The original documents are located in Box C43, folder "Presidential Handwriting, 7/6/1976" of the Presidential Handwriting File at the Gerald R. Ford Presidential Library.

THE WHITE HOUSE

WASHINGTON

July 6, 1976

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR: RON NESSEN

FROM: JIM CONNOR

SUBJECT: Special Kiplinger Magazine
November 1948
"What Dewey will Do"

The above mentioned Special Kiplinger Magazine of November 1948 was returned in the President's outbox with the following notation:

"What a story.

The Tribune wasn't the only one to make a mistake.

I wonder what the following Kiplinger booklet said."

Please follow-up with appropriate action.

cc: Dick Cheney
Jim Shuman (with the Kiplinger Magazine)

THE WHITE HOUSE
WASHINGTON

Ron Nessen

What a story.
The Tribune wasn't
the only one to make a mistake.
I wonder what the
following Kyhoquet
booklet said.

SPECIAL

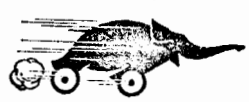
NOVEMBER 1948

THE PRESIDENT HAS SEEN....

Kiplinger MAGAZINE

THE CHANGING TIMES

What DEWEY will do



32-page feature complete in this issue—
plus the regular articles

KIPLINGER MAGAZINE

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ABOUT THIS ISSUE

Every new administration brings changes which it is well to figure out in advance. The current change is especially important because it is the first in 16 years, and so 32 pages of this issue are devoted to Dewey as President. The feature is really not one subject, but a collection of subjects reaching into every interest in thousands of practical ways. When you have read it, we suggest you write us any other questions you want answered about the new administration. Next month, Kiplinger Magazine will return to its customary spread of many different subjects, but prominent among them will be articles on new and special angles of the unfolding Dewey program. In succeeding issues we will keep you up to date on the developments.

NOVEMBER 1948

Businessweek

MAGAZINE

DEWEY AS PRESIDENT—*analysis & forecast*

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A forecast, based upon a great accumulation of factual information. Authoritative and accurate, as accurate as it can be in these changing times. Nearly 40 facets or subjects. Hunt and pick your own pet subjects.

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Plus *the answers to lots of little questions about Dewey, scattered through the pages . . .*

HOW THIS JOB WAS DONE

SIX MONTHS ago the editors of this magazine concluded that Governor Dewey would be nominated in June and elected in November.

Accordingly we started to study him, his record, his associates, to gather up clues as to what he might do as President.

First spadework was to read what Dewey had written and spoken back through the years, to find the lines of consistency that could safely be projected into the future.

Then we went out to talk with Dewey men, with people who had "known him when," with those who had worked with him, with those who had fought with him. No one person had all the answers, but all of them put together had quite a budget of answers.

A dozen crack reporters were assigned to the job.

Many people contributed to the study, not for campaign purposes, but for the sake of promoting understanding of a new President. They gave hours, they gave days, they gave nighttime to the enterprise.

It may seem odd to you, but we did not talk to Mr. Dewey himself. Deliberately and purposely we avoided him. The reason was this: We did not want the generalizations of a candidate during a campaign. We did not want canned and posed utterances. We were after specifics, and these always come better from the special advisers of a public man than from the public man himself, so we took the short cut.

Furthermore, the avoidance of Mr. Dewey in person was considered a guard against an undue leaning toward or away from him that might have come from close acquaintance. We wanted to be cold and impersonal.

We also studied the politics of Dewey's party, the politicians in it, the platform pledges, and sifted the genuine promises from the bunk. This study created the impression that on some fronts Dewey will not be able to accomplish all the things he hopes for. There are limitations that flow from external facts and current conditions. A President is not a free agent.

Some of the things in the following pages are already well known. Some are not generally known, and are startling. They all are based on a painstaking reporting job. —*The Editors*

WHY YOU NEED TO KNOW what Dewey will do: You've got to live with him four years, possibly eight. He will influence your life, your living, your thinking, your work, your business.

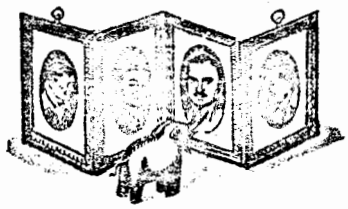
The President of the United States is the central force in a government which is essentially your partner, and the President is the chief figure in the partnership. Any new partner seems strange. You will like some relations with him, you will dislike others. But—the more you understand him, the better the operations, the higher the degree of unity.

By knowing the new President, by understanding him, you can steer your own course better, and fulfill your own duties as a citizen.

TWO TOUGH NOTES:

1. Dewey may well be a depression President. It is reasonable to expect some sort of depression, or at least a recession, to come within his term—or terms—if no war. How will he handle it?

2. Dewey may well be a war President. Can he manage to delay a war? Can he work some miracle to prevent it?



SOME PERSONAL FACTS

—most of which you already know

HIS full name is Thomas Edmund Dewey. He was brought up in Owosso, in central Michigan, a town of 15,000 today. He was 46 years old last March 24. He is the first President to be born in this century. He was too young to be in the first World War.

He is 5 feet, 8½ inches tall, which is average height, and weighs around 160 pounds. He does not wear elevator shoes. Is no longer sensitive about not being tall. Dresses neatly, conservatively, correctly, almost primly. Seldom does his hair go unruly. He eats the usual things for breakfast, nothing unusual, nothing notable. Smokes a pack a day, takes an occasional drink. Likes to work late at night; often gets up late in the morning, and annoys those who are early risers. Is a fair golfer.

Belongs to the Episcopal Church, and attends fairly regularly with his family. He's a Mason, but otherwise not much of a joiner—too busy. Reads miscellaneous stuff, and a great deal of history; is "history conscious."

Never made much money as a lawyer, for most of his life has been in public service, at public service pay. Lives by necessity within his current income. Owns, works and week-ends on his farm at Pawling, N. Y., which is run by a manager and three hired hands. Dewey studies up on crops, reads all the bulletins, makes the overall decisions on the farm.

Mother's name is Annie. She was once a schoolteacher and still lives in Owosso. They say she was a good teacher, well liked and respected in her own right. She shuns the limelight. The father died many years ago. He was the small-town newspaper editor.

Wife's name is Frances Eileen Hutt Dewey. She is 45. More about her in a minute.

Two boys—Thomas, aged 16, and John, aged 13. They look like their dad. They do just about what all other boys of their age do. Their parents would like to keep them out of the limelight.

More on Dewey the Person in subsequent pages, and details of the bare bones of his career in the clippings which appear on the next page.

Is Dewey really short? At 5 feet 8½ inches, he is about the average of all men drafted into the Army in World War II. He is taller than Churchill or Stalin.

MRS. DEWEY IS CHARMING—everyone says so. Mrs. Dewey is Texas-born, Oklahoma-bred, and New York-finished. Trim of figure and chic of dress, she may have more sex appeal than any first lady since Dolly Madison.

Her father is a retired railroad trainman, her mother a descendant of Jefferson Davis. In high school in Sapulpa, Okla., she sang with the glee club, had a severe crush on the chemistry teacher, and delivered the valedictory.

She met Tom Dewey in 1923 in a Chicago voice studio. Their common interest in music drew them together, and her fine mezzo-soprano and his baritone have been blending in duets ever since.

She had the lead briefly in a road-company production of George White's "Scandals," then toured the Paramount theater chain as a featured vocalist. Between engagements she got room and board at the New York YWCA for $14 a week.

Frances married Dewey in 1928, after a five-year courtship, when she was 25 and he 26. They honeymooned three weeks in Havana.

Today Mrs. Dewey's chestnut hair, which she wears parted in the middle, is streaked with gray. She has brown eyes, perfectly chiseled features, and a classic profile. Her size 14 dresses are always in quiet good taste. She visits the beauty parlor once a week, but does her own nails most of the time. She doesn't like ornate jewelry, usually wears a topaz ring set in gold, given to her by Dewey on their 16th wedding anniversary four years ago.

Mrs. Dewey is a natural, easy talker—neither gushy nor pushy. She likes people, and both men and women find her attractive. She likes the short stories of Katherine Mansfield, the music of Brahms and Bach. She is a clever home decorator, has a passion for gay wallpaper. And one of her most important attributes is her skill as a hostess.

Her whole life is exclusively devoted to taking care of her "men folk." She acts as "editor" for Dewey, reading four to six newspapers daily, digesting news and editorial opinion for him. Her friends say she has a "mind of her own," and in her discussions with her husband is an important intellectual aid. She shuns speech-making and politicking.

★ ★ ★

DEWEY IN "WHO'S WHO"

1937

DEWEY, Thomas Edmund, lawyer; *b.* Owosso, Mich., Mar. 24, 1902; *s.* George Martin and Annie (Thomas) D.; A.B., U. of Mich., 1923; LL.B., Columbia U., 1925; *m.* Frances E. Hutt, of New York, N. Y., June 16, 1928; children—Thomas E., John Martin. Admitted to N.Y. bar, 1926; asso. law firm Larkin, Rathbone & Perry, 1925-27; with McNamara & Seymour, 1927-31; chief asst. U.S. atty., Southern Dist. of N.Y., 1931-33, U.S. atty., 1933; pvt. practice, 1934-35; special asst. to U.S. atty. gen. for prosecution of tax proceedings against Charles E. Mitchell and criminal prosecution Irving Wexler alias Waxey Gordon, 1934-35; counsel to Assn. of Bar of N.Y. in prosecution and removal of Municipal Justice Harold L. Kunstler, 1934; spl. prosecutor Racket and Vice Investigation, New York, since 1935. Sec. and treas. U. of Mich. Club of N.Y., 1926-28. Mem. Am. and N.Y. State bar assns., Assn. of Bar of City of N.Y., N.Y. Co. Lawyers Assn., Alumni Assn. Columbia U. Law Sch. (standing com. since 1934), Phi Delta Phi, Phi Mu Alpha. Republican. Episcopalian. *Clubs:* Bankers, Tuxedo, Nat. Republican, Columbia U. *Home:* 1148 Fifth Av. *Office:* 120 Broadway, New York, N.Y.

1948

DEWEY, Thomas Edmund, governor; b. Owosso, Mich., Mar. 24, 1902; s. George Martin and Annie (Thomas) D.; A.B., U. of Mich., 1923, LL.M., 1937; LL.B., Columbia, 1925; LL.D., Tufts Coll., 1937, Brown University, 1938, Dartmouth, 1939, St. Lawrence U., 1941, New York U., 1942, Union Coll., 1943, Alfred U., 1945, Fordham, 1946, Colgate, 1947, Hamilton Coll., 1947; m. Frances E. Hutt, June 16, 1928; children—Thomas E., John Martin. Admitted to N.Y. bar, 1926; asso. Larkin, Rathbone & Perry, 1925-27; with McNamara & Seymour, 1927-31; chief asst. U.S. atty., Southern Dist. of N.Y., 1931-33, U.S. atty., 1933; pvt. practice, 1934-35; spl. asst. to U.S. attorney general in special matters, 1934-35; counsel to Association of Bar in N.Y. in removal of Municipal Justice Harold L. Kunstler, 1934; spl. prosecutor Investigation of Organized Crime, New York, 1935-37; elected dist. atty. N.Y. County, Nov. 1937. Republican candidate for gov. of State of N.Y., 1938, elected gov., 1942, reelected, 1946; Rep. nominee for president of U.S. 1944. Awarded Medal for Excellence, Columbia U., in recognition of pub. service, 1936; Cardinal Newman Distinguished Service Award, U. of Ill., 1939. Trustee Roosevelt Hosp., N.Y. City. Mem. Am. and N.Y. State bar assns., Assn. of Bar of City of N.Y., N.Y. County Lawyers Assn., N.Y. City Mission Society (bd. mgrs.), Phi Mu Alpha, Phi Delta Phi. Republican. Episcopalian. Mason. Club: Nat. Republican. Author: The Case Against the New Deal, 1940. Contbr. to mags. Home: New York, N.Y.; and Executive Mansion, Albany, N.Y.

WHAT HE'S LIKE

—what makes him tick

LET'S duck the externals and go to Dewey's innards—what he's like on the inside, how his mind works, what his spirit is, what makes him tick.

1. Let's get it straight that he is "conservative," and so is his party. He is not "reactionary" or "stand pat," or a worshiper of old ways and old times, but he thinks and acts in orthodox ways, in terms of methods that have been tried and tested in experience. He is no great innovator. He is a strong believer in capitalism, in free enterprise, in private initiative, in individual undertakings. To him the individual comes first, the state second.

2. He is a whale of a good executive and administrator. This is inherent in him, and it would be true if he were in private work instead of public service. He would run a corporation well, and he will run the government well. He is master of the mechanics of organizing a big job, then running the job. He delegates responsibility to others, and gives them a relatively free hand. He trusts them, but holds them to their tasks, and is familiar with many details of their work. He doesn't mess in, but he knows surprisingly much of what's going on.

3. He is efficient in all that he does—gosh-awful efficient. He was an efficient singer, but didn't have the *it* to make him great. He is an efficient public speaker, having studied how to do it. He is efficient as a selector of efficient aides. He is efficient as a questioner of others—an efficient picker of the brains of others. He is efficient at caring for his health, and seldom does anything he shouldn't do.

4. He has humanitarian impulses, but he does not let his heart bleed. Instead he tackles the problem with his mind, and *thinks* how to remedy faulty conditions. He's a thinker first, a feeler second. He thinks that thinking gets a job done better than feeling.

5. He is a technician in the science of human relations, but hardly an artist. He is primarily the engineer, dealing with facts, facts, facts. He builds facts into a pattern, a conclusion, a program. Never does he get the inspiration first, and then assemble the facts to fit. He doesn't play by ear.

6. Remember that he springs from the middle class of folks—middle class in income, middle class in culture. Most of his associates are now upper middle, by either money or culture standards. He doesn't mind rich people, but he doesn't seek them out, and such rich friends as he has are working rich, not idle rich.

7. He is so intense a working man that he frequently does not have time to be gracious or charming. He has studied hard, makes a conscious effort to make people like him, but it doesn't come easily or naturally. This may turn out to be a good thing, for in the past some people have loved a President so much that they got their judgment of his doings all tangled up with their personal affection for him.

8. He thinks from the particular to the general, from the facts to the conclusion. He does not try to apply generalizations to particular situations to any great extent. He is not doctrinaire.

9. He thinks highly of state and local responsibility, not for constitutional reasons, not for theoretical states' rights reasons, but simply because he thinks state and local responsibility gets the job done better.

10. He is a career man in public service. He is passionately devoted to doing good work in public office. He is busting with confidence that this is his best way of doing good to people. This is the passion that makes him tick.

HOW HE OPERATES

—always with a team

TEAMWORK is Dewey's first name. Everything he does is done by teamwork. No individual decisions, untested by others. No impulsive flashes, put into execution without consultation. But always conference, give and take, swapping of ideas, challenge, with plenty of disputation within the team. Then the final decision on course or policy, usually a composite of many minds.

The mind of Dewey dominates, but does not dictate or domineer. He is the captain of the team, the director, the boss, the hard driver, but not the Great-I-Am, never the Rough-Shod Rider.

Reasoned. All conclusions are reasoned out after a tedious procedure in collecting facts. His associates marvel at Dewey's appetite for facts. He is a tireless questioner. He is methodical to what some people consider an extreme. He prepares a case for a piece of legislation, for example, as if he were preparing a case to be presented to a court.

Picker of men. Inasmuch as he dotes on the team method of operation, he picks his team carefully. He searches, searches, searches; checks the qualifications, background, character and temperament of men in detail, even the family internals that might influence them. As a wielder of the appointive power, he is just about the fussiest public man that ever came down the pike. When he decides on a man he moves heaven and earth to get him. He talks to him at length, he argues, he reasons, he comes at him from different angles, comes at him again and again—and in this way he usually gets him. He has persuaded many a man to quit a high-pay private job and take a low-pay public job by tactics such as these. It is his forte.

Big names. He seldom goes looking for ready-made big names. He does not shy away from big names, but he chooses men regardless of whether or not they already have acquired public reputation. Many of his federal appointments are bound to be "unknowns." Many of them will not suit his own party politicians who look primarily to the political following that a man has. Dewey is not blind or indifferent to accumulated prestige, but in his selections he makes it secondary.

