaining agreements contain mutually acceptable provisions that grievances and disputes involving the interpretation or application of the terms of the agreement are to be settled without resort to strikes, lockouts, or other interruptions to normal operations by an effective grievance procedure with voluntary arbitration as its final step. (1946)

Use of Conciliation. Disputes arising before a collective bargaining agreement is entered into, or when such an agreement is not in effect, should be settled by orderly and peaceful procedures. If after a reasonable time and after full effort has been made by direct negotiation, a dispute is not resolved, conciliation should be employed by the parties. Such conciliation may be by private or public agency, local, state or federal, as best suited to the circumstances. (1946)

Use of Voluntary Arbitration. Should direct negotiations and conciliation prove unsuccessful, then, under certain circumstances, voluntary arbitration may be utilized. When voluntary arbitration is resorted to, the parties should agree upon the precise issues, the terms of submission and the principles by which the arbitration shall be governed. (1946)

Voluntary Action. Force, coercion, threats, and mass picketing should not be used in the process of collective bargaining. (1946)

Labor Law

In the conduct of employer-employee relations, principal reliance should be placed upon the use of voluntary practices and procedures to which the parties jointly have

subscribed. In the development of these practices and procedures, there must be a genuine recognition of the public interest. (1946)

Through the full utilization of self-government in the employer-employee relationship, resort to law regulating such matters should be held to a minimum. Such statute law as is essential should be directed toward the elimination of abuses arising from either individual or concerted acts of the parties. (1946)

The law now is neither wholly adequate nor equitable, nor are the areas of appropriate jurisdiction of the states and of the United States clearly defined. The needs for legislation, defects in existing law, and problems in the coordination of federal and state laws should be the subject of continuing and intensive study by the federal and state legislative bodies. (1946)

The success of several state labor relations laws in resolving labor disputes without work stoppages merits serious consideration by the other states. (1946)

National Labor Relations Act

It is a fundamental principle that there should be equality before the law. That principle is not recognized in the National Labor Relations Act, the avowed purpose of which was to diminish the causes of labor disputes. The law should be revised to bring about an equality of rights as to employers and to employees. (1946)

Petition for Election. Provision should be made whereby an employer would have the right to petition for an election to determine a question of collective bargaining representation as soon as a union demands bargaining rights. (1946)

Direction to Bargain. Just as an employer is required by the Act to bargain with employees and their repre-

sentatives, so should the latter be required to bargain with the employer. (1946)

Mass Picketing. It should be an unfair labor practice for employees and union representatives individually or collectively to use physical force, threats, coercive language, mass picketing, and sit-down and slow-down strikes and similar tactics in the course of a labor dispute. (1946)

Supervisory Employees. Bona fide supervisory employees are members of management. To construe the Act to protect supervisors in forming or joining labor organizations, or to become members of a labor union with those they supervise, introduces conflicting loyalties and is harmful to the interests of supervisors and other employees and is inconsistent with the basic purposes of the Act.

Supervisory employees should be specifically excluded from the definition of employee in the Act. (1946)

Monopolistic Practices

Unregulated monopolistic practices by whomsoever practiced are detrimental to the public interest. Monopolistic practices by business are subject to prosecution under law. Monopolistic and similar practices by unions must be equally subject to restraint by law. (1946)

Royalty Payments. Enforced payments by employers to labor organizations in the nature of a tax levy or royalty upon production may infringe the taxing power of the state, increase the cost of production, impede commerce, and foster private unregulated monopoly. Legislation to prohibit such payments and the acceptance of such payments by a labor organization should be enacted. (1946)

Tolls on Movement of Goods. Interference by force, coercion, or intimidation with the interstate movement of goods should be made illegal. (1946)

Interference With Use or Installation of Materials. Discrimination in the handling, working upon, installing or otherwise properly utilizing materials or products which are in the stream of interstate commerce should be made illegal. (1946)

Sympathetic Strikes and Boycotts. Sympathetic strikes and secondary boycotts practiced by labor organizations against employers against whom no grievances are held should be made illegal. (1946)

Jurisdictional Disputes

Interruptions to the production of goods and to the performance of services by strikes, boycotts, or other interference with operations arising out of jurisdictional disputes should be eliminated. To this end, labor organizations should invoke definite procedures for the prompt settlement of such disputes. The public, employers and even workers themselves, may become the victims of inter-union conflicts. When unions are unable to settle jurisdictional disputes without interfering with or stopping production, the employer should have the privilege of petitioning a labor relations body to determine which union's members are entitled to perform the work. A strike or stoppage of work arising out of jurisdictional disputes should be considered an unfair labor practice resulting in the withdrawal of the protection of the Act from the union which has violated or disregarded the order of such labor relations body. Moreover, the settlement of the dispute should not increase the cost of production or performance of services nor impair nor restrict the responsibility of management to direct the working forces and to conduct a successful enterprise. (1946)

***Binding Effect of
Collective Bargaining Agreements***

Industrial peace is not always promoted by resort to court action whenever a breach of contract is charged by one party against the other. At the same time, provisions should be made so that either party may be free to invoke legal procedures. To this end state and federal legislation should provide that suits for damages or injunctions may be maintained in any state or United States District Court having jurisdiction of the parties under the same conditions that suit may be brought for breach of any other contract, and in respect to other wrongs. Procedural law when need be should be adapted accordingly. (1946)

Closed-shop. Closed-shop provisions in collective bargaining union contracts should not be sanctioned. (1945)

Federal and State Statutes. All trade and commerce should be protected by appropriate federal and state laws against interference from violence, threats, coercion or intimidation from any source. (1945)

Federal Statute of Limitations. The period within which suits may be brought under the laws of the United States should be fixed by federal statute, and be fitted to the nature of the action. (1945)

Judicial Review. Aggrieved parties under decisions of administrative agencies in all matters that involve labor disputes should have the right of judicial review of the law and the evidence. (1945)

Opportunities of Workers. Every worker should have an opportunity to better his situation and to be recompensed on the basis of merit. (1945)

Political Contributions. Federal statutes limiting or restricting contributions for political purposes should extend to all organizations, whether labor organizations or other organizations and associations; should apply to primary as well as general elections; and should apply equally to expenditures and to collection or deliveries of monies. (1946)

Steadier Jobs. In order to encourage employers to adopt plans for greater continuity of wage payments and steadier jobs, the special incentives provided under existing law through the exemption from the payment for time-and-a-half wages should be extended to all workers regardless of membership in any association or organization. (1945)

Strikes Against Government or Public Utilities. The right to strike should never exist against the government, federal, state, or local. Similarly, the right to strike should never exist against any public service, until due precautions have been taken to safeguard the services upon which the community and the nation are dependent. (1945)

Insurance

Insurance is a means whereby independent people have freely combined to protect themselves and each other against the major hazards of life. More than half the population have become holders of life insurance policies and millions more are insured, directly or indirectly, against losses due to accidents, ill health, fire, storms, theft, and negligence. Insurance is essential to all business, both large and small. (1946)

Insurance has been under broad general regulation and supervision by the states for many years. It would be difficult to point out a business more completely regulated. (1946)

Supervision of Insurance. The continuance of the long-established principle of state supervision of insurance is desirable. Under this principle, the financial soundness of insurance companies has continued in normal, abnormal, and subnormal periods. This evidences the effectiveness of state supervision under which management has operated efficiently. (1946)

To meet the conditions brought about by the enactment by Congress of Public Law 15, the present system of state supervision should be implemented, where necessary, by enactment of appropriate laws. The policy of cooperation between insurance supervisory officials of the several states is advocated to the end that the insuring public may be protected as to fair and non-discriminatory rates and solvency of the insurance carriers. (1946)

Legislation intended to meet conditions imposed by Supreme Court decisions and regulations issued pursuant thereto should be uniform as far as possible in contemplating the establishment of rating bureaus and other expert statistical bodies. (1946)

The supervision of insurance should avoid interference in the functions properly belonging to management. (1946)

State legislative restrictions upon the operation of American insurance companies other than life, which interfere with meeting buyer demand for insurance protection, should be removed. (1946)

State Insurance Departments. Legislation should be enacted in the several states, designed to strengthen state supervision through appointment of supervisory officials of recognized ability and at adequate salaries. Such officials should be provided with adequate funds, so that they can obtain or hold the services of qualified subordinates. Uniform standards of state supervision are desirable and minimum standards are imperative. (1946)

Government Competition. The government's entrance into any phase of the insurance business which can be successfully undertaken and conducted by private companies, except veterans' life insurance heretofore issued, is strongly opposed. If it is found authoritatively that insurance protection is not as widespread as the public interest requires, legislation should be enacted at the state level, authorizing such insurance to be provided by competitive insurers. (1946)

