

**NATIONAL RESOURCES PLANNING BOARD
WASHINGTON**

October 24, 1942

Mr. Eccles:

The attached report on "War-Time Planning for Continuing Full Employment" is sent in accordance with Mr. Delano's letter to you dated October 23, 1942. We shall appreciate any comments or suggestions you care to make.

Thomas C. Blaisdell, Jr.
Assistant Director

EXECUTIVE OFFICE OF THE PRESIDENT
National Resources Planning Board
Washington, D. C.

February 20, 1942

WAR-TIME PLANNING
for
Continuing Full Employment

MEMORANDUM for Staff and Cooperating Agencies:

As you know, the President has assigned to the National Resources Planning Board the task of bringing together and correlating plans and programs for the post-war period. The Board has been working on various statements of the problem and has issued pamphlets and reports concerning the progress of both our planning efforts and those with whom we have been collaborating.

General Objectives:

The objectives of these planning efforts have been outlined in the Board's statements, emphasizing full employment, full use of resources, continuity of income, security, and building America. A reprint of a statement from the recent report - "National Resources Development", - which the President transmitted to the Congress on January 14, is enclosed herewith. These general statements must be made specific in terms of each area and function of planning responsibility.

Agenda:

In order to provide a general framework into which plans of public and private agencies can be fitted, the enclosed Agenda has been prepared. Work has been in progress for some time both in the Board and in other agencies on various items of this agenda. Suggestions for its continued revision and improvement will be welcomed.

It is hoped that agencies and groups working on post-war plans will keep the Board informed of the parts of this agenda in which they are primarily concerned, and on the planning they are doing in those fields. The Board will endeavor to keep current records of the work going forward under each heading and provide information to agencies working on related parts of the Agenda.

Procedures:

For use during the War and for the transition period immediately following the cessation of hostilities, the Board wishes to have constantly available what might be called confidential "ever current recommendations"

for activities to stabilize employment and maintain a high level of national income, to be continuously filled out and improved month by month, as long as the war lasts. For the development of such a statement, we are asking the assistance and cooperation of many agencies, and are circulating to them the enclosed outline of planning procedure, involving establishment of goals, measurement of gaps, design and integration, stages of the program, and inducements to action. It would be helpful to the correlation of planning activities, if agencies and groups working on different parts of the Agenda, would develop their plans, each in their own field of special competence, through the use of similar procedures,- adapted from this outline. The results would then be more nearly comparable from agency to agency and more easily fitted together into a composite program. It will be noted that the suggestions in this outline of procedure apply to planning by private citizens, business and industry, as well as by governmental agencies.

At the same time that work is proceeding function by function and agency by agency, action plans will be needed for regional, State and district areas. The Field Offices of the Board will wish to secure the active participation of appropriate planning agencies in the preparation of the statements of goals, gaps, etc., for the regions and smaller areas which they serve.

Immediate Steps:

For the "ever current recommendations" on which the assistance of all members of the staff and cooperating agencies is earnestly requested, compilation of confidential memoranda and figures are needed on the amount, kind, and cost of useful activities which could be put under way quickly to mobilize the peace-time economy at the end of the War. From agencies not already reporting projects and surveys to the Board under Executive Order No. 8455, it would be helpful to have lists of activities or projects which might be started with expanded funds but under existing authority and systems of organization, one month after the "whistle blows" and cumulatively for each month thereafter for say 12 months. Such project statements might begin with the next fiscal year and be periodically revised thereafter. While this effort may seem unrealistic when we are planning for a long war, it is our job to be prepared for peace whenever it comes.

Lack of Authority and Bottlenecks:

We hope that in the preparation of such activity or project statements, agencies and interests cooperating with us will discover the lacks in authority, bottlenecks, and difficulties which will prevent the more rapid expansion of their peace-time activities and will keep us informed of their nature and of measures which are proposed to be taken. From such statements on lacks of authorization and bottlenecks and the steps taken concerning them, we would hope it might be possible to develop expanding alternative programs on a similar month-to-month basis, with revision of all the figures at appropriate intervals to bring them up to date.