Delegation of authority. Appointees are given pretty much the free hand to make their own decisions and do what they think best. They are given a job and Dewey expects them to go ahead and do it without running to him on the details. Consequently his associates like to work with him. They get a zest out of their duties, and out of the clean-cut lines of responsibility. They get fun out of their work. So many of them have said it that there's no doubt it is a real quality of atmosphere in the Dewey world of work.

Organization. Politicians at the Philadelphia convention said Dewey was "the most organized man" in attendance. Precisely. He and his team organized his campaign to get the nomination exactly as he organizes everything else—always in advance, always with attention to minutiae. He will be that sort of President.

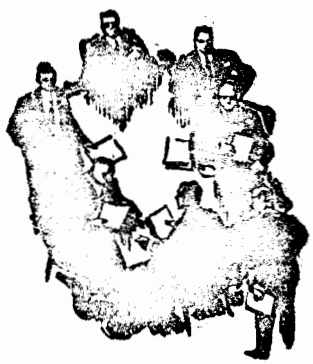
"Easy to argue with." All Dewey men say this. All Dewey men say they feel free to disagree with him. Often he allows himself to be overruled by the weight of judgment contrary to his own.

"Perfectionist." This term is applied to him by his associates, and it is standard. Often it is uttered with a bit of a sigh, implying that he drives them hard to do

all the little scraps of work, or dig up all the facts, and leave nothing undone.

Soft soap. Dewey is deficient in his ability to cajole, or flatter, or speak sweet nothings to gain his end. He cannot slap backs, he cannot kiss babies, he cannot "put it on" to win a friend. Sometimes he has tried it, but usually he has fallen flat on his face. He is polite, direct, blunt, brusque, intolerant of a lot of palaver that does not come to the point. He seldom seems to relax and consequently most people do not relax with him. He has no time for oil or soft soap.

Conference method. He confers, and he insists that others confer, with everyone concerned in any problem. He drags in proponents of a course of action; he also drags in critics, and they talk it out. Often he trims his sails, because he finds he cannot get away with what he regards as his full program. He may prefer a whole loaf, but if he can't get it he will take half a loaf, and he considers it better than no loaf at all. He will confer this way with Congress, with the leaders, even with some of the Democratic leaders. He will try to work out differences in advance, during the gestation of the program.



Compromise. He compromises on many things as a matter of course. In public affairs there are varying ideas, and to make minds meet on the core and heart of a program he does not hesitate to discard the fringes.

"Will it work?" Every close associate has heard this question from him dozens of times. A piece of legislation may be under consideration, a new program, a reorganization, an appointment, a great idea, and always at some stage pops the question, "Will it work?" He is always practical, always thinking in terms of the operations. He thinks a grand idea is no good if it can't be worked out. Also this: "How much will it cost?"

Four essentials. Often he speaks of four steps, almost a formula, in approach to any problem on which there is wide public disagreement. The four steps are: education, persuasion, conciliation, mediation. They run in that order.

Partisanship. Dewey is a Republican, a party man, and no doubt about it. But he recognizes that the opposition party represents a substantial minority of people, and has many good men in it, and so he plays ball with Democrats. This is one of his ways of getting things done. Bitter-end Republicans do not like him any too well for this.

White rabbits. Dewey doesn't believe in them. He doesn't believe in sudden inspiration. He would never toss off a great idea overnight. Instead, he would deliberate and deliberate, and get others to do it, too. He is inclined to think that emergencies do not arise unforeseen, that they are definitely foreseeable, that plans can be made for them in advance, and that the necessity of pulling out white rabbits is a sign of faulty foresight and planning.

Imagination. Whether he has it is a subject of dispute. In his mental processes he is highly mechanical, rational, logical, systematic, without seeming to be imaginative. His friends vehemently assert that underneath the surface of his systemization lies a broad base of imagining, of foreseeing the ends, foreseeing the results. They call this "disciplined imagination," the kind of imagination that is able to visualize without getting all vaporous.

* *

DEWEY'S FAULTS

—they say he has some

HIS critics find many flaws in him. What they say against him, and what his friends say in retort, should be set forth as one way of promoting understanding. It does no good to know only the virtues, when faults are intermingled. It pays to know the weaknesses, and to weigh them in perspective.

As a preliminary it should be said that the breath of scandal has never touched Dewey, either in his private life or in his public life. His record is clean, and his associates have been clean.

The criticisms of Dewey revolve largely around his personality, not his deeds.

Some of the terms applied to him by his critics are these: "Cold," "calculating," "ruthless," "mechanical," "devoid of vision," "infuriating in his perfection."

Here, for example, is what one person has said, and it may reflect the feelings of others: He has met and mastered all the schoolbook maxims. In so doing he has acquired the appearance of perfection. This automatically makes him suspect to people. Lack of any obvious human frailties sits poorly with the rest of us, who have so many. He is Little Lord Fauntleroy grown up. He is the mature version of the kid we all hated in school—the one who never played hooky, never pulled the girls' pigtails, always knew the right answers, never came unprepared.

The retort, as made by his friends: Many people do react to Dewey in this way. Dewey is a perfectionist, and people don't like perfectionists. It is partly envy and jealousy. But if you are hiring a man to be a President or a general manager, you ought to be jolly well grateful to get such a well-prepared man, such a meticulous man. If you need faults in a man to make you love him, you'd better turn for you loving to others who have faults galore and weaknesses aplenty. But in that case, what kind of public administration are you going to have?

More from the critic: Dewey has lived by the rulebook, not the heart. His approach to any problem is efficient, coldly scientific. He settles any issue by distilling intellectual conclusions, not by applying instinct or imagination. Men in high office must, of necessity, pick the brains of their advisers. But there is no evidence that Dewey adds anything original to the results of his brain-picking.

The retort: It is true that Dewey is efficient, cold and scientific, and that he picks the brains of others. But this is a merit, not a fault. Too many public men have thought they were all-wise within themselves, and history demonstrated otherwise. Dewey's strength is that he does not rely only on himself. He relies on himself, plus others. Thus he hopes to avoid mistakes and half-baked visions for which the people must pay the bill.

Says the critic: Americans need something of a hail-fellow-well-met type to warm up to. Dewey scores a zero here, and the weakness may hurt national unity.

Says the defender: Where have the hail-fellows gotten the nation? Why insult your own intelligence by *voting* for them? You certainly wouldn't *hire* them for your own business, would you?

The critic again: Dewey reached his high estate too young and too easily. Career-wise, has had too few kicks in the teeth. Men learn by mistakes and experience. He has made few mistakes to profit by. He's too young to be mellow, to have acquired the wisdom that comes inevitably to older men of intelligence. Success has made him cocksure, almost a Joan of Arc in his rectitude. He is ruthless, not through sinister motives, but because he's dead sure his way is right.

The defender: Yes, some of this is true. He is young. He has succeeded. But he

has gotten older, and he has experienced some painful setbacks, starting with the Hines mistrial, followed with his loss in the campaign for governor in 1938 and climaxed in his 1944 defeat by Roosevelt.

He is cold and calculating, say the critics.

Calculating, but not cold, say the defenders. He doesn't get mushy about horrible conditions. He doesn't put on a flamboyant act. Instead, he gets his mind busy and figures out what to do to fix them up. This gets further in the end than crocodile tears.

He has the temperament of a dictator, says the critic.

Simply not so. He is too smart. He's the boss, he's dominant, but never domineering, and there's no dictator in him. His whole record demonstrates teamwork.

He is often brusque.

Yes, he is. He doesn't mean to be. He just gets so wrapped up in his work, the problem at hand, that he neglects to be smooth.

He is artificial and "posey," say some. His gestures, his speech, his ingress and egress give you the feeling that they are carefully planned, that he is always the actor.

Retort of friends: True, he has his mannerisms. He has always had them. They are his, and they are him. They are the product of his training. He has trained to attain something akin to perfection. He has listened to people tell him how to seem more human, and he has tried hard to do things the way they tell him, and perhaps he doesn't seem quite natural in doing them. Still, you make allowances for other people, and you ought to make allowances for a man who happens to have become President.

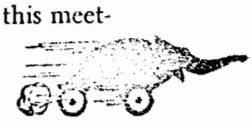
And so it goes, so it goes, and there is no end. The only proper conclusion is that Dewey comes into office by majority vote of the people, which indicates at least confidence. He may become a personally beloved public man, but he certainly does not rate that standing now. He inspires respect and admiration, but not any too much whoop and holler.

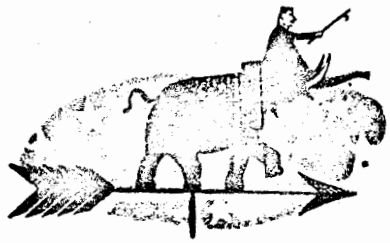
HOW DEWEY GETS THE MEN HE WANTS

PERSISTENCE in getting the right man to do a job is generally regarded as one of Dewey's important traits. In at least two cases, he has had to keep after the man he wanted for a particular task, but he succeeded in both instances. These examples cast light on the way he may be expected to operate as President.

CHARLES H. SELLS, who just recently resigned after 5½ years as Dewey's Superintendent of Public Works, was signed up in 1943 following more than a year of persuasion. Sells was with Foley Brothers, Inc., a construction firm, doing a job in Persia, when he got word that Dewey wanted him. He replied that he wasn't interested. When he returned to the States in early 1943 to visit his family, he was met at Miami at the plane with a long distance phone call about the job. Again Sells declined. He then went to South America on another project, and returned shortly thereafter to find Dewey still chasing him down. He agreed to talk to Dewey. He did, and soon was on the New York pay roll in the spot Dewey had him ticketed for.

DR. HERMAN E. HILLEBOE, New York State Commissioner of Health, was Assistant Surgeon General of the U. S. Public Health Service when Dewey started after him. Dewey twice invited him to Albany for talks. Each time Dr. Hilleboe declined the job. The third time, Dewey invited him to Pawling. For this meeting Dr. Hilleboe went equipped with a long list of conditions (no political interference, freedom to write, freedom to carry out his own program, etc.). Dewey said, "All right, is that all?" Dr. Hilleboe took the job.





WHAT DEWEY WILL DO

A preview of the action on many fronts

CABINET. In choosing his cabinet, Dewey will emphasize the qualifications of the particular man to do the particular job. Politics and political drag will play a part, but this will be secondary. Popularity or pre-reputation also will be secondary. The cabinet may contain several who, by national standards, are "unknowns." Many of Dewey's New York State associates will come to Washington to serve somewhere in the government, but not in the cabinet, for there cannot be too many cabinet members from the same state.

Presidential aides. The President is a man, but the Presidency is an institution, an organization, a super-department of government. It is too big a job for any one man, or for any half dozen men, and Dewey knows it, so he will ask for and get the authority to have plenty of high-grade responsible helpers. Some of these will be attached directly to the White House, not lent to the White House by departments or agencies. Their jobs will be like the jobs of various vice presidents of corporations—to carry out the policies determined at the top, and to assist in the formulation of policies. The White House under every President has been undermanned. Under Dewey it will be more adequately manned.

Economic advisers. The basic economics of the Dewey administration will be orthodox. The advisers will be orthodox. This means middle-of-the-road, as contrasted with extreme left or extreme right. Many appointments will soon be announced, or will leak out, and you can see how they fall into the pattern of orthodoxy. The Council of Economic Advisers, which advises the President on how to watch for booms and busts, and what to do to avoid them, in due course will be re-manned.

Cost of living. Dewey's advisers believe the cost of living will ease somewhat in the next six months or so, as certain lines of business develop slack and reduce prices. These "little recessions," line by line, will be tough on the lines affected, but the Dewey people think they are akin to mild medicine and preferable to more serious, widespread economic illness later. Over the longer pull, Dewey and his advisers expect more up-pressures. Nevertheless, they rule out price control, except as a final step. They believe it treats symptoms rather than causes, and so they prefer to attack inflation mainly through the government's power over money and credit.

If depression. Right now the Dewey people are more concerned over the problems of the continued up-creep of inflation rather than any serious deflation. But they recognize the possibility of a recession within the next two or three or four years, without trying to put an exact time label on it. Whenever it comes, Dewey will try to use "orthodox" fiscal and monetary methods to combat it. The methods will

deal with the taxes of lower-income people, public works, and stimulation of capital investments.

Foreign policy. Dewey will slowly and gradually strengthen the "Truman Doctrine," which now provides primarily for *containment* of Russia by *military* aid to non-communist countries. The Dewey policy will emphasize *economic* help for Russia's non-communist neighbors. This economic offensive, with military measures only in the background, is considered to be cheaper and more effective, and is designed to *push back* the Russians.

Dismantling of Germany will be stopped. The German economy will be tied strictly to Western Europe, and German industry will be encouraged.

The Western European alliance will be pushed hard, and if Britain continues her policy of obstruction and delay, her knuckles will be rapped. Spain and Portugal will be nudged into the Western alliance.

New policy for China will be put into effect quickly—military aid for a year or two, but prime emphasis on more economic aid, long pull.

The Good Neighbor policy for this hemisphere will remain about as is.

(More on page 18.)

Will Dewey, at 46, be our youngest president?
No. Theodore Roosevelt succeeded McKinley several weeks before he was 43. Ulysses S. Grant was the same age as Dewey when inaugurated.

Bigger defense. The budget for Army, Air Force and Navy will be increased under Dewey from around 14 billions a year to 17, 18 or even 20 billions a year. There is really no telling how far it may go within the Dewey term. It depends on foreign developments, for which the outlook is certainly not bright.

Controls for defense. Dewey hopes to get by over the next year without any additional controls, but he is prepared to slap on new ones if he has to. The Republican Congress was skittish about giving controls, even on a stand-by basis, to a Democratic President, but it will assent more readily to controls under Dewey if and when he asks for them.

In any event, he may have to broaden and strengthen the voluntary system of allocating scarce materials.

Civilian vs. military. If there's a war, the military will try, as usual, to run the civilian economy. Dewey will resist this. He will insist that civilian authorities dominate the civilian economy, just because they can get more out of the economy than the military can. Thus his reason is wholly practical. The military, on the other hand, will be given fairly free hand to run the fighting phases of war, without undue civilian interference.

Taxes. Dewey cannot reduce federal taxes. Instead, he will have to increase them—probably in 1950—to pay the higher expenses of defense. As a first step, corporation taxes will be raised and the new administration will lean toward an excess profits tax to get at high defense profits. Individual income taxes will not be raised at first, but may be later, and will surely be if there's a war. A few excise taxes that burden business may be abolished or reduced, but it is quite possible that the excise taxes will be *raised* on liquor, tobacco and gasoline. Dewey would like to get the federal government out of excise taxes, and leave that field to the states, but probably cannot succeed. Incidental relief for middle-class individuals may be provided in the form of more liberal deductions for medical and hospital expenses, insurance, etc. (More on page 23.)

Balanced budget. Dewey is a crank for a balanced budget, and so are the Republicans as a party. If expenses go up, taxes will go up. If there's

a war, well, that makes it different, for a war cannot be financed except by borrowing—deficit financing, unbalanced budgets.

Government expenses. Reorganization of government and better administration can save millions, tens of millions, perhaps even hundreds of millions, but not billions. The outlook is for higher defense spendings, consequently an increase in total government expenses. This is not the fault of the President; it is the fault of the times.

Labor. The Taft-Hartley law will be retained, with minor amendments. One amendment may liberalize the law for the union shop, or even allow the closed shop in industries which have long used it. But the principal Dewey effort will be to strengthen mediation and conciliation, and to get troubles settled locally, without focusing them so much in Washington. The Bureau of Labor Statistics will be enlarged and bolstered to provide better current statistics to be used by both labor and business. (More on page 25.)

How did Dewey become a Republican?

He inherited it. George Martin Dewey, paternal grandfather, was a founder of the Republican Party and was a delegate to the original Republican convention at Jackson, Mich., in 1854. And Governor Dewey's father was a life-long Republican.

Agriculture. Dewey will have up his sleeve nothing drastically new for agriculture. Essentially he will favor the farm program that has been developed over the past 16 years under the Democrats. There will be changes and refinements of the program, but in the main Dewey will focus on better administration. He is not likely to advocate any change in the support price policy for 1949, unless a drastic price break requires some emergency action. He will push for more crop diversification, especially more shift to meat, milk, eggs and poultry. He will plug for soil improvement, irrigation, reclamation and flood control. He will urge "managed forestry," or "sustained yield forestry." He will give more attention to state agricultural agencies. As between butter and oleomargarine, Dewey is regarded as "pro butter," but he would not veto legislati to end the tax on margarine. (More page 26.)