Inflation. All available means should be supported to carry on the fight against inflation which would impair the life plans of millions of thrifty Americans who, through struggle and sacrifice in maintaining their insurance, have sought to provide security for themselves and their families. Full production is the chief weapon against inflation. It is essential in the battle against inflation that the federal government reestablish its own credit by maintaining taxes at relatively high levels while providing incentives for business, reducing governmental expenditures, and discharging the national debt. (1946)

A. Taxation

Generally. Taxes on insurance companies by the several states should be uniform and equitable. (1946)

Federal Estate Taxes. For the benefit of individual policyholders and their beneficiaries, amendments should be made to the Federal Estate Tax Law which would:

- (a) provide that life insurance policies over which the insured has no element of ownership or control should not be included in the insured's estate, even though he may have paid, either directly or indirectly, part or all of the premiums therefor, so that life insurance policies will not, as now, be in any less-favored position than other types of savings or property;

- (b) reinstate the \$40,000 exemption for life insurance which for so many years recognized the needs of families having modest incomes;
- (c) exempt from estate taxes insurance which has been specifically purchased and earmarked for the payment of such taxes, so as to facilitate the collection of taxes and induce persons to provide therefor at the same time that they provide for their dependents after their deaths. (1946)

Federal Income Tax. For the benefit of individual taxpayers, amendments should be made to the Federal Income Tax Law which would:

- (a) provide a limited deduction for savings out of income through the payment of life insurance premiums, the purchase of homes and savings bonds, deposits in savings banks, and similar savings institutes, so as to encourage personal independence without reliance upon government aid;
- (b) broaden the scope of the provisions relating to pensions, profit-sharing, and annuity plans, in order to reduce the unfair and heavy taxation on individuals in the years when they first become vested with the right to a pension or annuity. (1946)

Federal Income Taxation on Insurance Companies Other Than Life. The Federal Income Tax Law should be amended to permit insurance companies, other than life, to carry forward losses for tax purposes for a period of six years instead of two years, as presently provided, so as to recognize the fact that such businesses do not have short profit-cycles and may be subject at times to substantial and catastrophic losses. (1946)

B. Investments

Both federal and state governments should adhere to a policy of encouraging private investment in the nation's businesses. It is incompatible with the system of free

enterprise and the interests of millions of policyholders, whose funds should be fairly invested, to require insurance companies or other investors to compete with government in making investments. Such competition results in lowering interest rates which have been unduly depressed by the government's fiscal policy. It is, moreover, inefficient for loans to pass through government hands. Such loans could and should be made directly. Adequate funds for farm loans, for example, are available from private sources at low interest rates. (1946)

*C. Programs Intended to Reduce Losses
of Life and Property*

The alarming loss of thousands of human lives and millions of dollars of property damage each year through fire and negligence constitutes an irreplaceable drain upon the nation's vital resources. Efforts by both public and private agencies to reduce such losses should be consistently supported and encouraged. It must be made clear to the community that the community as a whole suffers when such losses occur, even though the individuals concerned may be fully compensated by their insurance. To reduce such losses is to reduce the national cost of insurance. (1946)

Insurers are alive to their obligation and responsibility to protect from loss as well as to pay losses. The efforts of fire insurance companies have been effective in reducing fire waste. The casualty insurance companies have made accident prevention a primary goal, and life insurance companies are contributing greatly to longer and healthier lives. (1946)

The insurance industry's leadership in loss prevention has been an important and beneficent product of competitive enterprise, and it is urged that the industry continue this leadership. (1946)

Fire Losses. The annual losses from fire can be sharply reduced by local and national fire prevention measures. Obsolete building and fire codes should be amended to regulate the use of hazardous material and processes in manufacturing and mercantile establishments and in other places where people assemble. The solution of vehicular traffic problems affecting fire-fighting should be encouraged and supported. Laws imposing liability for loss or damage sustained by others, occasioned by fire and caused by negligence, should be rigidly enforced. Uniform state laws against arson should subject those who burn the property of others or their own to severe penalties. Support should be given to properly organized efforts designed to reduce forest fire waste, in order to preserve our natural resources. Adequate and modern fire-fighting equipment should be owned and used, both by public organizations and private enterprise. (1946)

Personal Injuries. Strong support should be given to programs designed to reduce the loss of life and limb through automobile accidents. It is unnecessary for the motor vehicle accident rate to climb to new heights, particularly after the improvements during the war years. Careful driving campaigns, improved traffic control devices, highways designed for safe operation of vehicles, and enforced traffic laws should all contribute to the desired end. (1946)

D. Financial Responsibility Laws

Many states have adopted legislation to assure to their citizens greater financial responsibility of motorists. The primary consideration in such legislation should be the reduction of the number and the severity of accidents. The basic principles of the so-called automobile financial or safety responsibility laws should be supported. Strict enforcement of such laws, coupled with a well-rounded

program of traffic safety education and highway engineering, is the best solution to the problem. The creation of state automobile insurance funds is opposed. (1946)

E. Social Insurance

Old Age and Survivors' Insurance. It must be recognized that it is not the purpose of the Social Security Act to provide an "adequate" pension at retirement age, but to provide a "minimum" pension. Individuals must be free to determine for themselves what is "adequate" for them and be encouraged to protect their future by their own initiative and personal thrift. (1946)

In order to provide minimum pensions, however, the present Old Age and Survivors' Insurance should be extended to employees of non-profit organizations, governmental employees, agricultural employees, and other employees not now covered by the Act. The law should also be amended to prevent any diminution of such benefits payable to veterans of World War II by reason of their period of service in the armed forces. (1946)

Sick Benefits. Health insurance programs should be considered by all employers. (1946)

Legislation, either by the federal government or the states, that is designed to extend the government-operated Social Security System to the accident and health, hospitalization, and medical care field is strongly opposed. Such action is in direct competition with services and benefits now provided by private initiative and tends toward direct governmental control and supervision over physicians, hospitals, and all other groups providing medical care. (1946)

If, in any state, the public interest requires that sick benefits be more widely provided, such insurance may be provided on principles similar to the workmen's compensation laws, which are preferable to government ex-

propriation of this field of service. Such insurance should be carried with private companies which have demonstrated that they can administer insurance plans more efficiently than government and free from political influence, and at low cost. (1946)

F. Workmen's Compensation

The principle of compensation for workmen injured in the course of their employment has long been favored. An important feature of workmen's compensation legislation is provision for insurance of the employer's liability. Employers that can qualify should be allowed to be self-insurers. They should likewise be permitted to cover their liability for workmen's compensation with insurance companies, if they so desire. Prevention of injuries, and the restoration to useful occupations as promptly and as fully as possible of those injured—is a primary purpose of workmen's compensation. To compel employers to insure in a monopolistic state workmen's compensation insurance fund not only interferes with the freedom which all private enterprises should possess but lessens the emphasis on loss prevention. Businessmen's organizations should thoroughly analyze proposals in their legislatures with respect to workmen's compensation in order that they may use their best efforts to protect workmen's compensation for its true purposes and may oppose all attempts to abuse it at the expense either of employees or employers. (1946)

G. Foreign Insurance

It is the policy of the Chamber to encourage the government to pursue a policy that will maintain and increase the volume of export trade and foreign business transactions of United States enterprise.

Prohibitions and restrictions against the operation of United States insurance companies in foreign countries

should be eliminated, both at home and abroad. The federal government should give consideration to this subject in the negotiation of reciprocal trade and other commercial treaties, and the several states, by appropriate legislation, should make it possible for our insurance companies fully to provide all types of insurance coverage outside the continental limits of the United States. (1946)

H. Marine Insurance

The Chamber continues to oppose the government's engaging in any phase of business which can be successfully undertaken and conducted by private enterprise, and it, therefore, opposes the writing of marine insurance by the government excepting in times of emergency, and then only to the extent that such insurance is not available in the private market. (1946)

I. Co-Insurance

The principle known as co-insurance should be permitted in order to allow reduction in rates through sound underwriting practices. Its use, in connection with properties for which it is applicable, encourages the policyholder, through reduced cost, to protect his property more adequately in relation to its actual value. (1946)

J. Valued-Policy Laws

Valued-policy laws, which make the full amount of the face of a fire insurance policy the legal measure of damages in the event of loss rather than the actual loss sustained, contravene the basic theory that the fire insurance contract is a contract of indemnification only. (1946)

This statement should not be confused with the common practice of insuring personal jewelry, fine arts, and similar articles of virtu under valued "all risk" forms, as such coverage is not prescribed according to statute as in the case of fire insurance. (1946)