Assignments:

The Board has no authority or desire to "assign" work to any cooperating agency. It has always been the policy of the Board to encourage all operating agencies to proceed with planning - each in their special field. Our part is to aid others in their planning work and to watch for and point out the inter-relations and gaps in the over-all scheme.

A preliminary assignment of responsibilities to members of the Board's own staff to keep in touch with further work on items of the Planning Agenda is shown on the attached sheet. This statement is also being revised and we hope improved. There are a number of overlapping assignments which do not show on a two-dimensional chart, such as relation of programming public works to various functional activities or relation of planning work out over the country to activity in Washington. Such overlaps are inevitable and need not cause us embarrassments if we are all aware of their existence and see to it that our colleagues and cooperating groups who may be affected are kept fully informed.

To carry out such a program will obviously involve the enthusiastic cooperation of a great many Federal, State, local and private agencies. We earnestly request your help in developing those contacts and in pushing this work so that we may avoid being caught unprepared.



Charles W. Eliot
Director

Attachments:

Agenda
New Objectives
Procedures in preparing plans
Assignments

Confidential

Revised Draft for review and criticism.

AGENDA

War-time Planning for Continuing Full Employment

NATIONAL RESOURCES PLANNING BOARD

February 20, 1942

INTRODUCTION

This agenda is intended as a general framework for the guidance of persons responsible for preparing governmental programs to be followed after the war. The eight major headings provide, it is believed, an appropriate category for the consideration of every major question that must be faced. At the same time this framework should afford a basis for indicating the place of particular problems in a larger context.

The effort to place various matters needing attention in outline form must in no way obscure the essential unity of all these purposes. The objective is well known -- full employment and higher levels of national income. This productive effort must go into meeting the material and spiritual needs of individuals. Thereby we shall "upbuild America" and bring security to all. All efforts must be judged in the first instance by their prospective contribution to this primary objective.

It is assumed that the greatest proportion of economic activity will be performed by private enterprise. Government operations will serve two purposes: to meet additional or supplementary needs and to encourage full operation by private enterprise.

The section of this agenda on plans for public activity may seem disproportionate in contrast with other sections. The length or brevity of any section does not indicate relative magnitude or importance. Rather the emphasis here is given to matters of particular concern to the operations of Federal agencies and hence to the National Resources Planning Board.

No outline or framework of this kind can hope to show directly the interrelationships that exist between many important questions. It is expected that these interrelationships will be apparent to the users of this agenda, and that appropriate arrangements will be made for the clearance of items of mutual concern.

Finally, it will be observed that this agenda is functionally arranged by major subjects and makes no attempt to reflect the interests of particular agencies. Indeed, questions of administrative organization and procedure have not been raised, although these are important and will demand attention. But our first job is to lay out directions of policy and to define clearly the goals to be achieved. Questions of administrative organization can then be determined at the appropriate time in the light of those desired goals.

AGENDA

1. PLANS FOR DEMOBILIZATION
 - A. Release of men from armed forces
 - B. Release of Men from Defense Employment
 - C. Use of War Plant and War Developed Areas

OBJECTIVES

- The rapid reabsorption of men from the armed forces into peace-time activities with a minimum of dislocation and suffering.
- The transfer from war-time production to peace-time production with a minimum of unemployment and waste to the economic system.
- The most effective integration of war and pro-war plant facilities for meeting peace-time needs.