Communists. He will be against outla ing the Communist Party, for he thinks is dangerous to force trouble-makers und ground. He will weed out communists an fellow travelers from government, using th FBI. He will be careful not to smear peop by labeling them carelessly. He think everyone has a right to think what h wishes. But he does not believe in com munists within government. Basically h thinks the difficulties with communists ar not in lack of laws, but in poor adminis tration of the laws we have.

Schools, education. As governor of New York, Dewey got into trouble with the teachers because he wouldn't spend as much state money for local schools as they thought he should. He insisted that local communities bestir themselves, and *then* get state funds to help out. Same policy will be followed nationally. He will favor federal money for hard-pressed states, but will require that states and localities do their utmost as a prerequisite for federal aid. He will insist on specific plans for dealing with sore spots, rather than the more general method of dishing out federal funds freely. As for colleges, Dewey thinks in terms of aiding worthwhile young men and women to get higher education, regardless of their economic status.

Housing. Dewey is a "public housing man" in the sense that he thinks public money must be used for slum clearance, and for a certain amount of subsidy for the housing of low-income people. He does not moan and groan about the bad housing of the poor, as some zealots do. He merely says society cannot afford to let

people live under conditions that breed disease and juvenile delinquency. He will advocate national research on housing needs and methods, federal aid to states and cities to match their funds for subsidized public housing, outright grants to states and cities for slum clearance and urban rehabilitation. Also easy federal loans to limited dividend corporations (private enterprise) to facilitate moderate-rent apartments for middle-income families. In all these housing matters he will push for strong local control, loose federal control. He thinks localities should do more on housing and not merely lean on the federal government. On housing Dewey will prove much more progressive than most of his old-time party leaders.

Health. Dewey will oppose the plan for compulsory national health insurance as proposed by Truman. He agrees with the medical profession that this would be "socialized medicine," and he thinks the people are not ready for such a system. As a "better way" of providing better medical care, Dewey will strongly support more medical research and he will favor the organization of campaigns against serious diseases such as cancer and tuberculosis. He will advocate federal aid to build up county health units and will push for the building of more hospitals, the training of more doctors. His program will have the approval of organized medicine. He probably will not go along with a health program such as was proposed by Warren for the state of California—a 1 percent pay-roll tax to pay hospital bills and hospital medical bills.

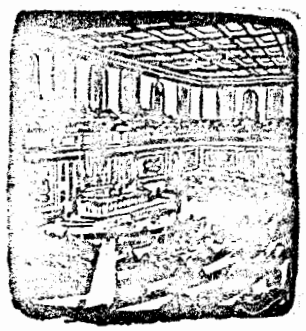
Social security. Social security will be broadened under Dewey in three major ways: (1) Coverage will be extended to nearly all workers. The four principal groups which this will bring in will be the self-employed, employes of non-profit institutions, farm workers, and domestics. (2) Benefits will be increased. (3) Eligibility for older workers will be liberalized. Under the latter change it will be possible for more persons to qualify for social security. Under present regulations about one third of the men who will be over 65 in 1955 will not be eligible for old age benefits. Under this section also the eligibility age for women would be lowered from 65 to 60.

New Welfare Department. He plans to pull together in one department all welfare functions, and will ask Congress to so legislate. Social security will be in it, and other social welfare activities. The department will be expected to work more closely with state authorities, but will supervise them and make sure they use federal monies wisely. He will take special interest in juvenile delinquency. Dewey thinks that human relations, such as housing, labor, health and education, ought to be "taken out of partisan politics," and operate under bipartisan policies, bipartisan administration.

Fair employment. He will advocate a national fair employment practices law to encourage the hiring of Negroes and other minority groups, but will be cautious about it. His basic idea is that employers ought to be persuaded to hire people of minority groups against whom there is social prejudice, and that persuasion will get further than mandatory requirements or crackdowns. His approach is practical, rather than ideological. He will tinker with the idea of a combination of federal and state administration. Those who want to go whole hog for federal requirement of fair employment will

regard the Dewey policy as half-hearted and inadequate.

Negroes. Dewey as President will walk down the middle of the road on Negro questions. He will favor anti-lynching and anti-poll-tax legislation, but he will not fight any too hard for them at the expense of other legislation, or other issues. He will not be as adamant as Truman has been. He will be inclined to educate on employment of Negroes, but not prosecute. He will work for better education of Negroes, better schools and more schooling, and for the evolution of their social and economic positions. He probably will not abolish segregation in the Army. In these matters he will be a "moderate," and will be guided frankly by expediency. He will not present to Congress any single bundle of civil rights plans; he will prefer to deal with each issue separately. He will appoint many competent Negroes to public office, for he is influenced by qualifications, not the color line. Many Negroes will applaud him, many won't.



Small business. Dewey thinks there are no panaceas that benefit only small business. He thinks that all business, big and little, is pretty much interrelated. As governor of New York State, Dewey had a good record of assisting small businesses in getting started, and in helping them operate well after they started.

Anti-trust. Dewey will try to get Congress to vote more money for the work. His approach will be to use the rifle, not the shotgun, and to go after a few of the worst cases of monopoly. He will direct the Department of Justice to prepare cases thoroughly, so they will not fall down at the end. He has no punitive spirit toward business, and will not use anti-trust threats to persecute, as has sometimes been done in recent years. His Republican Congress, however, may not give him all the money he wants for anti-trust.

Managing Congress. Dewey as President will have weekly conferences with leaders of Congress, and will try to harmonize ideas in advance, and to some extent in private, to minimize the public airing of differences. He will cultivate all leaders, and his prestige, plus the harmonizing interest in patronage, will preserve good relations through a fairly long honeymoon. Eventually he will come into conflict with the ultra-conservative wing of his own party, and he will have plenty of trouble. Dewey will compromise on some of his own ideas for the sake of getting the best he can out of Congress. This will give him the reputation among extremists of being a "trimmer," but his attitude will be that it is better to get something than nothing, or a part of a program that will work in preference to a whole program which may break down because not enough people believe in it. (More on page 31.)

Patronage policy. The new President will have many appointments to make. Merit or qualification will be the first test, but at the same time he can play the political game by giving or withholding patronage from members of Congress as a measure of party discipline. Dewey will certainly do this, using patronage as a driver uses a whip. This will be one way of keeping Congress in line. But he will investigate records and qualifications, and will not hesitate to use the FBI on the investigations. Dirt in a record will be a bar. Dewey will take his time about cleaning out hang-over Democrats who are good in their jobs. He will take his time to find good successors. But before long he will fire many New Deal Democrats and left-wingers.

Government reorganization. Dewey will follow many of the recommendations of the Hoover Commission on reorganization of departments, agencies and functions. The Hoover Commission report deserves study with special care as an indicator of the Dewey course. But Congress will not go along on many of the recommendations, regardless of how sensible they may appear. Congress always bucks on details of reorganization, is always protective of the sacred cows within government who might be legislated out of jobs. Dewey will discover that the sacred cows in the aggregate have as much pull as the President has.

Vice Presidency. Warren as Vice President will be given work to do. He will go beyond the traditional role as semi-idle wielder of the gavel in the Senate. He will be in on cabinet meetings. He will help to work out some of the administrative problems between state and federal governments. He may go abroad on important occasions as a high-ranking emissary. He may help in reorganization of the government. He will assist the President, but he will not be "Assistant President" or "Co-President," for our system and our laws focus responsibility in one man, not two men.

What is Dewey's stand on the present minimum wage?
"It is far too low."

Courts, judges. His ideas on the picking of federal judges are these: No mere legal theorists, a minimum of college professors, no congressional lame ducks who "have to be taken care of," no business haters, no haters of any kind for that matter. Instead, practical-minded men who have earned the general respect of bench, bar and public. Whether he can abide by these standards in every case remains to be seen.

Administrative law. Dewey thinks some of the federal commissions should be unscrambled, so that they may not act simultaneously as law-makers, prosecutors and judges. He thinks some of them are more punitive in spirit than they should be. And some are hobbled by too many rules of their own. Dewey will try to make reforms by appointing the "right sort of men."

Women in business. A division probably will be created in the Department of Commerce to look out for the problems of women in business—gathering information and giving informal counsel on what types of business are best for women, where women are most likely to succeed, etc. It will be headed by a woman. Dewey worked this out in New York State.

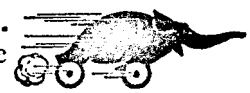
Women in government. Dewey probably will not appoint a woman to his cabinet. He will appoint women to other jobs where he considers them qualified. As a politician, he does not overlook the value of cultivating the woman-vote.

Foreign trade. The Marshall Plan will be continued, of course, and most foreign trade in the next three or four years will necessarily be under it, or geared to it. Another 5 or 6 billion dollars for ECA, the Marshall Plan, will be backed by Dewey this coming year.

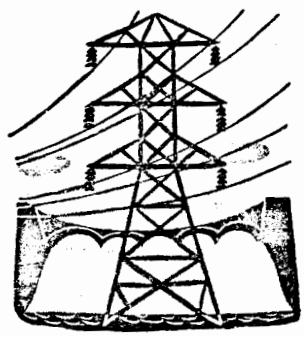
The reciprocal trade policy probably will be extended beyond this coming year. The Republicans pretend not to like it, but actually they will not reverse it. The most-favored nation provision will be limited to those nations that give it in return. Thus more of a "tit for tat" policy.

As for foreign currencies, every effort will be made to get them stabilized. Dewey believes that tariffs are not as restrictive on world trade as false money values, frozen funds, non-convertibility, etc. He regards these restrictions as far more important than tariff or reciprocal trade agreements. (More on page 18.)

State Department shake-up. Drastic reorganization of the



State Department will be begun promptly, with full realization that the job will be tough and take time. Top positions will go to men of proved knowledge, experience and skill. Dewey doesn't think much of amateur directors of foreign policy, or amateur diplomats. Internally the functions will be rearranged to accord with geographical areas. Intelligence work will be stepped up to give this government better information on what's going on throughout the world. Better pay and more liberal expenses will be sought for foreign service men, for Dewey is violently opposed to the present system which gives inside track to rich men who can afford to pay the expenses of foreign service out of their private pockets.



Public works. Dewey will immediately set in motion the machinery for planning big public works, to be executed on a big scale whenever there is a recession. He is sympathetic with the Missouri Valley, Columbia and Willamette river basin projects, and the St. Lawrence Seaway, with earliest effort on the power phases of the St. Lawrence. He will try to judge projects by the test of whether they can be honestly self-sustaining and self-liquidating. He thinks many public works are needed at once, and should not be deferred until there is a recession.

Electric power. Dewey will be an advocate of additional public power projects, but this does not mean that the government will be a final distributor of the new power output. In some of his policies he will oppose the private power industry and the coal industry. He thinks the country needs more electric power than private companies are producing, and that it is the proper function of the federal government to develop new water power, thus to expand the country's productive capacity. As for control of power projects, he thinks this should be vested in the states or a combination of the states—and not just in the federal government. He is afraid of too much focused authority, and thinks the regional controls work out best. Each power project will be examined to determine whether the expense is justified by the returns, whether it will "pay for itself," whether it is "economic."

Reclamation. He favors more irrigation, more reclamation, and more flood control, tied up with power projects. Warren as Vice President, being from the West, will be an aggressive influence for reclamation and irrigation.

The press. The new President is bound to have his troubles with the press men of Washington. He will not have as good relations with them as Roosevelt had when he first came in. The press men are an old, experienced crew, inclined to be tough, never easy to get along with. Some have the prima donna complex, and will make it a bit hard on a young man who will not slap or rub their backs. But, by and large, they will be fair. They will do straight reporting. They will not lean unduly to him or unduly against him.

Fronting chores. A President carries a great burden of greeting, hand-shaking, long-listening to callers, letting the "right people" have appointments and take his time, speech-making at dedications, etc. etc. Dewey does not naturally take to this part of the job, and will do only what is considered necessary. This will make some people mad, but he will stick to his conviction that the main job of a President is to work, not to spend too much time slobbering over people.

Lobbyists. Dewey does not consider all lobbyists evil. He thinks they have the

right to represent their special groups in matters of legislation and administrative policy. He may disagree with them on their objectives, but he does not deny their legitimate right to work for their causes. He probably will even *use* lobbyists for special objectives, call them in for conference, in an effort to harmonize the aims of their powerful groups with other powerful groups. Those who think that representatives of special interests are poisonous probably will cry that Dewey has taken the asps unto his bosom.

Supreme Court. Don't expect Dewey to run into trouble with the "New Deal" Supreme Court. Don't expect to see much Dewey-sponsored legislation thrown out by the high court. Things won't develop that way. In the last 16 years, the Court's attitude toward legislation has been modified, and the dominant mood of the present Court is to accept the doctrine of "legislative eminence." This means that the Court will be reluctant to tamper with the will of Congress and the Executive, unwilling to substitute its own judgment for the judgment embodied in the laws. The Court will keep hands off, except in cases where real constitutional issues are involved. And Dewey, being fundamentally conservative, is not likely to provoke such issues.

The Solid South. One of Dewey's political ambitions is to establish his party as a real contestant in national elections in southern states. He will play his political cards in an effort to make this possible. Other Republican Presidents have tried and have not succeeded, but he hopes for better results.

Two terms. One of the simplest things in the world to predict is that Dewey will aspire to have two terms—two, not three. All the talk of all his advisers is geared to the expectation of eight years in office. This is one reason why they all are so avidly interested in ways of preventing or at least moderating any depression. They are aware that depression made Hoover a one-termer, and they would prefer that Dewey not be another Hoover.

SAGGING WHITE HOUSE FLOOR MAY COMPEL THE DEWEYS TO MOVE

SOMETIME during his term, Dewey probably will have to live away from the White House for a year.

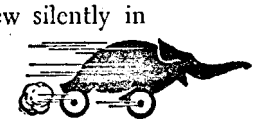
The second floor of the 132-year-old Executive Mansion is sagging, and next year Congress will be asked for about a million dollars with which to repair it.

The trouble started in 1892, during Benjamin Harrison's tenure, when bathrooms were first installed. Holes were bored through the wood joists supporting the second floor, and the joists have been splitting ever since.

Although there is no immediate fear of a cave-in, the White House architect says the crumbling wooden floor must soon be replaced by one of steel and concrete.

While the work is going on, the Deweys will probably live in Blair House, a mansion near the White House usually reserved for visiting foreign dignitaries.

Other Presidents have had to take up residence outside the White House. Madison moved out after the British burned it in 1814, Teddy Roosevelt was forced out during extensive renovations in 1902, Coolidge withdrew silently in 1927 while the roof and attic underwent repairs.



DEWEY'S FOREIGN POLICY

—it will differ only in emphasis

FOREIGN POLICY is not somewhere over there, but right here at home. Whatever is done or not done in foreign relations has influence sooner or later, on our employment and unemployment, exports and imports, taxes, scarcity of materials, draft, and finally war or peace—a matter of human lives. The foreign policy is, therefore, the most important of all governmental policies and the one that touches every family at its heart.

The Dewey-Dulles-Republican foreign policy will not be drastically different from the policy in the past. It will continue most lines of action, but with more emphasis on some things and less on others—an evolution rather than a sharp change. The most distinctive revision of previous policy will be in new attention to the rebuilding of China.

The bipartisan approach will be maintained, and the Democrats will cooperate.

Main effort and main interest will be focused on Europe, just as in the past. More pressure will be applied to get the Western European nations to form an economic and military union, both for their own material welfare and for the protection this affords against encroachment of Russia. Germany will be cultivated more than in the past, for Republicans regard Germany as the economic key to Europe—its industrial output as essential to the recovery of Europe.

Arms will be supplied to Western Europe —actual arms—starting just as soon as arrangements can be completed, probably starting within the next few months.

The policy with regard to Europe is aimed at creating a new balance of power in the world—on one side, Russia and her satellites; on the other side, the United States, with Western Europe as an ally. It is well recognized that balance of power in the past has never prevented war, has merely led to war when the power finally gets unbalanced. There is no reason for assuming that it is any different now, but the hope is that within the period of peace, or armed truce, or whatever you want to call it, the United Nations can grow up and become a genuine influence in its own right. Thus the United Nations will be supported by our government, but it will be regarded as a bit of an infant, and will not be relied upon any too much in the contest with Russia.