K. Insurance on Financed Exports

The Chamber of Commerce of the United States opposes the use of funds supplied by the United States Government as a means of transferring to foreign markets the marine insurance on American exports which under normal conditions would be insured in the United States; and urges the adoption of a lending policy which will require that any marine insurance on American exports which are purchased by funds loaned by the American government be placed in the United States unless it appears that such insurance is not available here on reasonable terms and conditions. (1946)

L. Extension of Marine Policy

The Chamber of Commerce of the United States urges the principle that marine insurance be permitted to cover goods while they remain in their original package and until that package is broken up for distribution through the distributing agencies in the countries importing the said goods and that this marine insurance facility be available to shippers without the necessity of the insurance company being licensed in the country of destination of the goods shipped. (1946)

M. State Burdens—Special Deposits

Laws adopted by any state requiring special deposits of cash or securities by insurance and surety companies (other than general deposits in the home state) solely for the benefit of the people of that state are inimical to the best interests of all policyholders and, if enacted in all or most of the states, would impose a burden impractical for the companies to carry. (1946)

Life Insurance. We urge methods which will encourage thrift and which will assist people in providing for their

own social security. We refer especially to the need for correction of burdens upon savings and life insurance. (1945)

International Disputes

Arbitration—Permanent Court of. The Chamber of Commerce of the United States, which supports the principle of arbitration of international disputes, favors the maintenance of the Permanent Court of Arbitration whose services should be available to all nations. (1944)

Machinery for Conciliation and Conference. We favor participation by the United States in the establishment, at the earliest practicable moment, of instrumentalities for the pacific settlement of international disputes by means of conciliation and conference. This is essential, since some of the most important international problems are not susceptible of judicial settlement in a world of sovereign states. (1944)

World Court—United States Membership in. We reaffirm our advocacy of membership by the United States in the Permanent Court of International Justice, and urge the strengthening of the Court for the interpretation of treaties and the application of accepted rules of international law. (1944)

International Law

Permanent Institute on. We favor the further development of international law, on as broad a basis as possible for the safeguarding of stable relationships among nations. To this end we favor the creation of a permanent international institute to study and report to international and national bodies on the problem of developing the principles and procedures of international justice. (1944)

International Organization for Peace

Interim Period—Trustees of the Peace. We favor the exercise of interim powers by the United States and other United Nations, in close collaboration as Trustees of the Peace, during the period between the cessation of hostilities and the establishment of a general international political organization, such powers to be designed to prevent further resort to arms by the defeated enemy and to restore and maintain a regime of freedom under international law and order. (1944)

Need for. An international political organization is necessary for the purpose of maintaining peace and security among nations. Such an organization should be based upon the principle of reciprocal collaboration among nations and should not take the form of a superstate. The principles upon which are based the Joint Four-Nation Declaration at Moscow of October 30, 1943, and the November 5, 1943, resolution of the United States Senate, as well as the House Resolution of September 21, 1943, are therefore approved. The Moscow Declaration and the Senate Resolution recognize the necessity of there being established "at the earliest practicable date a general international organization, based on the principle of the sovereign equality of all peace-loving states, and open to membership by all such states, large and small, for the maintenance of international peace and security." (1944)

Preparation of Plan for. We recommend that the United States, joining with the other Great Powers as Trustees of the Peace, establish immediately an International Commission to prepare, for consideration by the United Nations at the earliest practicable date, a plan for the structure of a "general international organization based on the principle of the sovereign equality of all

peace-loving states, and open to membership by all such states, large and small, for the maintenance of international peace and security," as set forth in the Four-Nation Declaration of Moscow, which was approved by the Chamber of Commerce of the United States in Referendum No. 76. (1944)

Support of by Armed Forces. This peace and security may best be safeguarded through the use of the armed forces of peace-loving nations acting through the Combined Chiefs of Staff organization, developed to meet future conditions. (1944)

International Relief and Rehabilitation

American Aid for. We urge appropriate participation by the United States Government in the international program for the relief and rehabilitation of countries devastated by war. (1944)

The financial participation of the United States should be commensurate with the obligations assumed finally by other participating nations. (1944)

Efficiency and Economy in. There should be maximum efficiency and economy in the administration of the vast program of relief and rehabilitation, particularly in the expenditure of funds, it being understood that no commitments will be made beyond the sums already appropriated. (1944)

Reconstruction—Postwar. Care should be taken that, under the heading of rehabilitation, commitments for postwar reconstruction are not authorized. (1944)

International Transport

There is urgent need for adequate and efficient international transport throughout the world, both for the movement of relief and other emergency supplies and

personnel and for early reestablishment of world trade, a major factor in restoring many war-depressed peoples to a self-sustaining basis. Encouraging progress has been made, especially where opportunity has been open for resumption and expansion of commercial services. (1946)

International Agreement. The service of international transport should be recognized as economic, not political. There should be the fullest adherence to the time-honored principle of freedom of the seas and to the new principle, receiving acceptance by an increasing number of nations, of freedom of the air. We approve of the action of our government in its consistent support of these principles, particularly in the development and application of the Chicago international civil aviation agreements, and in negotiating bilateral agreements supplementary thereto, affording opportunity to adapt them to the requirements of specific situations and flexibility to meet changing needs. We advocate the ratification of the Permanent International Civil Aviation Convention which is a companion to those agreements. (1946)

Industry Representation. In international conferences dealing with sea and air transport we consider it highly important that our government continue its policy, applied at the Chicago conference and in the recent London conference for liquidation of the United Maritime Authority, that representatives of our shipping and air transport industries be included in our governmental representation. (1946)

Barriers. International trade and travel should to the maximum practicable extent be relieved of hindrances, some war-born and others of many years standing, in the natures of flag discriminations, unnecessary or unduly elaborate passport, visa and customs requirements, and censorship of communications. We urge that our

government continue its efforts to these ends and, in particular, that it give favorable consideration to the suggestion advanced by the International Chamber of Commerce that an international conference be promptly called for the purpose of developing concerted action with regard to those highly important matters. (1946)

Restoration of Commercial Services. With large numbers of transport planes now available for international air lines, suitable for temporary use although in many instances not ideal for permanent employment, and with vast quantities of ocean shipping of similar description becoming available for commercial use since the passage of the Ship Sales Bill, rapid establishment of adequate air and shipping services in private operation is most desirable. We endorse the announced policies of our government to facilitate this by every practicable means, including the chartering of government-owned vessels to citizens to replace privately-owned vessels temporarily retained in government service or vessels which have been purchased or are under construction for private account, delivery of which has not been effected. We urge that preference be given to privately-owned vessels and such chartered ships in the allocation of cargoes controlled by the War Shipping Administration. We strongly oppose the imposition of restrictions directly or indirectly, other than by operating subsidy or other appropriate agreements, on the employment of privately-owned tonnage and tonnage chartered to private owners. Provision should be made for the promptest possible decisions by our governmental authorities, both in disposal of ships and planes and in action upon applications involved in the establishment of international sea and air transport lines. (1946)

Regulation. The principles of the Merchant Marine Act, 1936, and the Civil Aeronautics Act, 1938, provid-

ing for a regime of regulated competition in each of these fields are sound. We believe also that, in the interest of quick adjustment of the supply of service to the demand and the maintenance of flexibility to meet the changing requirements of international commerce, the determination of rates for both sea and air services should be handled through the time-proven system of conferences established by the carriers of all nationalities engaged in each trade, governmental supervision being limited to approval of the conference agreements but not attempting to pass upon the actual rates. (1946)

Support for American Services. Recognition should be given by our government in its administration of the Merchant Marine and Civil Aeronautics Acts to the importance of maintaining vigorous shipbuilding and airplane building industries in order to insure both the continuity of progress in the arts of ship and plane building and the availability of such organizations and facilities in the event of another national emergency. Special immediate attention should be given to rounding out the American merchant fleet to provide the types of vessels in which it is now deficient, notably passenger, refrigerator and medium draft cargo vessels. Ships of these types still in military or naval use should be made available for urgently needed commercial service, even though it may involve utilization of somewhat less suitable tonnage for certain military and naval purposes. American exporters, importers and travellers should lend support to American sea and air transport lines by their patronage. (1946)

Demobilization. The liquidation of the United Maritime Authority and the restriction of its successor allied shipping pool to relief and UNRRA needs are proper steps. Similarly the Army and Navy transport services should be reduced as rapidly as practicable and maximum dependence be placed on commercial shipping.

Likewise the Army and Navy air transport services should be reduced to the minimum necessary, with due account of the possibility of utilizing commercial airlines to meet military and naval transport requirements. (1946)

(See also AVIATION and MERCHANT MARINE.)