PROBLEMS

1. Over what period of time?
 2. In what order of skill, previous occupation, age, length of service?
 3. Be returned to place of enrollment or encouraged to go elsewhere?
 4. Size of dismissal pay, if any?
 5. How be absorbed to peace-time employment?
 6. Desirable arrangements for new training?
1. How rapidly should defense contracts be cancelled or terminated?
 2. Should dismissal wage be larger than present unemployment compensation?
 3. How can defense workers be absorbed into peace-time employment?
 4. What provisions should be made for re-training workers?
1. To what extent can war plant be used to meet peace-time production needs?
 2. What is to be done about use of war plant in preference to older plant?
 3. What Federal assistance, if any, should be given to defense plant conversion?
 4. To what extent can the war developed towns continue to use and serve their war-time populations? How shall necessary population shifts be guided?

AGENDA

D. The Relaxation of War-Time Economic Controls

OBJECTIVES

The prevention of any unusual fluctuations or distortions in prices and production during the period of transition to peace-time production.

PROBLEMS

1. How long should price controls be retained after cessation of hostilities?
2. How long should priorities controls be retained?
3. Should peace-time production receive immediate priority?
4. What other defense controls should be retained and how long?

E. The Use of Surplus Property

The utilization of all available stocks of goods for raising peace-time living standards.

1. What proportion of war-time material is adaptable to peace-time use?
2. How should such material be disposed of to the best advantage of the American people?

2. PLANS WITH PRIVATE ENTERPRISE

A. Encouragement of Private Initiative

Maximum production of goods and services by private enterprise in the post-war period.

1. What will be the potential volume of industrial production after defense?
2. What will be the possible and desirable expansion in private service activities?
3. What will be the capital requirements for private enterprise?
4. Over what period of time can and will additions to private capital be programmed?

B. Government Aids and Controls

Provision of an economic climate in which private enterprise may operate free from monopolistic restraint.

1. Will a long-range government program clearly defined in scope and magnitude help business confidence?
2. What government actions in tax field, patent law, or elsewhere will encourage private initiative?
3. How can government insure that its programs have the desired economic effect of increasing production rather than merely raising prices?

AGENDA

2B (continued)

C. Location of Industrial and Service Enterprise

3. PLANS FOR PUBLIC ACTIVITY

A. Improvements in Physical Facilities

1) Urban Development

OBJECTIVES

The geographical distribution of industry which will ensure the most effective use of human and material resources.

The arrangement of urban facilities and the provision of adequate housing to provide the maximum satisfaction in urban living.

PROBLEMS

4. What types of direct assistance such as mortgage guarantees or loans for plant construction are desirable?

1. In what respects is the locational pattern of industry at the close of the war likely to be unsatisfactory?
2. Should existing facilities be moved?
3. Where should new plants be encouraged to locate after the war?
4. By what means should the government seek to improve the locational pattern of industry?

1. What Federal assistance should be offered to local planning?
2. What Federal assistance should be given to the redevelopment of urban facilities such as streets, terminals, schools, recreational facilities, and public buildings?
3. How can industrial sections of metropolitan areas be arranged to economic and social advantage?
4. How can low income families be adequately housed?
5. How can large areas of urban land be publicly acquired for systematic redevelopment?

AGENDA

2) Rural Development

OBJECTIVES

The conservation of land resources and the provision of maximum satisfactions in rural living.

PROBLEMS

1. What efforts are needed to conserve our soil resources?
2. What efforts are needed to develop additional crop land?
3. What efforts are needed to conserve and develop range resources?
4. What efforts are needed to conserve and develop forest resources?
5. What land resources should be devoted to recreational development?
6. What is needed to conserve and develop fish and wildlife resources?
7. How can rural housing conditions be improved?
8. What can be done to make electricity and other improvements available to all rural areas?

3) Land Development

The appropriate utilization of soil resources according to productive needs.

1. What are crop and pasture acreage requirements to provide food for adequate dietary standards? Food for export? Industrial products for domestic and export uses?
2. What are prospective needs (and how can they be correlated) for forest land, recreational land, and land and water for fish and wildlife?
3. What public controls are needed to regulate land use?

4) Conservation and Development of Energy Resources

The satisfaction of productive requirements for energy resources.

