

shall be between labor and capital in the State; that must be a matter for the determination by agreement of that partnership, but that instead, in an effort to be helpful, the government would say to both sides 'Before you strike, before you lockout, you must serve a notice on the State, and then you must count ten and take one day for each count,' and during that ten day waiting or cooling-off period the government, through its State labor conciliator, had this one simple power: that was to summon both sides to sit down around a table to see whether or not a peaceful agreement could be reached; no power to say to either side what they must agree to, but only the power to say to both: 'Before you injure the public and yourselves, you must engage in these conferences. You must feel that weight of public opinion and the mature and cooler judgment of your own views before you reach the point of either locking out or striking...'

"Since that law has been placed into effect we in Minnesota have not had a single major strike or lockout in the entire state. Thousands of employees have been involved in disputes that reached the point of notice of strike or lockout, but negotiations were satisfactorily and voluntarily concluded without the stoppage of a single industrial machine or the loss of a single hour's wages, and in those few minor disputes that reached the stage of strike or lockout almost invariably it was found that the parties had been brought so close together during the period of negotiations that the bitterness and violence did not flare up, and in a very short period of time agreements were reached...

"In taking over the government we found in another phase of its relationship some 64 different bureaus, boards, agencies and departments, all directly under the Governor. You men who are executives know that it is absolutely impossible for an executive to function with 64 agencies or heads of departments or divisions directly under his direction.

"We sought, in keeping with the concept of making democracy more effective, to pull these depart-

ments together and create twelve major departments with which the executive could keep in reasonable touch, and then install a state business manager as a Commissioner of Administration under the Governor, with centralized powers of budgeting, of state property control, of fiscal control and of supervision over the affairs of all departments. And through these simple processes of coordination, through bringing together the many widespread social welfare activities, security activities, the many widespread tax collection phases, and all of these heterogeneous groups that had existed, through that simple process, still in its very early stages because of the necessity of enacting it into law in the very first ninety days of the administration, we in Minnesota, through those processes, have so changed the operation of State government that we have reduced, without taking it out of welfare, the total budgets of the State by over ten millions of dollars and we have cut down the total indebtedness of our State by over nine millions of dollars, and right today we are not spending any more than we are taking in. We are running under an absolutely balanced budget.

**Nelson A. Rockefeller:  
National Defense in Wartime**

*As Coordinator of Commercial and Cultural Relations among The American Republics, Nelson A. Rockefeller addresses The Economic Club of Chicago on May 7, 1941.*



"My position briefly is this: The people of this nation, through their president and their congress, have accepted the challenge of the free people of the world. They have made what I believe is an irrevocable decision from which there can be no turning back. The American people have declared their determination to produce such arms as are

necessary to defeat the forces that threaten the freedom on which the American way of life is based. The American people have approved of legislation that would make available these essential materials to the democracies which are fighting this battle on the front lines...

“To get these goods produced and delivered is our job today. We must do this job, fully and effectively and without delay. There is no time for half-way measures, for half-hearted implementation of the decision reached by the people, no time for the weighing of particular welfares against the general welfare or the measuring of sectional interests against national interest.

“There can be but one course for us as Americans. We must, we can and we will produce the goods needed in defense of the free way of life. We must, we can and we will see that these goods reach the armies of democracies. Fearlessly, unhesitatingly, with no doubt or uncertainty in our mind, we must unite in support of any and all measures that may be necessary to achieve these purposes...

“As individuals, we have not given much thought to economic problems of the other Americas, perhaps because we had plenty of problems to solve closer to home. Most of us, for example, would not read into our morning ritual any significant relationships with the other American republics, even though we polished off an out-of-season Chilean melon, gulped down a couple of cups of Brazilian coffee sweetened with Cuban sugar, and walked over an Argentine wool carpet to get an Ecuadorian straw hat.

“But the economist comes up for air feeling more neighborly than most of us can early in the morning. He sees in Latin America a market for some \$800 million of our goods annually, and a source of supply for a similar quantity of goods, many of which are vital to our defense program. He sees in Latin America an area where the United States has invested some \$4 billion, which earns around \$175 million annually. He sees an area where our travelers spend \$100 million or more

each year and whose travelers leave some \$25 million with us. He sees a region whose physical and human resources promise a very large expansion in economic productivity...