Merchant Marine

Act of 1936—Continuation of Policies. There should be a strong, consistent national policy with respect to the American merchant marine. Continuation of the policies for shipping in foreign trade embodied in the Merchant Marine Act of 1936, based on private ownership and operation with government regulation and support, is regarded as equitable and desirable from both national and international viewpoints. There should be broad public understanding of the fact that subsidies provided thereunder do not give advantage to American shipping over that of other nations but only seek to equalize American with lower foreign construction and operating costs where they exist. (1943)

Building Program for. A continued shipbuilding program should be provided both to maintain essential shipbuilding capacity as a defense safeguard and to keep up progressive improvement of vessel types. (1943)

Carriage in American Vessels. We should carry in American flag vessels an amount of our foreign commerce at least equal to that carried under foreign flags. (1943)

Government-Owned Fleet—Principles for Disposal of. If the announced program for the United States Maritime Commission of building approximately 20,000,000 tons of new ships in 1943 and a like amount in

1944 is carried out, we anticipate a large surplus of ocean tonnage. It is not possible at this time to measure the effect of losses by enemy action, but this prospective surplus is so imminent as to require consideration. The following recommendations are offered for the disposal of the government-owned fleet:

1. All new and fast ships should be used to replace uneconomic units in our merchant fleets, to replace American ships lost in war and to enlarge the operating fleet to provide the prospective increase in shipping required.
2. These fast ships should be sold to responsible American operators at a price representing normal cost or value, after having deducted the extra war costs and depreciation and with appropriate consideration given to the quality of the war-built ships. An adjustment should also be made to cover the foreign construction differential where the ships are to be operated in foreign trade. There should be full publicity as to these sale prices to avoid future questions as to the sale of government property at less than war cost.
3. A similar policy should be adopted for the sale to American operators of the slower vessels for use in handling bulk commodities under conditions which would fully protect American liner services.
4. A large sterilized inactive reserve should be created of such tonnage as may be determined by the military authorities as necessary to safeguard American interests in national emergencies.
5. After the requirements of our nation are provided for as outlined above, in order to render the greatest possible assistance to the restoration of world trade, we should be ready to sell to private foreign owners for operation under foreign flags any remaining surplus of Liberty or other slow ships at world market prices, with such guarantees as may be necessary to safeguard fully American flag shipping.
6. Congress should authorize that sales contracts with American purchasers of ships for foreign trade in-

clude a guarantee against later sales of similar ships at more favorable prices or terms, either in the form of a refund or an adjustment of remaining unpaid balances on any ships previously sold. A similar principle should be applied to ships sold for the protected domestic trades.

7. All vessels which are wholly surplus and obsolete should be sold to be broken up for scrap. (1943)

Indirect Trades—American Flagships in. Consideration should be given to the feasibility of placing American flagships in the indirect trades, i.e., in trades wholly between foreign countries, under terms and conditions which would not be injurious to established American lines. (1943)

Experience in the two world wars, as well as in the intervening period, emphasizes the vital importance of a merchant marine to our national defense and foreign commerce. Our commerce was deprived of the service of foreign vessels when their governments were engulfed in war. Our active merchant marine was too small adequately to serve our preparedness program or our armed forces when we entered the war. We must establish, maintain and operate a fleet of merchant ships more nearly adequate to our defense in the event of a national emergency and adequate to carry a substantially larger percentage of the imports and exports so necessary to our internal economy than has heretofore been the case. While between the world wars progress was made in building up a merchant fleet which was immediately available and rendered valuable service in our armed efforts, the recent experience clearly demonstrates that we must have a higher degree of security and independence in the field of ocean transportation. (1943)

Peace Conferences—Representation at. Steps should be taken to insure an adequate representation of Ameri-

can international sea and air transport interests in an advisory capacity at any peace conferences. (1943)

Personnel—Training of. The government training program for merchant marine officers and unlicensed personnel should be continued to the extent needed in the interest of the national defense. This program in a remarkably short time has made possible the manning of our rapidly enlarged emergency fleet. The newly trained men together with those of previous experience in the merchant marine have performed patriotic and heroic war service of a very high order. (1943)

Stable Public Policy on. There should be assurance on the part of government that provisions for upbuilding and maintaining our merchant marine will be fair and consistent irrespective of changes at any time in the national administration; that American shipbuilding and operation of American ships on essential trade routes will, as a matter of national policy, be placed on a parity with their foreign competitors; that government supervision will not interfere with the flexibility of operation necessary to an industry such as shipping; and that adequate training of merchant marine personnel will be provided, in order that American vessels may always be efficiently manned. (1943)

Trade Routes—Adequacy of. In the light of the greater international commitments and responsibilities thrust upon us by the war, the United States Maritime Commission should consider the adequacy of the established trade routes, strengthen and expand the prewar services and create such additional routes or services as may be necessary to meet the new situation. (1943)

Wartime Controls. After World War I there were long delays in returning our shipping to commercial operation. It is especially important that, where practicable before

termination of the war and as soon as the tonnage situation permits without impeding the war effort, as many vessels as possible be promptly placed in private operation on essential trade routes. (1943)

Of similar importance is the need for prompt removal of emergency shipping controls as soon and as completely as practicable so as to reestablish sound commercial practices, with only such measure of government regulation as is required in peacetime. (1943)

(See also INTERNATIONAL TRANSPORT.)

Mining

Coal. Regulation of minimum prices, marketing practices and labor relations, exemplified in the Bituminous Coal Act of 1935, which expired by limitation in 1943, should not be revived. Such legislation was in practice extraordinarily complex, expensive, and ineffective. Traditional relationships of government and business should not be changed. Departures such as minimum price control or similar regulation of coal or other industries should not be permitted. (1946)

Coal Mines—Federal Safety Control. We reiterate the Chamber's opposition to federal legislation in any degree supplanting the jurisdiction and responsibility of the states. (1945)

Development of Resources. The need for the initiative of private enterprise is nowhere more apparent than in the exploration and development of mineral resources. The long-established public-land policy based on discovery, location, and patent, which has encouraged development, should be continued. (1946)

Percentage Depletion. The provisions of present tax law for percentage depletion should be continued but

expanded to cover other mines and quarries and other natural resources. (1946)

Overseas Bases

A sound policy of national defense for the United States, within the limits of our international commitments, necessitates the maintenance of adequate overseas military and air bases obtained through lease, sovereign acquisition, or trusteeship. (1946)

Strategic bases should be selected by the Armed Forces, with the concurrence of the State Department, and provision should be made that they be adequately fortified, equipped, manned, and maintained. (1946)

Patents

Maintenance of System. The patent system should be maintained without impairment, including freedom of patentees to grant licenses restricted as to use. (1945)

Protection of Patent Rights. Inventions, scientific discoveries and new processes hold great promise for new enterprises and expanded employment and production. It is of the greatest importance, therefore, that patent rights be protected in order to promote the most intensive utilization of the results of invention and scientific discovery. (1944)

Petroleum

The Chamber opposes all proposals for control by a federal bureau of production of petroleum and natural gas and is against all efforts, legislative or otherwise, to break the petroleum industry into separate parts, such

as production, refining, transportation and marketing. Individual states have made pronounced progress in conserving their petroleum and natural gas resources, and by interstate compacts they have taken action to meet problems of joint interest. The slowness of one or more states to cooperate fully in the compact movement, and instances of failure within states of proper application of conservation laws, should not be permitted to obscure the accomplishments of the states and their determination to solve the problem through their own efforts. (1946)

Foreign Production. Our government should foster private enterprise of its Nationals in foreign exploration, production, transportation, refining and marketing of petroleum and its products. It should give the necessary and appropriate diplomatic support under the principles of international law to its Nationals engaged in foreign oil operations and should itself refrain from entering directly or indirectly into the oil business. (1944)

Interstate Compact. The Interstate Oil Compact has clearly shown the value of state compacts as a means of conserving valuable natural resources and contributing greatly to the public welfare. It should have continued support. (1945)

Political Contributions

Federal statutes limiting or restricting contributions for political purposes should extend to all organizations, whether labor organizations or other organizations and associations; should apply to primary as well as general elections; and should apply equally to expenditures and to collection or deliveries of monies. (1946)

Postwar Planning

International. We favor prompt consideration by the United States, with other United Nations, of those specific political, economic, or social questions the solutions of which may be accomplished or at least definitely planned in advance of the cessation of hostilities. (1944)

Price and Inflation Control

Spiraling wages and prices can do nothing but harm to our economy and its people. Every effort should be made to stimulate stable, productive employment for the months and years ahead with reasonable price stability; this requires close cooperation of government, agriculture, labor and business. Business commitments and business transactions must rest on a foundation of confidence in the value of currency and in the reasonable stability of prices. We renew our pledge in support of this program. (1946)

