

THE WHITE HOUSE
WASHINGTON
January 18, 1946

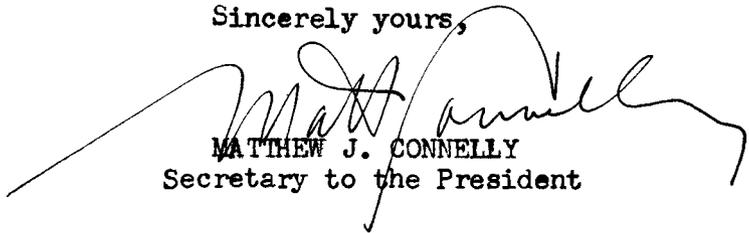
PERSONAL AND CONFIDENTIAL

Dear Governor:

Roberta tells me that you wanted to have a copy of your telephone memorandum for your files.

The President said to tell you he appreciates what you did a great deal.

Sincerely yours,

A large, stylized handwritten signature in black ink, appearing to read 'Matt Connelly', is written over the typed name and title.

MATTHEW J. CONNELLY
Secretary to the President

Honorable Marriner S. Eccles
Federal Reserve System
Washington, D.C.

COPY

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MEMORANDUM FOR THE PRESIDENT:

Chairman Eccles just dictated following on telephone and asked that it be handed the President at Cabinet -

"I wish to advise that as result of your telephone call to me last evening, I talked to Olds, Chairman, U.S. Steel Board, for about fifteen minutes this morning. I advised him of the far reaching economic effects and serious social implications of the steel strike. I strongly expressed my feeling that they should accept the President's compromise. I told him I could definitely assure him that if they accepted they would be fully protected and in no wise penalized as a result. He said that was not in accordance with the impression given to them by John Snyder last evening, and with such conflicting reports, whom were they to believe.

"My belief is they will not accept compromise unless word is gotten to them promptly that will satisfy them that they will be fully protected and in no wise penalized if they accept.

"The Directors meeting of the Steel Corporation has been in session in New York since ten O'clock. I believe that someone should be contacted promptly if anything is to be done.

Eccles"

TO _____

FROM _____

REMARKS: January 18, 1946.

9:50 a.m. Chairman Eccles talked to
Mr. Olds, Chairman of the
Board of U. S. Steel Corp.
at New York. (N.Y.Fed.phone)

10:20 a.m. Chairman Eccles dictated a
memo to the President to Miss
Barrows, Secretary to Mr.
Connelly.

CHAIRMAN'S OFFICE

The President called me at 7:02 p.m. on Thursday, January 17th, and advised me he had proposed a compromise to avert the steel strike to Murray and Fairless; that the compromise was — that they settle for $18\frac{3}{4}\phi$, which was a further concession by Labor of 1ϕ from their last proposal of $19\frac{3}{4}\phi$, and it was an increase of $2\frac{1}{2}\phi$ for the Steel Company from their last proposal of 16ϕ ; that it was a decrease from the original 25ϕ request of Labor down to $18\frac{3}{4}\phi$, or a total decrease of $6\frac{3}{4}\phi$; that it was an increase from the original 12ϕ offer of the Steel Company up to $18\frac{3}{4}\phi$, or a total increase of $6\frac{1}{4}\phi$.

The President said that he felt sure the Labor people would accept the proposal and would make no further concession. He asked me to use my utmost effort in any way I could to get the Steel Company people to accept the compromise. He has made no definite promise of any specific increase in the price of steel. He wished me to assure them that if they did accept, they would be fully protected and in nowise penalized as a result of their accepting this compromise; that if it was not accepted, a strike was inevitable with all of its far-reaching serious implications.

UNITED STATES STEEL CORPORATION

Irving S. Olds, Chairman
B. F. Fairless, President
E. M. Voorhees, Chairman Finance Committee
H. L. Hughes, Vice President
R. H. Watson, Vice President
J. L. Young, Vice-President
W. A. Brown, Secretary
G. L. Edwards, Treasurer

DIRECTORS:

A. M. Anderson, New York
S. L. Avery, Chicago
J. B. Black, San Francisco
C. J. Callaway, Hamilton, Ga.
P. R. Clark, Chicago
B. F. Fairless, New York
W. A. Irvin, New York
T. W. Lamont, New York
N. L. Miller, New York
A. C. Nagle, New York
I. S. Olds, New York
G. A. Sloan, New York
R. C. Stanley, New York
M. S. Taylor, New York
E. M. Voorhees, New York

General Counsel, Nathan L. Miller
General Solicitor, Kenneth B.
Halstead