The thought of Russia pervades all foreign policy, of course. The policy of the past, as represented by the Truman Doctrine, was to contain Russia, to limit Russian expansion to present boundaries, and to use military means if necessary, as is now being done in Greece.

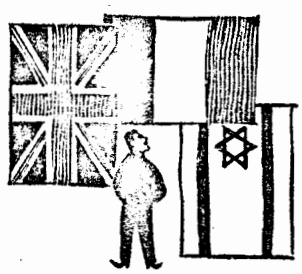
The Republican policy will shift emphasis away from the containment of Russia. The assumption is that Russia can bust out on too many fronts, and to make a stand on all those fronts, and at any predetermined position, would be too big a military job to be feasible.

So the Republican policy will be to rely

more upon economic aid, including the Marshall Plan, to build up the non-Soviet world as a resistant to Russia, and at the same time to lure some of the peoples now behind the iron curtain into coming out from behind the curtain. Goods will be offered to some of those countries, consumer goods for the people themselves. (If the people choose to rise up against their communist masters, our government will not be averse.)

Europe will come first in all foreign policy considerations. The Mediterranean, including the Middle East, is a close second, and is closely tied in with Europe.

The attitude toward China will be something new. The Republicans will insist upon giving China more economic aid, in the form of essential goods, and to build up at least one part of the country as a solid core for economic recovery. At the same time China will be furnished with military aid—military materials and military advice—in the hope that a strong Chinese army can eventually stop the progress of the Russians in Asia, or at least threaten Russia from the rear so as to make her less aggressive on the front of Europe. The cost of China aid is figured at around 500 million dollars a year for five or six years.



This is in contrast to our government's attitude toward China under the Democrats, who regarded the country as a sort of stepchild in world relations. This former attitude stemmed directly from General Marshall and his aversion to Chiang Kai-Shek. The Republican administration will recognize the weaknesses of Chiang's regime, but will make the best of things solely because he is anti-Russia and pro-U. S.

The new attitude toward Russia will be, if possible, one of relative indifference. If Russia chooses to play ball in world recovery, all right. If not, all right too. In either case the United States will try to go right ahead with world rebuilding. Actually, the Republicans do not have any hope of Russian cooperation.

In spirit, the Republican foreign policy will be more hardboiled, more akin to the relationship between banker and borrower, more "businesslike." The Republicans probably will be quite as liberal with aid, but will have tighter supervision and administration, with less of what has been called the "Santa Claus spirit." Thus the Republicans who are internationalists hope to win over their Republican nationalists or "isolationists."

Britain. The Dewey regime will put pressure on the British to cooperate more closely with the Western Union of Europe, and to integrate her economy more with continental Europe. The feeling is that the British have been laggard. Devaluation of the pound sterling will be recommended, and this may occur sometime next spring.

France. Even though weak at present, France is regarded as the cornerstone of any United Europe, and she will be cultivated and encouraged by the Republicans. The expectation is that De Gaulle will soon come into power, and our government will play closely with him in the hope of attaining a stable French government, which is essential to success of the Marshall Plan and the protection of Europe against Russia.

Israel. The Dewey men think they can persuade the moderate Jews and moderate Arabs to work together in mutual interest, each to supplement the economy of the other, and vigorous efforts will be made along these lines. The goodwill of the Arabs is considered highly desirable for the protection of the whole Mediterranean against Russian aggression. As between Arabs and Jews the

Republican position will be called by some a "straddle," and by others a "harmonizing attitude."

Africa. A tremendous long-range program will be instituted for the development of the Mediterranean portion of Africa, and also the West Coast. These are lands of fabulous potential wealth, which can be developed with capital and engineering know-how, to be supplied by all nations, the United States taking the lead. This is a big dream for the coming century, but the Dewey regime hopes to make a start at it.

Reciprocal trade. The policy will be continued along the lines of the temporary extension law, under which the Tariff Commission is supposed to guide Congress in any possible overriding of such agreements.

Tariff. Dewey will be for moderate tariffs, not the high tariffs of the Republican past. Actually, however, neither he nor his advisers think that tariffs are any too much of a barrier to world commerce. Other things are regarded as much more basic.

Stable currencies. Great emphasis will be put on these for the whole world. The Republican theory is that unsound currencies, quotas and socialist planning are greater deterrents of world trade than tariffs.

Silver. To aid the Orient in establishing sound money, some change will be made in the present policy of buying all world silver that is offered. There will be some new limitation on purchases of foreign silver.

War. Whether Dewey and his regime can avoid a war is the great imponderable. The Republican attitude toward Russia will be somewhat stiffer than the Democratic. There are those who think this will provoke war. There are also those who think it is the only way of averting a war.

☆ ☆

JOHN FOSTER DULLES

—master mind on foreign

DEEP DOWN at the roots of every Republican foreign policy, and every Dewey idea on foreign affairs, is one man. An odd thing about him is that to many millions of American citizens his name was unknown until the past year. He was known only to a few top-rank intellectuals and church leaders, and to some big-shot financiers and businessmen who hired him as their lawyer on foreign deals.

He is John Foster Dulles, and his name is pronounced dull-luss. He is 60 years old, the oldest of all the Dewey advisers, and doubtless the most scholarly and erudite of them all. He is over six feet tall, a long lanky man, who wears steel-rimmed spectacles and whatever clothes happen to be at hand, and drapes his legs over desks or chairs—an informal man, not a prim man.

He has been head of one of the biggest international law firms in the world, Sullivan and Cromwell, often called a law factory. Out of law he has made millions, but he lives simply, and shuns the social swim.

Dulles is a religious man. Not only does he profess, but he practices. For years he has been a foremost American Protestant churchman, active in the Federal Council of Churches.

To make his contribution to a better order in the world, especially in the world of what are known as "foreign affairs," is a life-long passion of this man. He eats, lives, dreams and sleeps on it. Now he has his biggest chance, and although he doesn't particularly care to be Secretary of State, he probably will be.

Dulles not only has steered Dewey, but also has advised Vandenberg, and has been the real spark-plug of the Republican participation in the bipartisan foreign policy. On the side he has counseled many

administration bigwigs. Dulles has been in on everything, and at the bottom of more things than is publicly known. He avoids taking credit, and he avoids publicity, but back behind the scenes is always the Dulles trail and the Dulles hand.

He was born in Washington, D. C., where his father was a Presbyterian minister who lived better than most ministers, for there had been money in the family. Young Dulles studied at Princeton, the Sorbonne in Paris, and George Washington University Law School. Then he began to practice international law.

An interest in foreign affairs is in his blood. His grandfather, John W. Foster, was Secretary of State in 1892 under Benjamin Harrison. His uncle, Robert Lansing, was Secretary of State during the first World War under Wilson. Dulles himself, at the age of 19, in 1907, was the youngest official at the Hague Peace Conference. He helped to write the United Nations charter.

Dulles sees history in long sweeps, but in his actual work he dotes on details. Diplomacy, he thinks, consists largely of details. He refers often to the "artistry of detail," and he implies that the Democratic administration has been a bit short of this brand of artistry. But Dulles will be meticulous with the little points for if this is done the big troubles often do not arise.

He is a hard driver of men. He himself works 12 to 14 hours a day, and he expects his associates to do it if necessary to get the job done. He hates to fire people, but he does it if he must, and he will—from the State Department. Many men with big names in diplomatic circles will soon be absent, for he regards most of these notables as second-raters.

Another thing about Dulles: He is an idealist, but not dreamy. He believes in getting something for something, and in holding bargainers to their bargains. In this he is as typically American as a Yankee hoss trader.

To have a hoss trader as Secretary of State will be something new.

☆ ☆

ON BUSINESS UPS & DOWNS

—not very definite

DEWEY and his men are pretty sure of themselves on a lot of subjects—on what they foresee and what they want to do. But when it comes to broad-gauge economics, to business ups-and-downs and the managing of them, the crystal ball clouds up a bit.

The underlying attitude is one of caution, with a close watch on the continuing inching-up of inflation.

Take the business outlook for the next six months or so. Most Dewey advisers expect that against the general background of inflation, some business lines are in for a squeeze, a pinch-back, a shrinkage. They go along with many others who think that the prices of some things which are out of line, such as food and some manufactured goods, will get pushed back. They believe this will be wholesome.

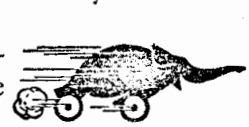
At the same time most of them doubt that these individual squeezes will add up to one big squeeze. They doubt that there will be a general recession.

They lean toward the idea that the stimulants on hand and in sight, such as the demand for houses and increasing foreign aid and defense spending, will probably offset the downs.

In total, they don't expect any sharp overall price drop or big rise in unemployment.

Defense spending and foreign aid are the key. If defense spending increases enough, and if foreign aid rises fast enough, any substantial dip can be postponed. The Dewey folks think it probably will be postponed. In the short range, within the next year, they are less concerned about a dip than they are about the possibility of more inflation.

Anyway, the Dewey think-machine is at work on some



ideas and some plans. The plans aren't cut and dried in detail. The planners recognize the ifs and ands, and the need for flexibility. They are thinking in terms of no war. Of course, if war develops, all bets are off. But here is the line of thinking in the Dewey fold:

Fiscal and monetary. Deweyites think the Truman administration didn't use these tools against inflation as soon and as hard as it should have. They say the Roosevelt-Truman emphasis was on treating symptoms by putting controls on prices instead of forcefully attacking fundamentals such as bank credit, bank reserves, government bond prices, interest rates, consumer credit. They look upon the government debt and what is done about it as vital. They want to pay off more of the debt, not just for the looks of the thing, but to curb bank reserves and credit and to hold back inflation and prices. They also lean toward higher interest rates and lower government bond prices, but they haven't decided quite how far to go on these. In addition, they feel pretty sure that control of consumer credit will have to be continued.

Taxes. Sure, the Dewey people would like to cut taxes. But bigger expenditures are ahead; and Dewey wants to keep the budget balanced and cut the debt, and that means continued high taxes. This doesn't rule out the possibility of some adjustments to remove tax inequities and injustices, but the total tax-take of the government isn't likely to be cut.

Other controls. Dewey doesn't like controls any more than most Republicans in Congress, but he won't hesitate to use them if he thinks he must. Price control and rationing would be restored only as a last resort. Export licensing will go on. Voluntary allocations will be continued and although some Dewey men argue to the contrary, allocations are almost sure to be broadened. If the cold war gets hotter, there are even likely to be mandatory allocations and priorities.

With these and other steps, Dewey will try to curb inflation.

Over the longer range, the next two or three or four years, the Dewey people do look for a general business letdown. They think it probably will be a "recession" and not a "depression." They can't time it. They hope that it will not be on while Dewey is up for reelection in '52. But they aren't sure that it won't be. Anyway, whenever it comes, they have some plans in mind to deal with it.

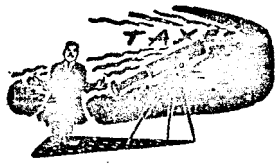
Fiscal and monetary controls again get top billing. In a general sort of way, a reversal of what is planned for use against inflation in the near-period.

As for taxes, if recession, the Deweyites think of lower taxes for individuals, of quick cuts in tax withholdings which would benefit small incomes more than bigs. They also talk of "business buying power," of capital investment, of encouraging investment through more liberal tax policies on such things as amortization. The idea of liberalizing write-offs for business expansion and improvement has influential backers among Dewey advisers.

Public works also figure in the Dewey anti-recession planning. Roads, dams, schools, hospitals.

The Dewey economics is "orthodox." Most of his advisers are "orthodox"—bankers, financial men, businessmen, "conservative but realistic" college and business economists. But it's not stodgy, last-generation conservative. It is the "new" orthodox, middle-of-the-road.

The main difference in economic methods under Dewey will be in details. Dewey will try to stay away from the risky things, use them cautiously if at all. But mostly he will try to do the less-risky things better than his predecessors.



TAXES: THEY CAN'T GO DOWN

—defense spending may even push them up

ANYONE who is counting on a further cut in taxes under the Dewey administration is due for a rude awakening. The cold fact is that there just isn't going to be enough margin in the federal budget for the next few years to justify any tax reductions.

The cornerstone of Dewey's tax policy is a balanced budget. He will insist that the revenues of the government be set at a level high enough to defray operating expenses. Despite Dewey's hopes and good intentions, he just won't be able to balance the budget, reduce the debt, and cut taxes, too.

The budget outlook in the years ahead is not bright in spite of high income and production, and Dewey knows it. He and his advisers realize that the size of the budget is pretty well determined by the costs of the last war and of maintaining this country and our allies in a state of adequate preparedness for the next one.

Dewey will make every effort to streamline the government and economize in its day-to-day operations, but any savings are likely to be more than offset by the rising tide of defense spending. So Dewey may be forced, much as he would like to avoid it, to recommend increases in taxes in his first or second year in office.

It is probable that these increases will not take effect before 1950.

Dewey has no fixed ideas on how to increase taxes, and won't have until his experts have had an opportunity to explore all of the possibilities. At this time, however, he leans toward higher corporation taxes, and despite the desire to avoid it, the chances are that he will finally urge some sort of excess profits tax on corporations to get at the profits flowing from defense.

Excise taxes are another source of additional revenues. A few of them could be raised on a selective basis, Dewey thinks. Liquor, tobacco and perhaps gasoline are the ones he has in mind. He may recommend some new ones, on consumer goods not yet subject to excise taxation. He will not go all the way and urge a general sales tax, for he believes that it would be unduly burdensome on the low-income groups and would duplicate the sales taxes now levied by so many states and localities.

Dewey will resist increasing personal income taxes as long as possible, and would recommend raising them only if he were convinced that enough revenue would not be forthcoming from higher corporation and excise taxes. But if it does work out that way and it is necessary to raise individual tax rates, Dewey will insist on retaining the community property principle, permitting husbands and wives to split their income for tax purposes.

Administrative tax reform is high on the list of things that Dewey has in mind. He thinks in terms of perfecting the tax system by ironing out inequities and clearing up uncertainties in the application of the tax laws. Indications are that he will go along with the revision bill

already under consideration by Congress and slated for passage early next year.

The revision bill does not include, nor does Dewey favor at this time, any action to eliminate the double taxation of corporation dividends. Business pressure for this will be heavy, but Dewey feels that elimination of double taxation of dividends would cost far more than the government would be able to afford.

Individuals can look forward to humanizing changes in the tax laws, amendments designed to make high income taxes a little easier for most people to bear. More liberal deductions for medical and hospital expenses, special treatment for people with dependents in school, limited deductions for insurance premiums and other forms of savings are certain to be considered by Dewey. Their adoption is by no means assured, but Congress will be sympathetic.

Capital gains tax is slated to stay about as is. There is no intention of lowering the maximum effective rate of 25 percent or shortening the present six-month holding period which divides short and long-term gains.

If and when the time comes for real reductions in federal taxes, Dewey has some definite ideas about how it should be done. He firmly believes that high individual income taxes are a serious threat to the maintenance of a healthy economy. He sheds no tears over the effects of taxes on the very wealthy. But he is genuinely concerned about the effects of high taxes on the initiative and productive capacity of middle-income people whom he considers the backbone of this nation. He feels that the ability-to-pay principle, on which our progressive-rate system is based, has been abused and should be corrected by reducing tax rates all along the line. Lower-income people would share in any such tax relief, but would not be likely to get special consideration.

How did Dewey get that mustache?

Grew it for fun while on a bicycle trip of Europe in 1925. Kept it at the insistence of his girl friend, who is now his wife. Has had it ever since. Occasionally regrets it.

Bear in mind that this basic tax thinking precludes any *sizable* tax relief for incorporated businesses.

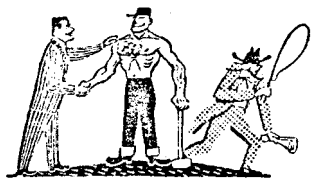
Dewey thinks that business, and individuals to a lesser extent, will benefit from a change in the attitude of tax administrators under his regime. For example, corporations have complained bitterly in the last few years over the way in which the penalty tax on earnings retained for surplus was being administered. Dewey feels these fears can be allayed by making it crystal clear that there will be no attempt to substitute the judgment of tax collectors for that of business executives in deciding how much of current earnings a business may retain.

Depreciation is another subject which Dewey thinks might be handled administratively. He plans to re-examine the present rather rigid methods of figuring depreciation rates and deductions to see whether taxpayers can be given more latitude.