The expansion of controls eight months after V-J Day, rather than their contraction and the upward price pressures, is evidence to every man that we are not moving forward to a free society with low prices. We, therefore, require a reexamination of our reconversion policies. (1946)

We recommend a gradual elimination of price controls on commodities and that the final date for the elimination of all such controls be October 31, 1946; we further recommend that rent controls, properly adjusted, be extended not beyond March 31, 1947. (1946)

Congress should eliminate all wartime production and price depressant subsidies within the next six months. Costs of government must be drastically reduced. Deficit financing must be terminated. Every proposal for new governmental expenditures should be coupled with defi-

nite methods for raising the required revenues. The budget should be overbalanced and debt retired. Foreign lending should be geared into our domestic supply and demand conditions. Congress should make a thorough investigation of Treasury fiscal policy and should make recommendations as to interest rates, borrowing and budgetary procedure designed to minimize inflationary pressures. (1946)

Since V-J Day our policies have been based largely on the conception that we are faced with a problem of mere price control. The failure of these policies is due to a misdiagnosis of our problems. We *have* wage inflation; we *have* currency inflation and a delayed or frustrated price inflation. The solution can come only through a coordinated policy which deals not purely with the symptoms of inflation, as does price control, but with the real causes of the inflationary pressures which abound in many sectors of the economy. (1946)

Under the policies suggested herein, some prices may rise, others may fall. Production will be stimulated and bottlenecks will disappear more promptly. Because of the distortions already created in the economy during the war and since V-J Day, additional adjustments are inevitable. Instead of frustrating these adjustments, the government should try to guide them along natural lines so that gradually we will have an effectively functioning free economy with high-level employment at good wages. (1946)

Support for. Businessmen continue to support those wartime price controls and rationing measures which are necessary for stabilizing prices and retarding inflationary tendencies. In connection with consideration now being given in the Congress to renewal of the Price Control Act, the Chamber has presented constructive suggestions

for strengthening and clarifying the statutes. These suggestions have the support of businessmen in all parts of the country. We commend them to the Congress for action. (1944)

With the cessation of hostilities, rationing and price controls should be terminated as quickly as practicable. (1944)

Public Health

Provision and maintenance of the public health is a local, county and/or state responsibility and should remain at this level. The role of the federal government in the promotion of public health should relate essentially to those matters which are of interstate or of international import, and to the formulation of national standards for public health procedure. (1945)

Under certain special circumstances federal aid may be necessary in supplementing state and local funds for the accomplishment of the purposes of various local or state public health programs of national concern. Federal assistance, upon application of any state public health agency, for whatever purpose, such as surveys, planning, research, improved facilities, the betterment of medical care or for other purposes, should be granted only when the need is clearly established for such service or aid. (1945)

Experience has shown that federal grants-in-aid may lead to extravagance and unnecessary requests for aid in promoting various local or state medical care functions or public health programs. Such grants-in-aid should be authorized only when the need has been determined by local, county and state medical, health or other scientific agencies or organizations qualified from experience to advise on such matters and should be extended only under rigid financial controls. (1945)

Public Lands

Grazing Districts—Administration of. In the administration of grazing lands the principle of participation of local residents in administration of grazing districts should be encouraged and extended. (1946)

National Parks—Establishment and Extension of. As national parks and national monuments lock up all resources within their boundaries, the establishment of monuments, like the establishment of parks, should be exclusively in the hands of Congress and all further extension of parks and monuments should be made only with the consent of the legislatures of the states concerned. (1946)

Acquired Lands. The Surplus Property Act should be repealed with respect to disposition of lands and new legislation enacted applicable to all "acquired lands" in order to provide (1) that all acquired lands not necessary and useful for a clearly defined governmental purpose be disposed of, and (2) that all lands acquired and retained for clearly defined governmental purposes be administered by the Interior Department with respect to their mineral content under the public land laws applicable to both metalliferous and non-metalliferous minerals. (1946)

Continued acquisition of real property by the federal government imposes severe burdens on many communities through the removal of such property from local and state tax rolls. As the tax problem is basically the result of transferring the title of real property to the federal government, such transfers should not be resorted to when the purposes for which the property is to be acquired can be satisfactorily accomplished by contract or lease. Governmental agencies should proceed now to

liquidate surplus holdings not needed for federal activities. (1944)

Congress should give earnest consideration to equitable adjustment of the tax problems arising from federal land ownership. (1944)

Grazing Rights. Subject to and consistent with sound principles of conservation and the protection of the public interest, including the reservation of rights to minerals and metals, timber, water resources development and other potentialities not involving grazing, all grazing rights that have developed through recognized use and custom should be protected and preserved and, in order to attain the highest use and fullest conservation of the grazing resources of public lands, private ownership should be reestablished as the ultimate objective in government land policy. (1946)

Metalliferous Minerals. The leasing policy of the Mineral Leasing Act of February 25, 1920, as amended, should not be extended to metalliferous minerals. (1946)

Oil and Gas. The Mineral Leasing Act of February 25, 1920, as amended, should be further amended to remove all acreage limitations, or at least to expand greatly the acreage allowable in any state,—and remove the limit to the acreage field held on a geologic structure. (1946)

The royalty on all government leases should be fixed at 12½% for leases heretofore and hereafter issued that are not on a proven oil or gas structure. (1946)

In order to encourage and make possible the exploration and development of deeper pools, a 12½% royalty should be fixed for all deeper discoveries in presently proven fields, the same to apply to all leases in such new zones. (1946)

The government should either take the royalty in kind for sale or accept the market price of the royalty oils, gas or gasoline. (1946)

There should be provision in the law that will grant the free right of assignment and relinquishment of government oil and gas leases, with proper safeguards. (1946)

Registration. All lands of the United States should be registered with the Interior Department. (1946)

Tidal and Submerged Lands. We urge that Congress give statutory recognition to state ownership and disposition of the shores and all lands beneath the tide waters and other navigable waters within the boundaries of each of the states. (1946)

Withdrawals and Reservations. We recommend that Congress continue its review of western land policies, particularly the withdrawal policies, until the full facts are known. (1946)

Congress should promptly provide that, before land withdrawals of any consequence are made, there be public notice and opportunity for public hearing in the state or states affected. (1946)

There should be a time limit on temporary withdrawals. (1946)

Existing withdrawals of whatever nature should be re-examined and either eliminated or reduced in size to where a preponderance of facts support reservation for the major purpose indicated. (1946)

Railroads

Grade Crossing, etc., Costs. Railroad participation in the costs of grade-crossing elimination and bridges in connection with flood control should be confined to their net direct benefits. (1944)

There should be a continuous postwar program for the elimination of railroad-highway grade crossings which

are dangerous or which delay a substantial volume of traffic, any assessments for construction costs levied therefor against railroads, or obligations imposed upon them for subsequent maintenance or taxes, to give adequate recognition to the growth of highway use and to the relatively small benefits derived therefrom by the railroads under present conditions. Costs of construction and maintenance of grade-crossing protection should be similarly allocated according to benefits. (1944)

Interference with Railroad Management. Legislation, federal or state, which would limit lengths of trains, prescribe so-called full crews, establish a six-hour basic work day in transportation, or otherwise interfere with the proper functions of management, is not warranted by any economic or safety considerations. Proposals of this character should be vigorously resisted and existing laws in several states should be repealed. (1946)

Selective Service Act

With the ending of hostilities, the United States must raise what is virtually a new army. Methods should be adopted which will assure adequate and continuous replacement of Army and Navy personnel in the occupied countries and the United States as such personnel complete their periods of service. (1946)

The campaign for voluntary recruiting should be actively supported. Additional inducements should be made to encourage voluntary enlistments. Local chambers of commerce and other civic organizations can and should help at the community level to accomplish this. (1946)

The Selective Service Act also should be extended beyond May 15, 1946, as a safeguard in case voluntary enlistments prove inadequate at any time. We urge that

selection be limited to men who have attained the age of 20. (1946)

The Congress should clarify and make more certain the provisions of the Act with respect to the rights of veterans to reinstatement in employment in which they were engaged before entering the service of their country and, in addition, remove any obstacles to initial employment of honorably discharged veterans who now have no legal rights under the Act to reinstatement to former jobs, but who have the qualifications to perform the work for which additional persons are needed. (1946)

Service Men

American business shares the responsibility for aiding men released from war service to find suitable occupations in civilian life. Working with the Selective Service and other agencies, public and private, and in cooperation with its member organizations—national, regional, state and local—the Chamber of Commerce of the United States pledges its resources and facilities to the end that men returning from war service shall have full opportunity to fit themselves into the national economy. (1944)

Small Business

The National Chamber is vitally interested in all types of business, large and small.