1. What are prospective trends in coal use related to available supply?
2. What are prospective trends in petroleum use related to available supply? What plans to regulate use are desirable?
3. What prospective trends in gas use related to supply? What plans to regulate use are desirable?

AGENDA

OBJECTIVES

PROBLEMS

3A 4) (continued)

5) Drainage Basin
Development

The utilization of water resources to meet multiple needs and the control of pollution and water damage.

6) Transportation
Development

The modernization and integration of transportation facilities so as to provide efficient and economical service.

4. What are prospective trends in use of electric energy related to supply? What plans are desirable to expand electric output?
5. What are capital requirements for expansion of energy resources?
6. How can electric energy be most satisfactorily distributed?

1. What plans are necessary for the use and control of water for water supplies, flood control, navigation, irrigation, drainage, water power, erosion and debris control, pollution control, recreation, fish and wildlife, conservation, and combinations of these or related purposes?
2. What drainage basins are in need of coordinated plans for this development?

1. What are the prospective demands for various types of transportation facilities?
2. What will be the distribution of this traffic by modes of transportation and by geographic points?
3. What additions and improvements will be needed in transportation facilities -- line haul, terminal?
4. How can transportation facilities be integrated among themselves and with other services?
5. What are the prospective developments in foreign trade and the probable needs for merchant shipping and international airline shipping?

AGENDA

OBJECTIVES

PROBLEMS

3A 6) (continued)

7) Programming Public Improvements

The provision of basic facility needs as needed and as rapidly as possible.

B. Development of Service Activities

1) Health, Nutrition and Medical Care

Good health, proper diet, and adequate medical care for all.

2) Education, including youth employment problems having educational aspects

Training for the individual both in self-sufficiency and in cooperative endeavor, economic and social; ensuring adequate opportunity to participate in the cultural heritage of our civilization and to contribute to the nation's productive effort.

3) Recreation

Appropriate recreational facilities and service for all.

4) Library

Library facilities for all as desired.

6. What improvements are needed in port terminal facilities to service the anticipated post-war foreign trade efficiently and effectively?

1. In what order and over what period of time are desired and needed public improvements to be constructed?
2. What additions to capital plant will be required to do the necessary building?
3. How should construction organization be improved?

1. What are minimum desirable standards for feeding and preserving the health of the population?

2. What extensions and improvements in public service are required to meet these standards?

1. What improvements are desirable in educational service?
2. How can we improve services generally needed by youth?
3. How can we improve youth training for productive activity in our society?

1. What improvements are needed to provide adequate recreational service?

1. What improvements are needed to provide adequate library service?

AGENDA

5) Cultural Activities

6) Research

4. PLANS FOR ECONOMIC SECURITY

A. Loss of Normal Sources of Income

1) Unemployment

2) Old Age

3) Sickness and Accidents
(direct wage loss and costs of medical care)

4) Loss of Breadwinner

5) Loss or Depreciation of Property

OBJECTIVES

Appropriate opportunities for all to contribute to or enjoy the nation's cultural resources.

The continuous enlargement of man's knowledge of physical and social phenomenon.

Assurance of minimum security for all our people wherever they reside, and maintenance of the social stability and values threatened when people lack jobs or income.

PROBLEMS

1. How should the government actively foster music, painting, writing, and dramatic activity?

1. What steps are needed to improve research into the physical and social aspects of our national activity?

1. What improvements and extensions are necessary in existing programs to assure minimum protection against these risks?
2. How far should needs be met by assurance of cash incomes and public work; how far through extensions of publicly provided services?

3. What provisions should be made to insure adequate guidance to families in meeting various social and economic problems?

4. How can employment programs, training and geographical transference be integrated with available security measures?

5. Should compensation for war dislocations (priorities unemployment and demobilization) be coordinated with other social security programs? If so, how?