Dewey is deeply concerned over the duplication of taxes levied by federal and state governments on the same items, such as liquor, tobacco, gasoline, admissions. He thinks the federal government should eventually repeal many of its excise taxes and leave them for the exclusive use of the state and local taxing authorities. In return, the states would get out of the income tax field and let the federal government take over this method of raising revenues.

There is little chance for anything tangible to come out of Dewey's concern for overlapping taxes. The needs of state and federal governments will not permit them to give up substantial sources of revenue in the foreseeable future.

All in all, taxpayers have little reason to look forward to the coming of a tax millennium when Dewey takes over the helm. His hands are tied by an inherited financial situation which will call for higher, not lower, taxes in the years just ahead.



LABOR IS PEOPLE

—policy is neither pro nor anti

LIKE most careful students of labor relations, Dewey and his advisers do not think any too much of labor laws as a means of promoting proper behavior by unions or by employers.

The Dewey people know that such laws are a sort of necessary evil at our present stage of development, and they look forward toward the time when the laws will not be used to any great extent, and when common sense and human decency will be determining.

In the same breath they admit, however, that the time is not yet.

So they will keep all the laws, including the Taft-Hartley act, which they regard as a "balancing" law rather than as a punitive law against labor.

They will defend the right of unions to organize and bargain collectively. They will try to crack down on racketeering unions, and to sit hard on featherbedding.

They will be receptive to amendments to soften the Taft-Hartley act, particularly to let union shop contracts be made without union elections, for the benefit of industries which have used union shop and found it good.

The non-communist affidavit requirement may be repealed eventually, but not just now—not until the anti-communist passions have cooled.

Dewey and his labor men think union members are first of all *people*, not first of all union members. This means that Dewey will try to work out policies that are good for members, but not necessarily for the union leaders.

This will lead to plenty of clashes with top leaders, and to charges that Dewey is "anti-union." Actually, however, he means to be neither anti nor pro.

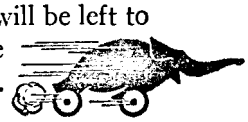
At times Dewey will be tough on labor, especially when he thinks a union is trying to act in defiance of the law. There will be no more running to the White House to get favors, or to settle strikes. Dewey simply does not work that way. The running will be, instead, to the Department of Labor.

Department of Labor. This department became the government stepchild under the Democrats, say Dewey people. They predict it will now be enlarged, with all the labor sections of other government agencies brought together under its wing.

The Secretary of Labor will be a person with a solid background of labor knowledge and a fair-minded "public" point of view. He won't be a professional labor man.

The Bureau of Labor Statistics, specifically, will be given more money and more work, on the assumption that its statistical studies are of benefit to labor, to industry and to the general public.

Annual wage. This question will be left to industries and unions, not be actively government promoted.



Minimum wage will be lifted, probably to 65 cents an hour. By and large this will not mean any changes in wage rates at present, but the purpose is to make minimum wage a cushion against recession, when there might be a temptation on the part of some employers to cut wages.

Shorter hours. The Dewey administration will not advocate a shorter work week, such as 30 hours. Some industries may be able to reduce hours, but there will be no pressure from government to do it.

Merger of AFL and CIO. Remember that Dewey is a neutral here, without any past allegiance to either faction. He may be in a better position than his predecessors to influence merger.

Labor leaders in New York State have found that Dewey as governor could not be pushed around, or threatened, or even soft-soaped. They have gotten the impression that labor pressure doesn't mean much to him. Some of them didn't like it at first, but gradually they came around to respect the attitude. People close to Dewey even say that John Lewis probably will meet his "come-uppance," but this is a good subject not to speculate on.

One thing does seem certain: The heyday of the big labor leader who can throw his weight around in government is over—at least for the Dewey years.

THERE'S NO ONE IDEAL BOOK ON DEWEY.

Stanley Walker wrote a campaign biography in 1944 entitled *Dewey, an American of this Century*, Whittlesey House, $2.50, but it's pretty sugary. A highly critical analysis appears in Warren Moscow's *Politics in the Empire State*, Alfred A. Knopf, 1948, $3. The most complete short summary appears as a chapter in Irving Stone's *They Also Ran*, Doubleday, Doran, 1945 edition, although the political judgments on Dewey's future are already badly wrong.

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AGRICULTURE

—nothing brand new

DEWEY realizes that the farm problem is fundamentally changeless, that no fancy cure-all is going to solve it overnight, and that present policy generally must be maintained.

The continuing problem, in simplest terms, is to get ample farm production—but not overproduction. And at prices that are "fair" for farmer and consumer.

The specific trouble, right now, is rapidly rising farm surpluses. And in the face of these surpluses, the last Congress voted to continue high wartime farm price supports until mid-1950.

Dewey knows he has inherited a bad situation and will have to live with it for the time being.

Before the new Congress could adopt lower and more flexible supports, many 1949 crops would already have been planted. If the law were altered then, farmers would complain that the rules had been changed in the middle of the game.

Meanwhile, as the Treasury spends billions to maintain farm prices, most city people will be squawking about the high cost of food. They will say that the government is squeezing them for taxes and then is using this money to pad their grocery bills.

Dewey is counting on a slide in farm prices to ease this pressure on food prices.

With farm prices gradually falling despite supports, prices of food and other consumer items also will drop. This in turn will mean that the farm yardstick, the parity price index, will ease off. With parity lower, support prices for 1949 crops will be lower, too. But the decline won't be much.

Net result: The Dewey administration will have to limp along for a year and a half with a farm program that will satisfy neither the farmer nor the consumer.

Meanwhile, Dewey will work sincerely on a long-range program—a program that is "above politics." He will try to take the passion out of the problem, and put reasonableness in. Certain definite beliefs of Dewey's will soon become apparent.

"Cabinet" of farm groups. Dewey will try to set up a sort of informal national farm "cabinet" comprising representatives of all the major farm organizations.

This idea has worked out well in New York State with the New York Conference Board of Farm Organizations. The conference board represents all major farm interests in the state and submits recommendations each year on the state farm budget and on legislation.

Beauty of the system is that all arguments are thrashed out until they get the board's unanimous backing.

It will be tougher, of course, to weld the national farm organizations into a similar group. The national groups are at odds, and often split internally. But Dewey will try.

Promotion of livestock. Long range, Dewey sees livestock as a big hope for U. S. agriculture. Remember he's a dairy farmer himself, has learned the ropes, made it pay. He believes more farmers should shift emphasis from row crops, which are often overproduced, to production of meat, milk, eggs and poultry.

Butter vs. margarine. The old row will flare up again this winter. By instinct and training, Dewey is pro-butter. But he will not veto legislation abolishing special taxes on margarine if Congress enacts such legislation.

Managed forestry. This appeals to Dewey. He will encourage the Forest Service to spread the gospel of "sustained yield foresting" on public and private forest lands.

Soil conservation. It will get increasing attention. General awareness of the threat of erosion is growing.

Reclamation, flood control, irrigation. If public works become necessary to bolster the economy, look for a drive to get the Missouri River Basin project under way on a big scale.

These are facets of Dewey's thinking on agriculture. Nothing revolutionary. Dewey will keep the essentials of what has been developed over the last 16 years. His main efforts will be toward getting everybody to approach the farm problem without partisanship. He will try to iron out details, improve administration.

HOW GOOD A FARMER IS DEWEY? Although he makes no pretense of being a real dirt farmer, Dewey has a good working grasp of farming. He has learned by listening and watching, and by reading a great many farm bulletins and other agricultural publications. He is good enough to be able to oversee his Pawling place personally. He does have a farm manager, Ralph Lynam, with whom he goes on shares, and three hired hands.

Dewey's Pawling farm comprises 300 acres. The Governor also leases another 186 acres which provide additional grazing for his 52 head of cattle. The region is pleasantly rolling—excellent dairy country. The town itself is in Dutchess County (which also contains the Roosevelt estate at Hyde Park). It is approximately 70 miles from New York City and 18 miles from Poughkeepsie, near the Connecticut border. Dewey probably will set up a "summer White House" on his Pawling farm.

Dewey has said that if the farm didn't pay for itself, he would get rid of it. He hasn't had to do that. He has kept it in the black. Measured by this most basic of tests, Dewey apparently is a pretty fair farmer.

☆ ☆

VICE PRESIDENT WARREN

—a big, friendly Westerner

THE newly elected Vice President is an unusual kind of politician who held his first state office under a Democratic governor, defeated him for his job, ran on both party tickets, and became the third man in his state's history to serve more than one term. Earl Warren is a homey Westerner, and believes there are such things as good Democrats.

Warren's father was Norwegian (the name originally was Varran), his mother Swedish.

Today, as a first-generation American, Warren is still wide-eyed about the U. S., refreshingly enthusiastic about the things it might accomplish.

Warren helped finance his way through the University of California by working as a railroad baggageman. After graduation in law in 1914, he clerked in a San Francisco law office for three years. He was drafted into the Army in 1917, served in this country only, was mustered out a first lieutenant after the Armistice. Back in civilian clothes, he took a job as a clerk on the judiciary committee of the California state legislature, and thus began his political career.

From 1925 to 1938 Warren was district attorney for Alameda County, during which time he executed a far-reaching clean-up campaign similar to Dewey's attack on the rackets in New York.

On the strength of these activities, Warren was elected state attorney general on the Republican ticket, despite the fact that a Democrat was put in the governor's chair for the first time in 36 years. As attorney general he ably prosecuted saboteurs and fifth columnists. But, at the same time, he helped block a motion to purge from the state's civil service lists all Americans descended from Italian, German or Japanese nationals.

Warren ran for governor of California in 1942 as an Independent, won by almost 350,000 votes, swept all 58 counties. In office, he wrestled with the state's war-boom and reconversion problems, reduced taxes, got one of the highest old-age pensions in the U. S., set up a 450-million-dollar post-war planning program, reorganized the state guard, overhauled the decadent prison system.

In 1944 Warren made the keynote address at the Republican Convention, where he refused to run for the Vice Presidency on the Dewey ticket. Two years later he was re-elected governor as a candidate on both the Democratic and the Republican tickets.

Throughout his political life, Warren has proved himself capable, honest and compelled by convictions. He draws his popular following from all types and classes of voters; both men and women have shown their willingness to trespass party lines to poll him into power. He gets along well with other politicians but has achieved tremendous success without the aid of a formal political machine.

At 57 Warren is a robust, handsome man who stands 6 feet 1 inch and weighs 215 pounds. He has a big, friendly laugh, a crunching handshake. He's a Mason, an Elk and a Legionnaire, and he maintains membership in about a dozen other clubs, associations and fraternities.

Warren's Swedish-born wife, Nina, is a good-looking, fine-figured woman. Their six children—three girls, three boys—are all healthy and range in age from 13 to 28. James, the eldest son, is doing well as a commercial artist.

As Vice President he will get $20,000 a year, plus about $40,000 more for expenses. But although the government maintains two mansions to house visiting foreign dignitaries, the V. P. must find his own living quarters and pay for them out of his own pocket.

THE MEN AROUND DEWEY

—most of them are young and brisk

BECAUSE he depends upon team administration, Dewey will bring with him to Washington a fair-sized group of aides and advisers. And because he has always delegated authority to those whom he has trusted, these men will have more power, greater independence of decision than any White House group has enjoyed in many years.

First-stringers on the Dewey team with few exceptions, are 20th century-born, brisk and brilliant. Most are married, with kids. About half were Phi Beta Kappas at college; four are ex-newspapermen. They have been closely associated with "The Governor" since the New York City racket-busting era of the mid-30's.

As a team they function with incredible smoothness, apparently unencumbered by secret enmities or vicious elbowing for the boss' favor. They are bearcats for work. They revere facts, take pride in their individual records, treat Mr. Dewey with—if not love—at least profound respect.

Those who join the administration as federal executives will take severe salary cuts. Generally, New York State jobs pay $4000-$5000 more than corresponding positions in Washington.

Here are the top men and the roles they may be expected to play for the next four years, if not longer:

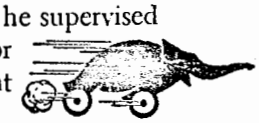
Elliott V. Bell: 46, heavy-set, humorous, alert. He's known Dewey longer than the others have; they first met at Columbia University 20 years ago. He is godfather to both the Dewey sons, lives down the road from the boss at Pawling, N. Y.

Bell has a thoroughly practical understanding of finances, economics. Before taking the job as Superintendent of Banks, he was financial writer for the *New York Times*, later a member of the *Times* editorial board and research consultant to Willkie in the 1940 campaign.

He will be the philosopher of the Dewey administration, with the prestige, the "in" that Harry Hopkins—in his way—had with F.D.R. In the economic field, his voice will carry much weight. He could be chairman of the Federal Reserve Board, head of the Reconstruction Finance Corporation, or Secretary of the Treasury.

John E. Burton: 40, easy-going on the surface but a tough in operation. He's Ohio-born, a graduate of Northwestern University. He has an analytical mind, makes decisions quietly and quickly, awes his staff with the intensity of his follow-through. He despises gobbledegook, has the knack of making high finance sound simple, of bringing it down to earth.

As Director of the Budget in Albany, Burton helped run a 63-million-dollar surplus up to 700 million dollars, most of which was placed aside for post-war reconstruction projects. As chairman of the State Planning Commission, he supervised turning out 3000 plans for construction and improvement



of public buildings, sewers, water systems.

After the convention, Burton holed up several days in Washington's Mayflower Hotel and systematically interviewed top personnel of important congressional committees, learned a lot about Capitol Hill problems and procedures. A member of the Hoover Commission studying reorganization of the federal government, Burton probably has closer knowledge of Washington administrative practices than any other teammate. And he'll need it, for Burton seems certain to be Director of the Budget.

Charles D. Breitel: 39, short, amiable. He's immensely capable, smart with a broad-gauged knowledge of public affairs. He graduated from the University of Michigan, took his law—like Dewey—at Columbia. His loyalty to Dewey is unsurpassed.

Breitel joined Dewey's racket-busters in 1935 when he was only 26 years old. He was assistant district attorney for three years, then Dewey's law partner in 1942 before accompanying him to Albany.

As Dewey's counsel, Breitel has sculptured virtually all state legislation in the past five years. In Washington he will be a top White House adviser. In comparison with the present job of Clark Clifford, Breitel's position will be less all-inclusive and may be formalized under a new title.

Paul E. Lockwood: 46, big (6 feet 3 inches, 215 pounds), happy bachelor—the only one on Dewey's top staff. He's a ubiquitous jack-of-all-trades, a Dewey handyman and troubleshooter. He helps write the boss' speeches.

Brooklyn-born Lockwood started his career as a reporter for the *Brooklyn Eagle*, shifted to the old *New York Evening World*. He took law at Fordham University, was admitted to the New York bar in 1929. Like Breitel, he joined Dewey as assistant district attorney back in 1935.

Dewey's secretary since 1943, Lockwood will carry on in the same capacity in the White House.

James C. Hagerty: 39, efficient, canny pulse-taker of public opinion. He's the son of James A. Hagerty, senior political writer for the *New York Times*. He was a *Times* reporter for eight years, half of them as legislative correspondent in the Albany bureau.

Before Hagerty took over as executive assistant in charge of public relations, Dewey was unpopular with the press. He sat on news, was often testy, cagey, uncommunicative in press conferences. Hagerty is credited with a big role in shaping the "new" Dewey personality, in showing him how to win friends and influence newspaper reporters.

Does Dewey have a dog? Will it be brought to the White House?

He has a Great Dane, a gift from Mrs. Dewey. Named "Gerry." Will live at the White House.

Hagerty will be the White House press relations man, should be invaluable in having Dewey handled sympathetically by Washington's tough newspaper corps.

Irving Ives: 52, tall, slender, gray-haired orator and labor expert. He was a Phi Bete at Hamilton College, an athlete, class president and editor of the yearbook. He began his career as a bank clerk and wound up in the insurance business. In 1930 he slipped into the state legislature, eventually became Republican majority leader.

In 1945 Ives withdrew from politics to become dean of Cornell University's new School of Industrial and Labor Relations. He was drafted back into the Dewey doings as a candidate for the U. S. Senate and beat out ex-Governor Herbert Lehman in the ensuing election.

In Washington, Ives assumed unprecedented power for a freshman Senator. He opposed the seating of Bilbo, supported the Lilienthal nomination, the aid programs to Greece and Turkey. He was responsible

for modifying the earlier drafts of the Taft-Hartley act.