An attempt to draw a line between smaller and larger businesses and to extend preferential treatment to the former is no real solution of the problem of small business. Such enterprises, like the larger ones, can make enduring progress only if economic and political conditions are favorable to business as a whole. (1946)

Our general concern for small and new enterprises, therefore, can best be shown by reconstructing the tax

structure so that risk capital will be forthcoming in greater volume; by continued enforcement of the anti-trust laws; and by collection and distribution of useful economic data and information, not otherwise available, in a form suitable for use by the smaller enterprises but available to all. (1946)

Social Security

A. In General

Employment—No Substitute for. However desirable and necessary a social security program may be, it is no substitute for productive employment and, therefore, every effort should be made by business and other groups to encourage high levels of production and steady employment. (1944)

Limits of Field for. Social security provided through public action ordinarily should be restricted to those aspects of economic life wherein individual effort has been demonstrated to be substantially inadequate. (1944)

Merit Rating—Use of. The principle of experience rating, under which an incentive is furnished to reduce the job-loss hazards, should be applied in every field of social security to which it may be appropriate. (1944)

Protection to be Afforded. Protection should be provided against the periods of job and income losses that are a natural consequence of the workings of a free and changing society. (1944)

A social security program should provide a minimum layer of basic protection against the major economic hazards of life but should be so designed and administered as to encourage additional savings and self-protection by the individual through his own efforts. (1944)

State and Local Responsibility for. Every effort should be made to encourage state and local governments

to assume the primary responsibility for the social security program in order to keep the program close to the employers, the employees and the taxpayers. (1944)

B. Employment Services

Free and Commercial Employment Services. Efficiently operated employment exchanges perform a useful economic function. Operation of free employment exchanges is a proper activity for state and municipal governments, and commercial, fee-charging employment offices should be appropriately regulated in all states. (1946)

The United States Employment Service, loaned by the States to the federal government at the request of the President during the war emergency, should be returned to the States as soon as possible. (1944)

C. Old Age and Survivors' Insurance

Disabilities At and After Age 55. For workers totally and permanently disabled at or after age 55, a system of benefit payments, calculated on a basis consistent with that for the Old Age and Survivors' Insurance benefits, should be provided. (1944)

Extension of. If and when practical, the present system of Old Age and Survivors' Insurance should be extended to cover the following employees: (a) employees of non-profit organizations; (b) government employees—federal, state and local; (c) agricultural employees; and (d) other employees (except domestic servants) not now covered. (1944)

Further Study of. The Senate Finance and the House Ways and Means Committees should jointly appoint promptly a committee of experts to review and study the problem of financing the Old Age and Survivors' Insurance program. (1944)

Veterans—Protection Against Loss of Credits. For discharged veterans of World War II, legislation is favored which will protect them under Old Age and Survivors' Insurance in such a way that their period of service will not result in any diminution of credits. (1944)

D. Sick Benefits

Group Health. Voluntary group effort to provide more adequate medical services for all the people is urged. (1944)

Provision for. Employers who have not done so should explore the possibility of providing for their employees some protection against non-industrial and non-occupational disabilities and sickness. (1944)

If, after a reasonable period of time, the private effort of employers to provide protection against non-industrial and non-occupational disabilities and sickness still leaves substantial gaps in coverage, only then should public action be taken. (1944)

If such public action is taken, this should be at the state and local levels of government rather than at the federal level. (1944)

If legislation of this character is passed, it should permit voluntary group plans to operate as alternatives to government plans. (1944)

Socialized Medicine. There should be avoidance of a system of socialized medicine, under which all medical personnel become government employees and free choice of doctor by the patient and of patient by the doctor is impaired. (1944)

E. Unemployment Compensation

Development of Laws for. The development of unemployment compensation laws in the United States

has been by state legislative action and has been based on the following fundamentals:

1. Accumulation of state reserves during periods of good employment from which benefits for limited periods are to be paid as a matter of right to those workers who become unemployed through no fault of their own;
2. Each state should be free to determine for itself those matters relating to workers' eligibility for benefits, benefit amounts, duration and waiting periods, without interference or control by any agency of the national government;
3. Each state should be free to determine for itself provisions for merit rating based on reduction of unemployment and improved employment experience.

We oppose any amendment by Congress to the Federal Unemployment Tax Act which would encroach on these fundamentals and deprive the various states of their rights of self determination. (1946)

Extension to Smaller Employers. The states should consider the feasibility of extending unemployment compensation to employees of smaller employers in those cases where the state law now covers the occupation or industry. (1944)

Federalizing of. The authority now exercised by the federal government over the system of federal-state unemployment compensation should represent the maximum limits of federal authority in that field. (1944)

Unemployment Benefits—Lengthening Period for. Insofar as the condition of a state unemployment compensation reserve fund permits, the states should gradually lengthen the time during which unemployment benefits are payable (rather than increase the amount of benefits payable per week) to men without available work. (1944)

Veterans—Readjustment Allowances. Discharged veterans actively in the labor market should receive readjustment allowances for a limited period, if and while they remain unemployed and after receiving mustering-out pay. (1944)

State Rights

Federal Encroachment on. It is a cardinal principle that all rights not specifically granted to the federal government are reserved to the several states. This principle in recent years has been increasingly infringed by federal encroachment in almost every field. To illustrate, we enumerate the following:

1. The delegation of authority to administrative agencies having power over interstate commerce, to interfere in affairs which are essentially intrastate in character.
2. The continued and expanded withdrawal, retention, and reservation of lands in the public-domain states, and the federal purchase by condemnation and otherwise of lands formerly in private ownership both in public-land and non-public-land states. This has proceeded to a point in several states where the federal government has become the master rather than the servant of the people, in total disregard of the effect on local tax structures and on the stability of local industry.
3. The assertion by the federal government of control over waters and their use for municipal, domestic, industrial, irrigation, power and other beneficial purposes without regard to state boundaries or water rights.
4. The increasing abandonment of the principle of mineral entry and the discouragement of private exploration and development of our mineral resources, with the substitution therefor of a leasing system by which the federal government becomes a landlord rather than a stimulator of enterprise and free initiative.

These and numerous other examples of federal invasion of state sovereignty result not only in retardation of normal state enterprise and development with concomitant impairment of political and economic statehood, but are a source of continually increasing and wasteful federal expenditures. (1945)

Subversive Activities

In counteracting subversive propaganda and activity in the United States, Congressional investigation and the resultant publicity have been especially effective. Revelations of alien propaganda within the United States and political developments throughout the world have combined to mold public opinion even more firmly in support of American doctrines. (1945)

We reiterate our earlier position in favor of the continuation of Congressional inquiry into forms of subversive activities and urge the enactment of needed legislation. (1945)

Surplus War Property

Experience under the Surplus Property Act is demonstrating the urgent need for its revision. Only a small percentage of surplus war plants has been transferred to private ownership for use in the production of civilian goods which the nation needs so much. The surplus war supplies are being disposed of in relatively small quantities. Government and private warehouses bulge with goods which have been declared to be surplus, but which are not becoming available to the public. (1946)

The Surplus Property Act is responsible in considerable part for present difficulties and the difficulties that will persist for years to come. The President of the United States, in approving the Act of Congress in October, 1944, expressed a doubt that the Act would be workable in

view of "the confused methods of disposition and the elaborate restrictions imposed by the bill." Thus far no general overhauling of the Act which is so much needed has been undertaken by the Congress. (1946)

The present law contains largely unworkable provisions respecting preferential treatment in the disposal of surpluses. In the abstract there is justice in these provisions, but, as a practical matter, they present complications which make their equitable operation almost impossible. They should be removed from the law and the administrative agency given authority to provide for such preferences to the extent feasible and in the public interest. (1946)

With respect to surplus war plants, provisions of the law appear to interfere with prompt and satisfactory disposal. The Congress should continue the studies that it has already undertaken with the object of removing from the law such provisions as are found in practice to interfere with the disposal of war plants. (1946)

In the administration of the law it should be the policy that surpluses held abroad, competitive with products of the United States, should be disposed of abroad so far as possible. In the disposition of such goods, consideration should be given to economic conditions in particular markets, and to the interests and rights of American enterprise in the resumption of distribution through normal channels in the respective countries. Such goods disposed of abroad should be debarred from subsequent import into the United States in whole or in part. (1946)