“With our usual disregard for practitioners of the dismal science of economics, we might normally be slow to heed the call of the economist. The war in Europe, however, has compelled us to reconsider the whole area of inter-American economic relationship.

“The logic of our approach is simple.

1. Vulnerability on the economic front menaces our security as greatly as vulnerability on the military front.
2. The good neighbor is an economically strong neighbor. To the extent that any link in the hemisphere is weak and inadequate, there is a flaw in our national defense.
3. We should therefore direct our efforts at finding means to strengthen our neighbors to resist forces that thrive on economic weakness.

“When the war broke out, Latin America was producing about \$5 billion of goods annually. Of this, more than one fourth represented value added manufacturing and processing industries which employed some two million persons...In 1940, we increased our purchases from Latin America by \$170 million, compared with 1938, and our purchases are currently running about 40 percent higher than in 1940. Our businessmen have turned to Latin America to locate new sources of goods that were previously obtained in Europe. Our governmental agencies are cooperating with Latin American governmental departments in searching out complementary products that might successfully be marketed in the United States...

“As the war has gone on, new and increasingly difficult problems have arisen. If one characteristic stands out above all others, it is the constantly changing character of the situation with which we are dealing. First, there has been the repeated need to adjust to one market shock after another.

“Then, there have been the unpredictable shifts in commodity positions. It seems hardly creditable now that when France fell, the loss of the French copper order seemed to doom Chile to an unbearable drop in foreign exchange revenues in the absence of copper markets to replace the great French purchases. But as our own defense program forged ahead, we have been able to buy hundreds of thousands of tons of copper, with a resultant complete change in the outlook for producing countries...

“In former days, when warfare was waged largely on a military basis, it might have been conceivable that we could have remained aloof from the outside world and successfully defended ourselves from military invasion. But today, the world is involved in a new and insidious type of warfare, a type of undeclared warfare that is not confined to the conflict of fast-moving armed forces in open battle or to the great naval encounters on the high seas, or daring dog fights and dive bombings of modern airplanes.

“Rather, it is an all encompassing warfare that knows no bounds and recognizes none of the human rights and common decencies. It scoffs at truth and fosters the immense lie. Invisibly it enters our homes and undermines the security and morale of our families...

“This new type of warfare is total war, and its goal is the utter and complete demoralization of the free peoples of the world, the very destruction of our civilization. Consider the tragic fate of the democracies of Europe. The pattern has been the same in one country after another, first Austria and Czechoslovakia, then Norway, Denmark, Holland, Belgium, France and now the Balkans. The democracies of Europe had grown soft and weak. They had been lulled by a sense of false security. They were not on the alert to defend themselves against this new kind of warfare. They were not aware of its dangers until the penetration had gone too far, until it was too late. Let us not be deceived. It can happen here. It can happen anywhere in the Western hemisphere, and the danger is a lot closer than most of us realize.”

**F. C. Crawford:  
It Can Be a Better World Afterwards**

*The United States was deep into World War II when F.C. Crawford, president of Thompson Products and president of The National Association of Manufacturers, addressed The Economic Club of Chicago on the postwar world on May 6, 1943.*

“I’ve just completed a swing around this whole country. I’ve talked to people - workers in factories from New England to the West Coast.

“‘Sure,’ they say, ‘I’m doing fine now, but how long is it going to last and what’ll I do after this is all over?’

“The postwar concern of the American people, make no mistake about it, is centered on jobs.

“And make no mistake about this, either: when the government planners come up with the idea of ‘guaranteed jobs,’ it warms the cockles of the hearts of the American folk.

“Of course, the promisers as usual are none too specific as to what they mean by ‘guaranteed jobs.’ Do they mean jobs at inflated war pay, jobs to all those not normally in the working force of the nation or jobs raking leaves as in the 30’s?

“But it is a fair question to ask, ‘Well, if government can guarantee jobs, why doesn’t private enterprise do the same?’

“Private enterprise cannot guarantee jobs but it can do something far more important - it can create jobs...

“Government cannot create wealth. It can, by taxation and ‘pump-priming’ shift wealth from the more fortunate to the less prosperous. In order to make the shift, government must take from those who have the capital which, if invested, would make more efficient production possible.

“Thus this shifting of purchasing power does not