Ives is a pipe-smoking, teetotaling middle-of-the-roader, a man with strong principles. He will be a big help to Dewey in Congress, an inside way-smoother for the President in his dealings on Capitol Hill.

These are the long-time Dewey associates who will come to Washington in January, whose names will become as familiar to you as those of Hopkins, Sherwood, MacIntyre, Ross, Clifford or Snyder. There are others who will influence the President, either in or out of Washington:

Herbert Brownell: 44-year-old, friendly, baldish Nebraskan. He served five terms in the New York state legislature during the 30's, managed Dewey's '42 gubernatorial and '44 presidential campaigns. He was Chairman of the Republican National Committee in 1945, the campaign manager this year.

Roger Williams Straus: 57-year-old New Yorker, chairman of the board of American Smelting and Refining Company. He's a well-known student of theology, author of numerous treatises on religious liberty and democracy. He's a regent of New York University, a trustee of the Guggenheim Foundation, a co-chairman of the National Conference of Christians and Jews. He will be the Bernard Baruch of the Dewey administration.

Alger B. Chapman: 44-year-old ex-Commissioner of Taxation and Finances in New York State. Before entering public service, he was an outstanding tax lawyer in Washington and New York. He managed Dewey's campaign in New York State.

Harold Keller: 42-year-old Commissioner of Commerce in Albany. He put in 10 years as a reporter for the *New York American*, was confidential secretary to Dewey from 1938 to 1942. His forte is speech-drafting.

☆ ☆

DEWEY & CONGRESS

—will they get along?

IN the preceding sections, you have been reading chiefly about Dewey the executive, the chief of the administrative branch of the government. But do not forget that there is also a legislative branch of the government. It takes both branches to make laws. How will Dewey get along with Congress?

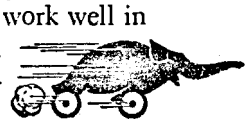
One of Dewey's first big tasks will be to lay the groundwork for future cooperation with Congress. Like all Presidents, he will have his troubles with the national law makers. But chances are that these troubles will not begin to really plague him until he has been in the White House for a year or so.

At the outset, Dewey will enjoy great prestige as the country's first Republican President in 16 years. Add to this the potency of the patronage which he will control and you can expect a warm honeymoon atmosphere to settle over Dewey and Congress.

Dewey will work closely with congressional leaders, probably more closely than any President since Hoover. There will be weekly conferences with those leaders at the White House, an extension of the idea behind his Sunday night sessions at Albany with his department and legislative heads.

At such get-togethers, Dewey will let all hands have their say. Then, on a "now, it seems to me what we are trying to do here" basis, he will seek agreements and "constructive compromises."

Dewey has a willingness to deal directly with pressure groups. He demonstrated this quality as a governor. It took some of the heat off members of the New York state legislature and often won their grateful support. The same practice may work well in Washington, perhaps even in the handling of such "pres-



sured" issues as housing and farm subsidies.

There will be no bills written in the White House and sent to Congress bearing peremptory presidential "must" stamps. Congressional prerogatives, privilege and prestige all will be carefully observed. Full use will be made, too, of such devices as permitting appropriate congressional figures to make the news announcements as they leave White House parleys. The resultant headlines in hometown papers go a long way toward mollifying recalcitrants.

Dewey is not a "100 percenter" who holds out stubbornly for the last iota of every objective. For the sake of harmony he will settle for less than he would like to get. This trait also will smooth his path on Capitol Hill. He may, in fact, emerge as the "great accommodator" among Presidents.

No President, in recent years, however, has succeeded in completely avoiding trouble with Congress. Wilson's difficulties with the Senate's "little group of willful men" are historic. Even the easy-going Harding had his troubles, and the last two years of Hoover's term were similar to the situation Truman has had to endure for the last two years. The fact that Coolidge's regime was more tranquil was not so much the result of any particular genius on Coolidge's part as it was the lack of activity. The administration was coasting much of the time in those years.

One special source of trouble for Dewey will be the pronounced split within his own party between the conservative Old Guard and the more progressive faction, to which Dewey himself now belongs. But he cannot "ignore" the conservatives, as some people have predicted.

Obviously, it would be futile for him to adopt such tactics toward such influential members as Senator Taft, the party's recognized leader on domestic issues in the Senate whom Dewey defeated for the nomination; House Majority Leader Charles Halleck, who unsuccessfully sought to be chosen as Dewey's running-mate; or powerful House committee chairmen like John Taber of Appropriations and Jesse Wolcott of Banking and Currency.

So Dewey will strive to get along with them; to work out agreements in advance of legislative action and to accommodate his program to the political realities.

He will not always succeed, especially on some of the older issues like housing and universal military training, on which the conservatives already have made their records. And, because Presidents ultimately must *act* on issues which they merely *talked about* as candidates, Dewey is bound to have tough sledding with Congress in many spots.

END OF SPECIAL DEWEY SECTION

Postscripts

What does Dewey read for relaxation?
Mystery and detective stories.

Does Dewey wear store-bought or tailor-made clothes?
Tailor-made.

Does Dewey still like to sing? What are his favorites?
He likes to sing in private with Mrs. Dewey. Likes classical music, operas. Favorite hymn is "A Mighty Fortress Is Our God." Reported to sing "Pagliacci" and the "Oklahoma" songs in the bathtub.

Will Dewey, as President, travel by air?
He says he will.

Who runs the Dewey home?
Mrs. Dewey, definitely. The boys get their orders from her, "clear things" with her. Only exception is attending state functions, for which they must get their father's permission.

The 79 Days between election and inauguration are likely to be dangerous days. Russia will surely create some more crises.

Whether-a-war is beyond the ken of anyone—except a few men in the Kremlin. The prospects as appraised at this end of the line are slightly against war at this time. Nevertheless, the situation warrants anxiety and alertness.

The Russians think that between elections and inauguration, when the in-candidate is defeated, the United States is without any effective government, and so is vulnerable.

Actually we shall have the equivalent of a coalition government, not in form but in spirit, for Truman will consult with Dewey or with Dewey's men, and foreign policy will be truly bipartisan.

If action is required, it will be bipartisan, too.

Business generally will continue on a boom throughout this year. As for next year, it looks good, thanks largely to defense spending.

Construction will continue at high levels next year, both residential and other. This will prevent any serious general recession.

There are danger spots, however: Textiles are weak, due for a slump. The same for shoes. Such slumps might spread, and make troubles over inventory problems in many other lines. Still, these are to be regarded as corrections. There are no signs of any general recession.

Agricultural commodity prices face a decline sometime in the months ahead. This could come before the year is up, but most observers now figure in terms of next March—March as the latest. This will not precipitate another recession like 1920-21, however, for there are too many counterbalancing factors on the sustaining side. Farmers generally will continue prosperous next year, but not on the lavish scale of this year.

The defense spending and building program is sure to be stepped up from now on. Appropriations next year probably will be nearly 20 billions, instead of the 14 billions of this year.

The drain on raw materials, especially metals, will be much more severe. The beginnings will be evident in November and December, and will get worse throughout next year.

Industrial rationing of scarce raw materials will be required by the force of circumstances. Whether voluntary or compulsory is not yet known.

Unions will go after a fourth round of wage raises, the first test coming in February on some big industry yet to be selected by the CIO. The sidelines guessing is that final settlements will provide something like 5 percent to 7 percent raise. Unions will cite corporation profits as reason for a raise in wages.

Food bills will be a little lower next year, but the cost of living as a whole will stay high.

Christmas trade will be excellent. There are plenty of goods, with wide choice and all qualities. Many families are pinched, but most will have ample to spend for Christmas.

Taxes. Corporations might as well begin to figure now on higher taxes, either in late '49 or early '50. Probably some sort of an excess profits tax. Dewey hopes, as you have seen in the preceding pages, to reduce taxes, but it seems very doubtful he can do so in light of the growing need for higher defense expenditures.

Capital Gains. Many people at this season are wondering whether they ought to take profits this year or wait until next year. Well, the capital gains tax will not be any lower next year. And if profits are taxed as income, this year's individual rates are relatively low, and relatively favorable to profit taking. Individual income rates will not be lower next year, and there's a bare chance they may be higher.

Next Year's Budget. Dewey's budget director will confer with Truman's budget director immediately. The budget that goes to Congress in January will be a Truman budget, but Dewey will later submit his own recommendations. The chances are that Truman will hold down his figures for defense, and let Dewey take the responsibility for increasing them. Increased they will be—by the Republican Congress.

Arm Europe. This nation probably will decide formally within a few months to lend-lease arms to Western European nations. The cost may run as high as 2½ billions a year for some years, and it will add to the drain on materials.

Break-even Points. With fourth round of raises in sight, another squeeze on profits is also in sight. It will be more difficult from now on to add the wage costs onto prices, for many of the post-war backlogs of accumulated demand are at the point of being eaten up, and sales can't keep rising forever. Consequently many business executives are re-studying their break-even points, and are finding them shockingly higher than a few years ago. The year ahead will be marked by efforts to cut costs all along the line, so as to get the break-even point a little more safely down the scale.

Money Rates. Money rates will continue to edge higher here and there. But increases won't be sharp or general enough to damp down sound borrowing. The Federal Reserve is keeping a sharp eye on the character of bank lending. The intent is to make certain borrowing for speculative purposes or too-heavy inventory accumulation doesn't get out of hand. Here and there it is believed a few companies have borrowed a little too heavily for inventory pile-ups, but there is no great concern over this.

The Federal Reserve has recently helped finance a cheap-money war. The thinking is that if another war should come, the Reserve Board doesn't want money rates too high. In any event, some officials say they doubt the United States could fight another "2½ percent war." Unless bank credit should get out of hand, the Federal Reserve will not lift reserve bank requirements again until late in the year, if then.

The Economy, If War. The National Security Resources Board will soon publish its ideas on what to do about controlling the internal economy in case of war. People will then chew over the ideas

and discuss them pro and con. Congress will do likewise, but probably will not actually legislate unless or until war actually comes. Anyway, the plans will be less helter-skelter in the next war than in the past one.

Scarcer Labor. With or without war, employes will be harder to get from now on. The pinch already being felt will get tighter as re-armament increases. Shortages will be felt most among skilled factory workers, office workers, employes in stores and other service trades. And there will be more coming and going in jobs. Net: an increase in the problems of hiring.

Hoover Report. The commission headed by Herbert Hoover, created by Congress to survey the government and suggest reorganization of the machinery, is getting ready to report. It will show the way to eliminate duplication and overlapping of functions, and to group the functions better. Dewey's budget director will push the reorganization. Congress will buck on many features, and will slow up adoption of improvement.

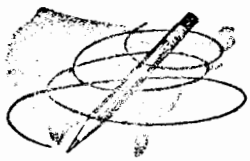
New Liberal Party. Various New Dealers, labor leaders, and other professional liberals will organize a new party next spring. They have ceased to rely upon the Democratic party as the "party of liberalism," and they hope to make their new party a strong contender against the Republicans in the national elections of 1956. Meanwhile they will be content with local and state elections. Their plan is to create an American counterpart of the British Labor Party—socialistic in aim, but excluding communists.

Iron Ore. The big steel companies, with the government, are planning to develop new iron ore and manganese supplies in the Western Hemisphere to compensate for the slow petering out of the Mesabi Range iron ore in Minnesota. Efforts to get new supplies will center in Venezuela, where the yield is higher than Mesabi. As for manganese, exploitation efforts will center on Brazil.

Railroads. Strike threats won't mean too much. Net result of Brotherhood demands will probably be a boost of around 13 percent for operating and non-operating workers. Meanwhile, to take care of higher operating costs, managements will squeeze higher rate allowances out of the ICC.

Cabinet. Dewey will take two months to pick his cabinet. Right now even he does not know who will be in it, except perhaps for one or two. News writers always speculate throughout November and December. They "mention" scores, and make a good case for each, but the final picking is usually much different. (See page 10.)

This & That. Turkeys for Thanksgiving will be high in price and light in weight. . . . Cranberries, grapes and celery will be plentiful. . . . Washington hotels are already almost sold out for the inauguration. . . . Give-away radio programs are inspiring many retail stores to work up give-away stunts of their own. . . . Many contributors still think Red Cross is a war agency, and so it is preparing to combat this by publicizing the continuing nature of its load. . . . Africa as a continent for development with American brains and know-how will be on front pages within the next year. . . . Quickie courses in foreign languages are still doing well, for Americans want to learn "how to talk it". . . . Women say the new fall styles are "sensible again". . . . Some used car prices are down. . . . Many colleges and universities are getting their new buildings under way. . . . The Christmas card business is going great guns this year—high quality, artistic. . . . Negroes are still leaving the South, going to North and East. . . . New steel process will decentralize steel making and processing in five to ten years. . . . New postal rates go into effect January 1.



what's doing in YOUR TOWN

These are special reports from our correspondents and readers throughout the nation. Write us what is happening in your community.

NEW LONDON, OHIO—The thousands of high school and college students working now with hopes of graduation next June are giving the perennial spark to the local cap and gown industry. Here the C. E. Ward Co. puts in shape all kinds of academic robes, from doctor's gowns with bright velvet hoods and gold-tasseled mortarboards to unrelieved blacks. Ward has grown in a half century to one of the largest suppliers of robes, church vestments, band uniforms and lodge regalia.

A start was made in the 1890's with the manufacture of lodge badges. This evolved into manufacture of complete regalia, including plumed chapeaux, ceremonial swords and initiation properties. The whole enterprise has its roots deep in custom and ritual, a solid foundation for a business.

COOKEVILLE, TENN.—What seems the last word in recognizing the value of visitors in a community's midst may be noted in this town of around 4400. Cookeville police hand all visiting truck drivers a card saying: "If you want to sleep just park on the public square or on the side of street. Write below the time you want to be called and police will wake you at that time. Come back again."

OGALLALA, NEB.—It's almost impossible to buy an acre of land in this good cattle, grain and alfalfa area. Farmers in recent years have grown prosperous in these parts and now want to expand their holdings. Just recently, an outsider came in, looked around, was impressed and said he would give any price for some ground. But he couldn't find an acre to buy.

DENVER.—Security Life and Accident Co. of Denver has built a sizable business from the insuring of school athletic squads against injuries. Now in the files are several hundred thousand school boy and girl cases that prove a lot about athletics in general and football in particular. For instance:

Eighty-three percent of all schoolboy athletic injuries occur in football. One boy out of nine is hurt during the year. Halfbacks get hurt most often. Centers are safest. The most dangerous play is a cutback over tackle; the least dangerous, a forward pass. The most dangerous five minutes is at the beginning of the third quarter in the game nearest October 25. This is usually the first "big game" with a traditional rival; the boys have come back on the field from a going-over by the coach and are determined to do or die.

STOCKTON, CAL.—Real estate sales here have slowed down noticeably since last year. The length of time between the first listing of a house for sale and the actual sale is increasing. Financing appears as the obstacle in the sale of most houses. People simply don't have the cash in hand to meet down payments. Banks and building and loan offices are becoming increasingly reluctant to make loans on old homes and are raising requirements for real estate loans of all kinds.

RENO.—There aren't many $1000 and $100 bills floating around here now, and the luxury clothing retailer thinks he's in a depression. In the bars, Scotch cost 75 cents a drink a year ago; now it sells for 50 cents with hors d'oeuvres thrown in. There are still heavy crowds but, with little heavy money around, Reno is putting increasing emphasis on the little guy.

What's new in

DOING BUSINESS WITH THE MILITARY

SINCE we last reported on the re-armament program, new patterns of doing business with the armed forces have been taking shape.

Some of the changes are part of long-range planning for industrial mobilization in case war comes again, but the majority are the direct result of unification of the three military services.

These changes affect virtually every phase of military buying and are important to every firm that holds, or hopes to hold, defense contracts.

Role of the Munitions Board

Coordination of the new setup is in the hands of the Munitions Board, a key agency of which you will be hearing more.

It is the main link between the armed forces and private industry. It is the current equivalent of the War Production Board of World War II days.

Since last December, the staff of the Munitions Board has trebled in size, and now numbers more than 300 officers and civilians. Headed by Donald F. Carpenter, vice president of Remington Arms, the board is part of the National Military Establishment and reports directly to Secretary of Defense Forrestal.