Decision should be made at the earliest possible moment as to which plants and equipment, or other facilities and real estate and consumer goods, must be retained for essential military purposes. The remainder should be earmarked for orderly disposal to private industry and such plants and other facilities as are not suitable for such disposal should be salvaged. (1945)

Tariffs

The United States Government should pursue a constructive and realistic tariff policy which will encourage the maximum flow of international trade but which at the same time will afford reasonable protection for American producers against destructive or otherwise unfair competition from abroad. (1946)

There should be general agreement among nations on acceptable and binding definitions of dumping and other unfair practices in international trade against which nations should properly protect themselves. (1946)

The laws of the United States should make adequate provision for protecting its nationals against such defined practices or discriminatory acts by other nations. (1946)

Changes of economic factors affect the incidence of tariff rates. Despite the ultimate goal of world stability there is likely to be considerable readjusting of economic factors for some time to come. The procedure established by the flexible provisions of our tariff for the adjustment of rates by administrative action within limits prescribed by Congress is available for this purpose, as are the fact-finding functions of the United States Tariff Commission. (1946)

These principles are stated with full realization of the uncertainties in international trade and the uncertainties and difficulties of the future. The Chamber should be prepared to come forward with proposals of means to meet any new situations which may develop. (1946)

Realistic Policy for. In order that the United Nations and Associated Powers may keep active a constructive postwar program of economic collaboration, there should be mutual understanding, in advance of peace, as to the "rules of the game" in international trade. To encourage

other nations to refrain from excessive tariffs such as followed the last war, the United States Government, on its part, should pursue a constructive, liberal, and realistic tariff policy. (1944)

Trade Associations

Trade associations are an inherent part of the American democratic system. They provide a medium through which all firms—from the smallest to the largest—in any business or industry may join forces and work together for their common good. In any line of business the benefits of association action, such as increased efficiency, improved products, better marketing, elimination of uneconomic restrictions and practices, are reflected throughout the entire business community, and ultimately are passed on to the customers of business. (1946)

The flexibility of trade associations, their voluntary character, and their freedom from special forms of government control account in substantial degree for the benefits which have accrued from their cooperative work. Such conditions should be preserved in order that trade associations may continue to extend their usefulness to their fields of business enterprise and to the public. It is gratifying to note that the Attorney General of the United States has given recognition to the importance of trade associations in his effort to keep open the channels of competition, and has expressed his confidence in their cooperation. (1946)

The Chamber strongly urges upon American businessmen continued support for and participation in the work of their respective trade and industrial organizations. (1946)

Trade associations, in their wartime activities, have continued to demonstrate their capacity for effective guidance and leadership in promoting and protecting the

interests both of their industries and of the public. The character and value of services rendered by trade associations will be of inestimable benefit to the members of their respective industries in the orderly solution of re-conversion and postwar problems. (1945)

In the performance of these duties, association officials should make careful appraisal of current trends, to the end that our competitive system of free enterprise may be preserved and strengthened. (1945)

Trade Barriers

Interstate. The great free trade area within our country has been one of the most vital factors in the development of our national economy. That indispensable factor is now threatened by the progressive erection of discriminatory barriers to trade between the states. States should refrain from imposing sanitary or other embargoes beyond absolute needs. We endorse the voluntary movement among the states themselves now going on to reduce discriminatory barriers. (1945)

Retailers—Discriminatory Laws Against. Retail merchandizing should be free from discriminatory laws—local, state and federal. (1946)

Transportation

Control of One Form by Another. Operators of one form of transportation service should be permitted by law to operate other forms within reasonable territorial limits upon making an adequate showing to the appropriate regulatory authorities that it would be in the public interest and would not unduly restrain competition. (1944)

(See also AVIATION—International—Steamship Ownership and Operation of.)

Different Forms of—Coordination of Services.

Operators of different forms of transportation should be encouraged, under proper safeguards in the public interest, to coordinate their services through contractual arrangements. (1944)

National Transportation Policy. The national transportation policy stated in the Interstate Commerce Act should be broadened and strengthened so as to embody the principle that the Interstate Commerce Commission in its administration of the Act is to allow "revenues sufficient to enable the carriers, under honest, efficient and economical management to provide" the service needed by the public; and the strengthened policy should be considered by Congress in new legislation affecting transportation, be made applicable to all governmental agencies as to all matters within their jurisdiction affecting carriers and transportation, and be applied to all carriers and agencies of transportation. (1946)

Regulation of all interstate and international transportation for hire should ultimately be by a single regulatory body; air transport and international ocean transportation should be under separate bodies for reasonable development periods; and all such regulatory bodies, permanent or temporary, should report direct to Congress. (1946)

The Interstate Commerce Commission should use every effort to separate its judicial and administrative functions, delegate details and expedite decisions; through elimination of politics in appointments and reappointments, provision for retirement compensation and appropriate salaries effort should be made to obtain members of the highest possible qualifications; and like policies should be applied with regard to the Civil Aeronautics Board and the United States Maritime Commission. (1946)

Carriers should be clearly empowered to enter into agreements as to rates or service, subject to safeguards imposed by the regulatory body, and agreements approved by that body should be relieved from the operation of the antitrust laws. (1946)

Regulatory agencies should continue to be given wide latitude in applying the rate provisions of the Interstate Commerce Act; differential rates should be left wholly within their jurisdiction; and to the extent that below-cost competitive rates are designed to injure competing carriers or stifle competition, or have that natural effect, they should be prohibited. (1946)

The principle of voluntary consolidation of railroads, subject to approval of the Commission, should be preserved; railroad management should proceed with the development of consolidation plans and businessmen should lend full encouragement thereto. (1946)

Congress should take any necessary action to permit operators of one form of transportation service to operate other forms within reasonable territorial limits upon making an adequate showing to the appropriate regulatory authorities that it would be in the public interest and would not unduly restrain competition; and to encourage operators of different forms of transportation, under proper safeguards in the public interest, to coordinate their services through contractual arrangements. (1946)

Legislation should be adopted to establish a formula for allocation among the states for tax purposes of equipment and plant of interstate air lines; the Interstate Commerce Commission after investigation should develop a similar formula for carriers under its jurisdiction; as a measure of assistance to transportation companies facing heavy deferred-maintenance expenditures as a result of the war, the carry-back provisions of the revenue laws should be extended through 1947; legislation should be

adopted to avoid penalizing through lowered capital bases carriers changing to the depreciation system of accounting; and there should be no diversion of special user taxes from the purposes for which they were imposed. (1946)

Government aid to any form of domestic transportation should be limited to an early developmental period and be gradually withdrawn as the industry becomes established on a basis of its own. (1946)

State or local regulation not essential to the safeguarding of life or property, including public highways, should not be permitted to interfere with interstate transportation. (1946)

Organized relationships comparable in purpose to those of railroad shippers' advisory boards should be established between other forms of transportation and their patrons; organized cooperation should be arranged among carriers of different forms of transportation with regard to matters contemplated under the Bulwinkle Bill, H. R. 2536, and other matters of a non-competitive character; chambers of commerce should ordinarily deal with transportation problems through general transportation committees with representation of all forms of transportation and non-carrier interests rather than through separate committees for the different forms; and all carriers should examine their own competitive practices to see that they do not have non-economic effects detrimental to their own net revenues. (1946)

Rate-Making by Interstate Commerce Commission.

The Interstate Commerce Commission should be left free to deal with rates in accordance with the general principles prescribed in the Interstate Commerce Act, untrammelled by special directions, restrictions or pressures from other government agencies. (1944)

Urban Transportation. Urban planning should make provision for all needed forms of passenger and freight

transportation according to foreseeable demands in each community. A basic requisite is a street system, including arterial highways providing free access to central business districts and bypass routes around them, adequate to handle the community's local traffic as well as that to or from exterior points. Arterial highways should provide for public transit as well as individual vehicles, with necessary special facilities and proper coordination to minimize interference of each type of transportation with the others. In large cities where excessive congestion exists, subways in central districts for street cars or rapid-transit trains should be considered as a means for enlarging general transportation capacity. (1945)

To permit major streets to function efficiently, curb parking should be regulated or prohibited to the degree necessary to prevent undue interference with moving passenger and freight traffic and essential curb loading. Establishment of private offstreet parking facilities for hire on a stable basis should be encouraged, without the threat of unfair competition from free or below-cost facilities provided at public expense. (1945)

Parking regulations should make feasible frequent or occasional service by trucks to all classes of buildings. Where the volume of loading and unloading justifies, offstreet facilities therefor should be required for new buildings, and for existing buildings if economically feasible; otherwise, curb loading zones should be established for the exclusive use of commercial vehicles during reasonable pickup and delivery hours. (1945)