AGENDA

4A (continued)

6) War dislocation and Enemy Action

B. Low Levels of Income from Gainful Employment

- 1) Industrial and
Commercial and
Domestic Employment
- 2) Agricultural Employment

5. POPULATION AND MANPOWER

A. Internal Population Trends

OBJECTIVES

Maximum productive utilization of the
nation's manpower resources.

PROBLEMS

6. Should compensation for losses due to enemy action (including veterans' pensions) be coordinated with other social security programs? If so, why?

7. Should further provisions be made to secure private investments?

1. What contribution could be made by minimum wage legislation?

2. Would a system of family allowances be desirable?

3. What are the potentialities of an expansion of the stamp plan?

4. How far can low incomes from private employment be compensated by expansions of the social services or subsidized production such as housing?

5. Are more drastic and fundamental measures necessary, e.g., removal and rehabilitation of people, revitalization of areas of low productivity?

1. What will be the aggregate population of the United States over the next thirty years?

2. How will this population be divided by sex and age groups?

3. How will this population be divided into families and single individuals?

AGENDA

B. Labor Force

C. Control of Working Conditions

D. Migration Problems

E. Immigration Problems

6. PLANS FOR FINANCING AND FISCAL POLICY

A. Overall Fiscal Policy

OBJECTIVES

The maintenance of a volume of economic activity approximating full utilization of resources

PROBLEMS

1. How should the population's gainful workers be divided among industrial, service and agricultural occupations?
 2. What kinds of vocational training will be required to provide for effective utilization of our available labor force?
 3. What services should be provided to insure the proper guidance of individuals to job opportunities?
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1. What additional protections to labor governing wage and working conditions are needed?
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1. In the light of desirable utilization of labor force, what will be the population's division by urban, rural, non-farm and farm dwellers?
 2. What shifts will accordingly be required?
 3. Where will new occupational opportunities be located?
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1. Should immigration into the United States be encouraged in order to add to our productive resources?
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1. What will be the prospective volume of investment required to maintain full employment?
 2. What will be the prospective capital requirements for private enterprise in peace-time production at full-employment levels?

AGENDA

6A (continued)

B. Government Revenue

OBJECTIVES

Adequate government revenue and the distribution of the tax burden among citizens according to ability to pay, while preserving certain financial institutions such as savings banks and insurance companies.

C. Intergovernmental Fiscal Relations

The development of harmonious federal, state and local revenue systems and policies and the maintenance of the vitality of the federal system itself.

7. PLANS FOR REGIONAL, STATE AND LOCAL PARTICIPATION

The development of regional resources in harmony with national objectives.

PROBLEMS

3. What will be the required size of the complementary capital investment by Government?

1. What proportion of the required Government outlay should be met by taxation and what by borrowing?
2. What special methods of financing, such as non-interest bearing notes, might be used?
3. What changes in the credit and monetary system are desirable?
4. How should the tax structure be altered?

1. Do national or state taxes impair each other?
2. Is the duplication of tax sources discriminatory? Is it administratively inefficient?
3. How may the national and the state revenue systems and policies be integrated, particularly as they affect fiscal policy?
4. What new administrative controls are called for in connection with the development of inter-governmental equalization aids?

1. What are the present regional and area resources of various parts of the United States?
2. What are the outstanding needs of various regions and areas according to present conditions?
3. What methods or programs might be adopted to improve regional conditions?

AGENDA

OBJECTIVES

PROBLEMS

7 (continued)

8. PLANS FOR INTERNATIONAL
COLLABORATION

The maintenance of world peace and
promotion of higher world standards
of living.

4. How will proposed national plans affect a region?
5. How should a national plan be applied to regions of the United States?
1. What part will the United States play in the relief of destitution in war devastated areas?
2. What will be the role of the United States in promoting better world-wide utilization of resources and world advancement in living standards?
3. What influence will the domestic program of the United States have upon world relations?
4. What repercussions upon domestic policy will result from United States tariff, currency, lending, commodity stabilization, and other foreign policies?