To prevent the armed forces from bidding against one another for the output of any plant or industry, to eliminate overlapping buying, and to standardize procedures, the Munitions Board is working out effective regulations. But there will be no mammoth, centralized "ministry of supply," such as some economy advocates have proposed.

On the contrary, the decentralized purchasing practices of such big private companies as General Motors and Du Pont are serving as a guide for the military planners.

Who Buys What?

Under one method of buying—the purchase assignment method—one department is made responsible for doing all the buying of particular items for all three services.

Lumber for the Army, Navy and Air Force now is purchased entirely by the Army's Corps of Engineers whenever carload lots or more are involved.

Automotive equipment is all purchased by the Army. If the Navy or Air Force wants trucks or jeeps, it orders them through the Army. In that way, the government gets the price advantage that comes from mass purchasing, and the automobile industry has only one set of military contracts, procurement officers and inspectors to deal with. This should reduce manufacturers' headaches.

Staple foods are bought largely by the Army Quartermaster Corps, a system adopted midway in the last war. The Navy still is permitted to buy its own fresh provisions and its ships can make independent, monthly contracts for food in foreign ports.

Pots, pans and other kitchen utensils are purchased by the Army.

Recreation equipment also is bought by the Army.

Hand tools—Manufacturers of all hand

tools who want to sell their products to the armed forces will do business exclusively with the Navy.

Photographic equipment and certain types of ordnance are among other commodities covered by single department purchase assignments. Now, the newly autonomous Air Force does all the buying in the photographic field.

Other ordnance items generally will be bought by the major user. The Navy, for example, purchases all ammunition for the 20-millimeter Oerlikon anti-aircraft cannon although the other services also use the same weapon.

Purchase assignments in some cases are made by plant rather than by commodity.

Pratt & Whitney aircraft engine output, for example, goes exclusively to the Navy. If the Air Force wants Pratt & Whitney engines, it orders them from the Navy. This system has been followed to a large extent for 10 years or more in the purchase of aircraft fuselages, engines and propellers. Plant purchase assignments will be stepped up greatly if war comes.

Two other buying methods used by the armed forces are "collaborative" and "joint" purchasing.

Textiles and paper products are bought collaboratively. Both the Army and the Navy maintain offices in the same building in New York where they pool market information on those commodities.

Petroleum products and medicines, however, are purchased by Joint Army-Navy-Air Force boards which are jointly financed.

Some things, of course, do not lend themselves to coordinated purchasing.

Fire alarm systems, which usually have to be tailored for each installation, are one example.

Ice is another. It has to be purchased locally.

Other commodity categories still are being studied to determine their future status.

They include such things as electronic components—tubes, capacitors, etc.—paints and varnishes, musical instruments, certain kinds of aircraft equipment and materials handling devices.

Bear in mind that a great many commodities and plants already are covered by existing assignments, chiefly under the single-department purchasing plan.

In fact, of the 6 billion dollars being spent by the armed forces for equipment and supplies in this fiscal year, about 4 billions or 65 percent, will be spent under the single-department purchasing plan.

The Munitions Board is publishing a list of the commodities covered by purchase assignments, together with the addresses of the procurement offices of the agencies doing the buying. Inquiries about the list should be directed to the board's information office. Firms desiring any other information should make contact with the procurement office specified in the list.

Uniform Purchasing Regulations

Every firm selling to the armed forces will be affected by the newly unified purchasing regulation now being drafted for all the armed forces.

Instead of each service writing its own rules on contracts, there will be one set of rules.

Procedures governing the solicitation and submission of bids, the types of contracts, bonds, contract termination, inspection standards, patents, inventions and copyrights will be the same for everyone. All will be spelled out in the regulations.

Such vital questions as to whether advertising and insurance may be regarded as allowable costs in defense contracts also will be answered.

The first six sections of the new rules already have been published and the remaining eight are expected to be completed by the end of the year. Printed copies of those published to date can be

obtained from the Superintendent of Documents, Washington 25, D. C.; Sections 1 through 3 for 25 cents and Sections 4 through 6 for 15 cents. Ask for "Armed Services Procurement Regulation."

Toward a Common Language

The development of uniform engineering standards for military equipment is being pursued by the Munitions Board. This means, among other things, standardization of construction and engineering drawings, so that the armed forces and their contractors will all talk "the same language" when it comes to blueprints.

It is expected that both the contracting and manufacturing processes will be expedited by this standardization, but a great deal of work remains to be done on the project. Thus far, only about 10 standards have been published. They include those for construction drawings, joint Army-Navy standard abbreviations for use on drawings, welding symbols also for use on drawings and a standard anti-friction bearing code.

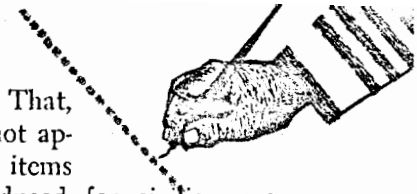
Work on Standardization

Standardization of military equipment may sound desirable to the layman, but many problems are involved. The Munitions Board is trying to unsnarl them.

Some progress in standardization was made during the last war, especially in the weapons field. The Marine Corps adopted the Garand rifle, developed by the Army, and also uses Army tanks. A new lightweight, air-cooled engine made by Continental Motors for Army Ordnance probably will be adopted for all combat vehicles.

It is unlikely, however, that equipment standardization will be carried to the point, for example, of a single type of truck being prescribed for all the armed forces.

Trucks now are bought from many commercial manufacturers. To achieve complete standardization would mean to lose the normal output of these manufacturers while they re-tooled to make the new, standard truck. So most military men feel it is wiser to adapt commercial products wherever possible. That, of course, would not apply in the case of items not normally produced for civilian use. That's why there is no problem in standardizing tanks or anti-aircraft guns.



Eliminating Duplication

Considerable progress has been made already in eliminating the sort of duplication which results, for example, in adjoining Army and Navy bases having separate theaters and separate post exchanges.

At Oakland, Cal., the Navy now does all the coffee roasting for military personnel on the West Coast and at Pacific bases. It performs the same function at Brooklyn, N. Y., for personnel in the East and in Europe.

Refrigeration of foodstuffs for Army shipment overseas is now done by the Navy at Williamsburg, Va., and at Bayonne, N. J. This means a saving of approximately $500,000 annually because, formerly, the Army had to rent cold-storage facilities.

In addition to the economies achieved, joint service use of facilities makes for greater slack in the civilian economy. The military won't require such large coffee reserves, for example.

All told, the Munitions Board has under consideration some 200 projects for combining facilities. One of these involves laundries. Remember the overburdened state of civilian laundries during the last war? One of the reasons for their plight was that an enormous number of military laundries had to be built and equipped. The civilian laundrymen just couldn't get additional equipment to handle the increased load created when millions of women went to work and quit doing their own washing. Now, if the military can reduce its equipment needs in this field, the benefits to affected businessmen and to the public will be tremendous.

A Master Catalog

The military services are now compiling a single master catalog.

It is estimated that the military now

purchase approximately 5,300,000 separate items. In the distribution of these items within each service, a total of 15 different cataloging systems has been in use. In many cases, the same item has different catalog numbers in each service.

Compilation of the master catalog will take about four years to complete. It is viewed chiefly as an aid to distribution and to inter-service exchange of items—an important consideration in battle zones. But the catalog ultimately will also help civilian manufacturers. If industry generally adopts the same numbering and designation system used by the military, it will go a long way toward reducing unnecessary duplication and mistakes.

Renegotiation of Contracts

Efforts are being made to simplify the renegotiation process and to get rid of many of the features that were objectionable in World War II.

The new renegotiation program is limited. It will apply chiefly to aircraft contracts but possibly also to ship building and construction at overseas bases. A salient feature of the new setup is that it will be administered by an independent board appointed by Secretary Forrestal.

Will All This Save Money?

It is hard to tell how much money will be saved by these new methods of doing business with the armed forces.

Some economies, such as the one resulting from joint use of refrigeration facilities, already are apparent. But some of the other projects will be expensive, at least to initiate, though they will save money later. Estimates on the cost of the master catalog, for example, have run as high as 22 million dollars.

The men engaged in planning the new setup say it's a case of having to spend money to save money. Any businessman who was exposed to the "Washington runaround" in the early days of the last war, spending hectic days or weeks simply trying to find the right official to talk to, doubtless feels that whatever it costs to prevent that kind of chaos will be money well spent.

Profit sharing: A small hardware merchant's plan

PROFIT-SHARING plans come and go, are favored or condemned. But in Marlette, Mich., Aldred R. Schlichter, 61-year-old proprietor of a small hardware store, can insist he has a really effective and workable plan. His employes concur. They point to a higher sales volume and tell how they are outdistancing two rival merchants. They give their plan the credit for much of the success.

Here is how it works: Reviewing his books for the 10-year period 1935-45, Schlichter first determined how much business he had to do in a year to cover the overhead, give himself a fair return and pay the help a satisfying wage. This figure he called the base volume of business.

The weekly wages of his employes, comparable to those paid similar workers in the community, Schlichter termed their base pay.

At year's end, all sales over the established base are translated into a percentage of increase. This percentage is then applied to the employe's base pay in form of a bonus. Since business in 1947 went 83 percent above the base volume, Schlichter turned over to his staff bonus checks representing 83 percent of their base wages.

To backstop the system, Schlichter has reserved for himself the right to adjust the base sales volume figure. If profit percentage slips or operating expenses climb abruptly he may raise the base. On the other hand, if profit margins increase and operating expenses slide off, he has promised his staff to reduce the base.

Now he reports: "This year because of the reduced value of the dollar, we have increased our weekly pay checks and therefore increased the required base sales volume proportionately. When the dollar regains its strength, we will reverse this procedure."

Schlichter's plan makes no distinction between the employe who arranges the shelves into attractive displays and the man who makes the sales. Thus he has created a team spirit; they all try to sell, with a reason. And the customers have reflected pleasure in the general atmosphere with heavy buying.

Notes ON THE CHANGING TIMES

ONE OF THE COMPENSATIONS of getting licked in elections is that you can get back up there in the grandstand and holler at the new players.

RUSSIAN GENETICISTS, after a tip from the Kremlin, agreed that their former theories were all wrong, and that human traits acquired by environment actually could be transmitted through heredity, which suggests that the geneticists may have been influenced by thoughts about the possibility of an enforced change in their own environment—to Siberia.

TURKEYS for Thanksgiving this year are fewer than usual and skinnier than usual, but growers say they will be more plentiful next year, and fatter, which is something to be thankful for a year ahead of schedule, instead of being behind in thanks, as usual.

SOME COLLEGE FOOTBALL TEAMS are doing pretty well this year, and their style is not cramped by the new rules against professionalism which require that if you hire a player you shall not say anything about it publicly.

IN A LEISURE MOMENT recently we got to reading a dollar bill, and ruminating over its literary quality. Being rusty in our Latin we didn't quite know what "Annuit Coeptis" meant, but looked it up, and found it meant "God prospered our endeavors." As for "Novus ordo seclorum," we discovered that it means "New order of ages." The pyramid in the seal denotes strength, stability and firmness, indicating that the government of America is stable, no temporary affair. The pyramid is unfinished, and this shows that America has not completed its full structure of government or obtained its full strength. The eye is the eye of Providence. All this gave quite a lift to our hopes and to our faith in a dollar bill, even if it doesn't buy much.

MOST DEPARTMENT STORES are doing land-office business with their basements, which are supposed to have bargains, and some basements are not nearly big enough to handle the business. It might be a good idea for some progressive store to run its basement up a few stories.

A SCHOOLTEACHER was reported to us this fall as leaving the public schools for a job in a private school at the same pay, and when quizzed about her reason for the shift she explained that it was more genteel to starve privately than publicly.

TELEVISION PROMOTERS tell us the great problem now is to get television out of the saloon into the home. On the other hand, some tavern keepers tell us their patrons spend so much time watching television that they neglect to order wet goods in sufficient quantity to cover installment payments on the television.

A DRESS-OF-THE-MONTH Club has now been established, so that women can get dresses just like books. One of the advantages claimed is that women can get dresses for just what they want to pay and not be persuaded by a saleswoman at the store to go higher. This persuasion is known as "trading up," and the Dress-of-the-Month Club says trading up "in many cases causes a rift in the family harmony." Husbands will be glad to know that a dress-a-month can keep the rift away.

SCHOOL FOR PRACTICAL POLITICS

THERE is a hopeful sign that within a few generations practical politics may be wrested from the relatively few professionals and be managed by people with broader interests and background.

The sign comes from the colleges. Many are recognizing the deficiencies of the traditional, rather theoretical political science courses. The new trend is toward showing that politics is everybody's business, and that the kind of government we get derives from what is done in the ward and precinct. Students will begin to learn political arts less from textbooks and more by personal plunges into the real thing.

Where must good government come from? From enlightened people willing to work in their home precincts and able to compete with the professionals. Ohio Wesleyan Univ. is training them.

A notable experiment in such a direction is unfolding at Ohio Wesleyan University at Delaware, Ohio. Dr. Ben A. Arneson, head of the political science department, first utilized the interne method by urging students into summer work for political parties of their choice. He lets them learn public service by working in public offices. Some students get paid jobs; some are volunteers. For their work they get college credits. They also get, of course, a lot of practical knowledge.

Dr. Arneson now has a convinced collaborator in Arthur S. Flemming, former member of the U. S. Civil Service Commission and now president of the university. The two have established an Institute of Practical Politics, offering a study program and outside activity aimed at stimulating students to take active interest in practical politics and, in some instances, to enter party ranks and work at politics before graduation. Appreciation of politics is a major aim.

Dr. Arneson says: "Those whose main business is medicine, the laboratory or the pulpit are affected by politics. They ought to know what it's all about."

The interne method is being strictly pursued. Dr. Arneson says it works. There is, for example, Wesleyan student Phil Sansotta, who went to work for the Democratic Party in Delaware. He has already been named committeeman in his home precinct, and has written letters to get the issues before the people and the people to vote. He has learned the political value of social functions and how to round up speakers. He gets two hours of college credit.

Another student, a girl, reported back from her post with the women's division of the Republican Party in Syracuse, N. Y., that the experience was "an eye-opener."

One other student, working with the Ohio Public Utilities Commission, reported a front-row view of how that organization affected his daily life. Another, in the county engineer's office, learned how bids for public structures are handled.

Work in public offices and in political parties is the basis of the course. But Dr. Arneson hopes to have Republican and Democratic leaders hold seminars with students participating. He hopes, furthermore, to have campus conferences on national, state and local issues with national, state and local speakers of every political complexion.

Ohio Wesleyan's 2200 students come from all 48 states and many will go back home to say that politics is vital to everybody and perhaps to plunge in themselves. As more colleges swing to the trend the effects will be multiplied. And the long-time beneficial effect from such a transfusion of new and more wholesome political blood will be unreckonable.

THINGS TO WRITE FOR . . .

Here is a list of useful pamphlets, reports and books that have come to our attention. Write directly to the publisher or sponsor for them. If you know of any publications that should be included, please tell us.

☐ *Establishing and Operating Your Own Business.* . . . This is the "best seller" among 50 or more booklets on business problems put out by the U. S. Department of Commerce since the war. More than 96,000 copies have been sold to date. This booklet deals broadly with all types of small business including those in the service fields. Write to the Superintendent of Documents, Washington 25, D. C., or to the Department of Commerce field office nearest you. Price 10 cents.

☐ *The Small Businessman and Sources of Loans.* . . . The importance of adequate capital to effective business management is emphasized in this 26-page U. S. Department of Commerce pamphlet designed especially for the small businessman. Write to the Superintendent of Documents, Washington 25, D. C. Price 15 cents.

☐ *Material Management.* . . . The problems in getting the right quantity of materials at the right time and place. A 6-page pamphlet, one of a series of reports prepared by Griffenhagen & Associates, 333 North Michigan Ave., Chicago, Ill. Free.

☐ *Business Management Action against Depressions.* . . . A guide for policy-making decisions based on experiences of the past. A useful 16-page booklet. Write to the Economic Research Department, Chamber of Commerce of the U. S., Washington 6, D. C. Single copies 20 cents.

☐ *Dimensional Coordination of Buildings, and Materials and Equipment, on the Modular System.* . . . This 96-page booklet will be of special interest to materials suppliers, engineers, architects and builders. It reports on advances in the method for achieving construction economies by establishing uniform size standards. Write to the Office of Technical Services, Department of Commerce, Washington 25, D. C. Price $2.50.