To assist in overcoming traffic and transportation difficulties in congested centers, the use of transit service should be facilitated and encouraged as in the public interest. Staggering of work hours to spread transit and street traffic peaks should be encouraged after the war as a continuing contribution to efficiency and relief of congestion. Further experimentation should be made with

limited stops, turn-backs, express service and other methods of expediting transit operations. Unwarranted extensions and other unprofitable services affecting the financial stability of transit carriers should be discouraged. (1945)

Taxicabs, in communities where there is extensive demand for their service, should be regulated as common carriers and reasonably restricted as to number. Their owners should be encouraged to establish fixed stands and limit cruising. Proof of financial responsibility should be required and charges should be determined by the taximeter. (1945)

Efficient public passenger transportation can best be attained through private operation under proper regulation, centralized as to each metropolitan area in a single body with jurisdiction over all types of carriers and with increased emphasis on improved facilities and service. (1945)

Wartime Transport Conservation. Wartime demands continue to tax the capacity of our domestic transportation facilities, despite their remarkable record thus far. Critical months lie ahead, with the serious manpower situation and shortages of materials needed for maintaining and replacing transportation equipment. This calls for continued intensified cooperation of shippers and carriers to load and unload freight cars and trucks promptly and fully and keep them moving; adoption by truck operators of additional joint-action plans to conserve mileage and willing acceptance by their patrons of the resultant reduced service; a continuance of active steps to discourage avoidable travel contributing to congestion; further conservation of public vehicles and private automobiles in essential local passenger transportation through staggered work hours and group riding. A breakdown of our national transportation system would be

disastrous and progressive deterioration is tending toward that end. Government agencies, military and civilian, are urged to make available, as a part of the war effort, such additional manpower equipment, repair parts and materials as are essential for the continued effective functioning of the necessary passenger and freight transportation facilities. (1944)

United Nations

Before the war's end the Chamber of Commerce of the United States by vote of its members declared in favor of an international organization for the purpose of maintaining peace and security among nations. We recommended that the United States, joining with the other great powers as trustees of the peace, should undertake immediately the establishment of an international commission to prepare a plan for the structure of a general international organization based on the principle of the sovereign equality of all peace-loving states, and open to membership by all such states, large or small, for the maintenance of international peace and security. (1946)

The Government of the United States did participate in such plans; and in collaboration with the other powers, great and small, there has been established a world organization for the maintenance of peace and security, known as the United Nations. (1946)

The Chamber reaffirms its belief in the need for such an agency, and in the United Nations organization as the present instrumentality for meeting that need. That it is perfect or final in form no one would assert. That it can solve all the problems of a troubled world would be too much to expect. Created by men who are fallible and subject to human weaknesses and limitations, this new instrument of world order doubtless bears the marks of such fallibility and imperfection. (1946)

But it is the beginning of possible world accord; and it holds the hope of mankind. War has always been terrible, and the races of men have been afflicted from time to time with the suffering, the destruction, the disease and the physical losses that have been occasioned by man's inhumanity to man in the recurrent conflicts by which the nations have sought to destroy each other. But all the horrors of war in the past are overshadowed by the cosmic threat of what the next war may hold. It has not been given to the mind of man yet to conceive of the appalling destruction of life and property—who knows, even of the planet itself—that might result from an atomic war. (1946)

More than ever, therefore, in the name of humanity and for the preservation of civilization itself, the peoples of the world owe to themselves and to posterity the solemn duty of consulting together in patient determination that this time they shall not fail. (1946)

Already the new organization for peace and security has been subjected to strains that might well have wrecked it. Conflicting ideologies and national interests have been at play—but they have been at play upon a world stage, where all might see and judge. Thus far the new organization has held together; thus far the world still has reason to hope. (1946)

We reaffirm our belief that mankind can and must find a way out of warfare. Because of our devotion to the cause of peace and our great power we have an obligation to assert our strength in the face of wrong. The United States of America should expend every possible effort to bring the United Nations organization through this testing period, to the end that it, with whatever refinements and evolutionary perfections may be necessary, shall become in fact as it now is in hope, the final safeguard of mankind against the ravages of brutal strife. (1946)

Universal Military Training

Principles for. The United States should adopt a policy of universal military training for young men in peacetime. (1944)

The schedule of military training should be flexible enough to assure minimum dislocation in the educational and business life of young men. (1944)

Upon the completion of the required military training, trainees who do not enlist in the regular military organizations shall be enrolled in reserve components. (1944)

War and Defense

Lend-Lease. Lend-lease is an important factor in the winning of the war, enabling the allied nations to attain and continue maximum strength to prosecute successfully the war against the enemy. Procurement and transfer of supplies under lend-lease should be limited to furthering the prosecution of the war and should not be used for relief and rehabilitation purposes. Lend-lease to the respective theaters of war should cease with the end of the respective wars. Relief and reconstruction needs should be met through the channels provided for those purposes by the Congress. (1945)

War Contracts

It is of paramount importance that the Congress take the necessary actions to establish policies and procedures to assure speedy and fair settlement of termination of claims, and removal of government-owned inventories and equipment from war plants in the shortest possible time consistent with protection of the parties in interest. (1944)

Water Resources

Development Programs for. We favor the development of the water resources of the nations for the greatest benefit of the nation as a whole and to the people in the territory in which they are located, upon sound, constructive and forward-looking engineering and economic policies free of politics and on a non-partisan basis. (1944)

We favor a program of development wherein the purpose or purposes of each project, especially multi-purpose projects, are clear and declared in advance, and cannot be lost subsequently through diversions and changes. The best way to insure this is to have the projects assigned to an organization that is devoted primarily to the major purpose of the project. Thus the Bureau of Reclamation should handle all reclamation projects, and the Army Engineers should handle all flood control projects and continue with navigation. (1944)

No project should be undertaken without careful consideration of its relation to other projects, and its effect on other lines of endeavor. This is particularly desirable with flood control, which requires coordinated planning over the drainage area affected in order to avoid undertakings that may prove disastrous instead of beneficial. (1944)

Hydro Power. All hydro power developed, whether by public or private agencies, should participate in regional power pools in order to realize the maximum benefits possible in combination with other sources of power. On this basis all government by-product power should be sold, as such, at the point of production. (1944)

Jurisdiction by International Agency over. Neither by treaty nor by agreement should there be given to any

international agency jurisdiction over any waters wholly within the United States. (1946)

Preservation of State Rights and Interests. We recommend that:

- (a) In connection with the exercise of jurisdiction over the rivers of the nation through the construction of works and improvements of navigation, the Congress recognize the interests and rights of the states in water utilization and control; to preserve and protect to the fullest possible extent established and potential uses, for all purposes, for the waters of the Nation's rivers; and to limit the authorization and construction of navigation works and improvements to those which can be operated consistently with the fullest use of the waters of such rivers for all purposes.
- (b) The Congress do not use the commerce clause, or other authority, to limit water uses as established by the states.
- (c) Where more than one state on the same stream is involved the division of the water between the states should be made by interstate compact if possible, or failing that, then through the application of the principle of "equitable apportionment or division" as between the states at the hands of the Supreme Court of the United States. (1944)
(See also WATER RESOURCES—Stream Pollution.)

Reclamation. In any reckoning of natural resources, the water and the land hold foremost place. The beneficial use of water upon the land is a composite problem, for the solution of which the federal government and the states, in any programs of useful public works, may wisely expend public funds upon carefully planned projects that will stand the test of economically sound investments or repayment arranged upon a business basis. Experience teaches that projects so devised not only benefit

the section where they are located, but contribute as well to the wealth and welfare of the whole country. (1946)

Re-estimate of all Projects. We recommend that all projects under consideration be re-estimated in the light of the greatly increased construction cost levels which now prevail, and which can be expected to go even higher after the war, to make sure that:

- (a) The cost estimates are reasonably correct.
- (b) The probable benefits are necessary and desirable in the light of the re-estimate.
- (c) The projects will accomplish the declared purpose. (1944)

Regaining of Congressional Control over. We recommend that the Congress regain the control of the development of water resources that it has lost to administrative agencies, and that it maintain and perfect its authority over future public works. (1944)

Regional Authorities. Regional Authorities, which would substitute federal controls over natural resources by encroaching upon, or displacing, state jurisdiction, should be opposed. The federal government should continue to use its regularly established agencies, operating on a national basis, for activities properly belonging to the federal government in relation to natural resources. (1946)

We recommend that every Regional Authority plan be examined with great care because of the serious and obvious social and political problem involved. The extension of the regional idea to the entire country would mean the eventual scrapping of traditional state lines and a new sub-dividing of the United States on a regional basis. Local governments would go with the state lines, and centralized control would take their place. (1944)

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