☐ *President's Highway Safety Conference, 1948: Inventory and Guide for Action.* . . . A "progress report" on the national program for greater safety on streets and highways. An attractive and informative 76-page booklet, illustrated with photographs and charts. Write to the Superintendent of Documents, Washington 25, D. C. Price 65 cents.

☐ *Through Films Our Cultural and Industrial Strength.* . . . A 7-page folder for persons interested in audio-visual education, whether in the teaching profession or in the distribution and production of films. Write to Educators Progress Service, Randolph, Wis. Free.

☐ *The Savings and Loan Association.* . . . Story of the origin, development and current standing of the savings and loan business. A 10-page booklet. Write to the United States Savings and Loan League, 221 North LaSalle St., Chicago 1, Ill. Free.

☐ *The Functional Operating Report.* . . . This is a 22-page manual which describes the construction of a simplified financial statement, known to the experts as the "short form." Write to the American Economic Foundation, 295 Madison Ave., New York 17, N. Y. Price $1.

☐ *How to Get Extra Service out of Automobile Tires.* . . . Main factors in tire longevity are said to be the attention given to fabric breaks, tread wear, inflation, wheel balance, cuts, tube troubles and demounting and mounting. Write for this attractively illustrated 32-page booklet to the Rubber Manufacturers Association, 444 Madison Ave., New York 22, N. Y. No charge for single copies.

☐ *The Nation's Health: A 10-Year Program.* . . . A 186-page report to the President by the Federal Security Administration evaluating the nation's total health resources and recommending a basic federal-state-community action plan. The plan is based on the findings of the National Health Assembly, a forum of more than 300 professional and community leaders. Write to the Superintendent of Documents, Washington 25, D. C. Price $1.

Your Questions Answered

These are questions that have been asked us by readers. We hope you will take advantage of this special service by querying us for information or judgment on subjects of current interest. We may not have the space to publish all answers, but we shall reply by letter to all who write.

What is the outlook on batteries for automobiles and trucks in the next six months?

The supply of batteries for motor vehicles this fall and winter probably will be no worse than last winter, and it may be a bit better. But if defense buying of lead should be stepped up sharply, the supply of batteries would contract quickly with resulting increases in prices.

Has productivity increased lately?

Yes. The present rate of improvement is around 3 to 5 percent per year and is now believed to be close to the pre-war rate, what with better flow of materials, technological improvement and fewer strikes.

Are we exporting hides and leather to the detriment of domestic demand?

We are exporting only small quantities of leather and hides, leaving Europe to buy most of its hides in South America. These European purchases, however, do cut down the hides available to us, and tend to keep prices higher than they would otherwise be.

If price controls are reinstated, will they apply to used automobiles?

Price ceilings probably will be put on used cars if controls are restored. Main reason is the tight steel supply limiting the production of new cars.

How many farmers are there in the United States and how many farmers belong to farm co-ops?

There are almost 6 million farmers. According to the last Census of Agriculture in 1945, 5,010,000 farmers were members of farmers' marketing and purchasing co-ops such as farm bureaus and similar organizations.

Does each state require its residents to have drivers' licenses?

All states except South Dakota require drivers to be licensed.

What is the relative production of butter and margarine this year?

By year-end, butter production probably will have dropped from the 1638 million pounds of last year to about 1500 million pounds this year. Margarine production is expected to increase from last year's 746 million pounds to 860 million pounds this year.

Would you advise a retailer of general merchandise to build up inventory against a continued price rise?

No. Keep inventories low, particularly in "soft" goods lines such as food and clothing. Mail order houses, usually alert, today are worried more about inventories than any other problem.

Does a small businessman have much chance of getting a defense contract, and if so how should he go about it?

The military services are now required to split up volume procurement into small lots wherever possible so that little concerns can compete for business. Most contracts are awarded in the field and not in Washington. For location of field offices handling Air Force contracts, write to Procurement Division, Air Materiel Command, Dayton, Ohio; for Navy contracts, write to Bureau of Supplies and Accounts, Washington 25, D. C.; and for Army contracts, to Current Procurement Branch, General Staff, Washington 25, D. C.

NEW PRODUCT?
check your market first

Careful research beforehand is the best possible insurance against losing your shirt later

MANUFACTURERS desiring to develop new products should include market research at every stage of their effort, or abandon altogether the idea of new products.

This is the conclusion of marketing experts of the U. S. Department of Commerce after almost a year-long study of facts and cases.

Many manufacturers mistakenly view market research as something to be started when the product is ready for sale. This is all wrong. The specialists say you should use market research from the very beginning to help do these jobs:

► Find good new product possibilities.
► Select a good product.
► Guide actual building and shaping of the product.
► Settle upon package design, name, etc.
► Locate the best distribution channels.

If a manufacturer cannot afford research by an established agency, he can do it himself. The Marketing Division of the Department of Commerce recommends a do-it-yourself type of market study which is not complicated and on which government analysts will give help.

The plan will be explained in detail in a booklet, which the Marketing Division expects to publish in January, *Developing and Selling New Products* by Gustav E. Larson, of the division staff. Watch the "Things To Write For" page of this magazine for subsequent information.

The best product idea usually is one which lends itself to manufacturing with present equipment and labor force, can be sold by the regular sales force, and advertised and promoted in much the same manner as the present line. The more a new product is unlike the regular line, the less chance it has of being profitably added to the company's operations.

Many companies have found that market research can provide fresh ideas from a blank slate, can test an idea for a new product already suggested, or can be used to firm up tentative plans for a new product already under way.

Here, for example, is a case of market research providing a product idea:

A tin plate converting plant that manufactured metal packages had a change of management. The new managers believed the company needed a new product with a greater profit margin. A market research agency was put to work and, after careful study, suggested a new type of breadbox. Also recommended were several new design possibilities plus a desirable selling price and good channels for distribution. The boxes are now manufactured and sold successfully.

Research can also determine whether somebody's "bright idea" is really any good. For example, a large manufacturer of electrical appliances considered adding an electric footwarmer to its line. First it sent a questionnaire to known owners of its

appliances. The survey disclosed that a large group of prospective purchasers were troubled with cold feet and that a footwarmer should be priced around $10. The footwarmer is now being marketed with good results.

An Iowa chemical company, developing a new laundry starch, had salesmen talk to women in their homes and in grocery stores. Forty-one percent of them indicated satisfaction with starches they used, but over 65 percent leaned toward trying out a liquid starch which was ready to use. Over 70 percent thought a prepared starch should contain ironing aids to provide easier ironing and better finish. The company began manufacturing the kind of starch most of the women said they preferred. The new product reportedly is a hit.

Lack of preliminary market research often results in failure for a new product.

In one reported case, a firearms manufacturer decided to produce forged steel tools, something new to the company. The company made its engineering design without any knowledge of user preferences, customs and practices. The tools were well designed; they had a rust-proofing treatment which gave a dull finish. But the tools didn't move from the dealers' shelves and the reason wasn't discovered for some time: Craftsmen didn't like the dull finish. The popular shiny steel finish was more favored.

Market and consumer studies made before design work began would have disclosed these preferences and saved thousands of dollars in development tooling and inventories, to say nothing of the bad advertising for the company.

Don't overlook market research. You may learn too late that your product was priced too high, that dealers were overstocked with competing lines, that better products for less money already were on the market, or that your product was poorly designed. Market research, on plain evidence, seems an imperative precaution to take.

READERS TALK BACK

Population

Our greatest national long-range problem, which is receiving insufficient attention, is the menace of our rapidly rising birthrate.

Many men are marrying to avoid the draft. This will result in a continuing number of divorces and a higher and higher birthrate. If America is not to become over-populated, under-nourished and under-educated in another 50 or 75 years, if we are not to find ourselves in the tragic position of China, India, or even Europe, we need to take preventive measures now.

Helen R. Henze, Kansas City, Mo.

Production

I want to take issue with the statement in the editorial article in the September issue that our economy is working pretty close to capacity.

If we want to consume more, and we do and we will, we must produce more and we will. We can produce more with the plant we have and we will. Also we will enlarge our physical plant. We are doing this all the time. Prepare the people to require more! There is absolutely no evidence that they will have to do with less.

G. N. Pardonner, Columbus, Ohio

¶ *We agree. The idea behind our editorial was the same as Mr. Pardonner's: that our economy must find the ways to produce more.*

"Appeal from Germany"

The "Appeal from Germany" [Letters, September issue] is one of the typical letters from Germany of today: "I am not guilty—I am starving—I never was a Nazi—please help me."

Remember the time when Hitler and *all* of his Germans were invading all European countries, stealing, robbing, starving and killing innocent people? At that time it was for everybody in Germany "Deutschland Über Alles."

Now—of course—nobody was for Hitler and his ideas, every German who writes you a letter was innocent . . . because Hitler lost the war! My advice to your German friend is that he should do his duty in his own house and reeducate his German neighbors and children that one day they may become respectable members of the

German society again. I think that should be the most important task for every decent German!

F. W. Unger, Yonkers, N. Y.

Labor and Employment

In your article "Can We Prevent Strikes?" [September issue] you say strikes are "by no means always labor's fault." I have been connected with industry for many years and have yet to see any management precipitate a strike.

Harmony at the plant level is about the most desirable approach to the whole matter but I doubt if the leaders of national unions will ever agree to such a simple solution. Their jobs would, of course, evaporate if employers could settle differences and work out procedures at a local level.

William E. Umstattd, President
Timken Roller Bearing Co.
Canton, Ohio

The article "Unions: Watch Your Step" [July issue] hits the nail on the head. U. S. population probably approaches 150 million persons. Grant that labor unions have membership of one tenth of that number, is it right that such a proportion of our population should be able to disrupt business, clog the wheels, and give us the jitters, whenever business fires one or a dozen men for supposedly good reason, or for a whodunit?

My quarrel is not with the principle of a labor union, which is the right and necessity of men and women who work with their hands. Let the growing wrath of our common mass be directed toward union leaders who look for personal power, and politicians who want votes. We shall have a big explosion some day, and perhaps it may be soon.

Williams C. Harris, Lawyer, Detroit

I wonder if you cannot give your readers the low-down on the claim of more than "sixty million jobs" we hear so much about. My contention is that it is the intent of government to show that we have the production which 61 million employed would give us. I think this total should be reduced by not including any of those being paid weekly or monthly wages while not actually engaged in producing. If we add up all those who now receive these interim wages, week after week, I am sure that we shall find our total of producing wage earners very much less than we have been propagandized to believe.

Frank A. French
Orlando Advertising Agency
Orlando, Fla.

¶ *Census figures are non-political and, we believe, are fundamentally accurate. Latest estimates, based on a sample made according to approved scientific methods, place the civilian labor force at 63,186,000 employed, 56,602,000 actually at work and 4,644,000 with a job but not at work, most of them on vacation.*

Gray Markets

There have been a number of articles in your magazine regarding the black (gray) market in steel but I had never come into personal contact with this market until last week.

A junk dealer told me he gets a call each month from an unnamed official of a steel plant who tells him what his quota for the month will be, say 21,000 feet of pipe. The junk dealer then calls parties he knows who need pipe and sells them the pipe at $3.25 per foot for 5½ inch casing. The mill price is $1.30 per foot. The junk dealer gets a commission of 30 cents per foot and you can guess what happens to the balance.

I do not blame the junk dealer for making 30 cents per foot on the pipe but he would not be able to do so if all operators refused to purchase except at legitimate prices.

Leslie T. Barber
Producer of Natural Gas
Edmore, Mich.

Income Tax Deductions

In your August issue ("Questions and Answers"), a question is asked, "Can a corporation insure the life of one of its officers and charge the premiums as an operating cost of the business?" Your answer is, "No." I disagree with your answer.

The answer I can supply you with is: The court will uphold insurance premiums as a deduction for income tax purposes, provided they are deducted as remuneration paid to its officer and withholding tax deducted on same accordingly.

D. G. Schubauer, Buffalo

¶ *The Bureau of Internal Revenue says the premium is not deductible unless the beneficiary is not the corporation but some individual designated by the employe.*

Negroes

I am confident your article "Negro Department Store" [September issue] will help modify some of the misconceptions held concerning colored people by many persons in top management. It tends to prove, in my opinion, that the welfare of the Negro consumer is the concern of business generally and that when granted an opportunity, colored people, like many other peoples, respond promptly, to the benefit of the entire community.

Joseph B. LaCour, Manager
Associated Publishers Inc.
New York

DO YOU REMEMBER '32?

ROOSEVELT, the youngish governor of New York State, backed by a steamed-up party, was battling Hoover and his tired-out party. That was 16 years ago, and from that day to this you have lived and worked under the regime of Roosevelt, with variations by Truman toward the end.

Do you remember the things that Roosevelt talked in '32? Were you aware then, as you are now, of the great changes in store for the nation? The changes in course of action, the changes in modes of thought? If you had been fully aware, would you have done things differently? Would you have trimmed your sails to the winds of the times?

These questions are quite as good today as they were then. Now we have another new deal of the cards, another new President, and another new party. The name of the party is the same as the name that went out of national affairs in '32, but the spirit is different. It will never be the same again.

Now you must look ahead to four years, perhaps eight years, of change. Conservative, yes, but only in a relative way. Basically the times do not permit absolute conservatism of the old-fashioned variety, and the things done under Dewey are bound to shock a lot of the old-time folks.

So be alert to Dewey now—to Dewey and the implications inherent in the shift. It will pay dividends in understanding of the future trends, in *advance* understanding of them. It may even pay money dividends, for much of the Dewey news is business-steering news.

Are you history-minded? If so, the first general sweep-up of Dewey policy, as reported in this issue of this magazine, will have historical value in the future. Perhaps you should put a copy away for your children or grandchildren.

Or perhaps you should get additional copies for immediate reference to others—your personal friends, your business co-workers, your company directors.

We'll gladly send you one extra copy free. Three extra copies will be sent at the special price of $1 if payment accompanies your order. For more than three extra copies, the price will be only 30 cents a copy for this special issue. Just check the convenient order form below, attach your payment and mail today.

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Building by "Modular Coordination"

Rio Grande Valley: Winter Garden

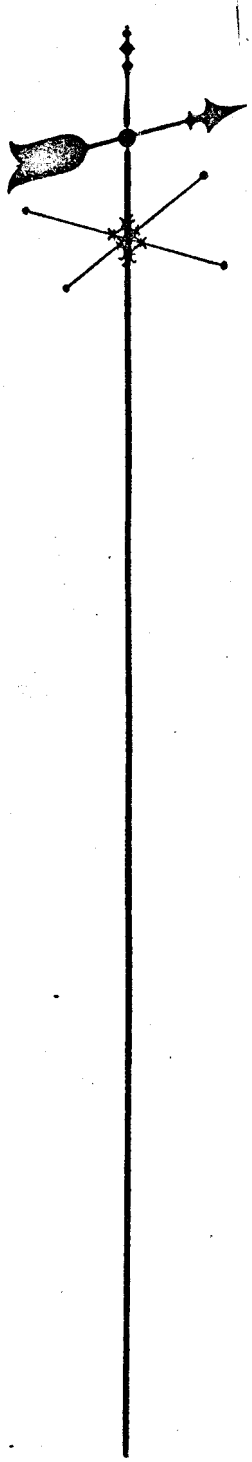
How to Sell by Mail

Why Not Try Arbitration?

Reprints are one of the several services maintained by KIPLINGER MAGAZINE to make this monthly publication useful as well as interesting. You may also find it worthwhile to make use of Things to Write For (on page 43) and Questions and Answers (page 44).

Kiplinger MAGAZINE

FUTURE ARTICLES



NEW WAY TO MAKE STEEL
Short cut in the process, cheaper, less capital, scattered plants, a revolution in steel, becoming practical in about five years

EMPLOYES SHARE IN THE PROFITS
Funny thing is that the company makes more, too

SHOE INDUSTRY
One of the first industries to fill its pipelines—a lesson for other businesses

HOW TO GIVE YOUR MONEY AWAY
Read it even if you don't have a million dollars

CULTIVATE YOUR FOREMEN
They can help your company do things better

A BUILDER WHO HOLDS PRICES DOWN
It can be done—and here's an example of it

CHRISTMAS CARDS AGAIN
Behind the scenes—a frantic business

HATS OFF, HATS ON
How the hat industry has modernized

DEWEY'S DOERS *Some hidden, some out in front—a follow-up on the Dewey feature in this issue*

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November 1948 *Vol. 2, No. 11*