

# COMMONWEALTH FEDERATION OF NEW YORK, INCORPORATED

315 FOURTH AVENUE, NEW YORK, N. Y.

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280 Broadway, New York City

December 16, 1938

AFFILIATED WITH THE  
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COMMONWEALTH  
FEDERATION

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Hon. Marriner S. Eccles, Chairman  
Board of Governors  
Federal Reserve System  
Washington, D. C.

Dear Chairman Eccles:

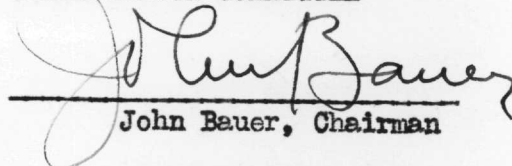
We are enclosing a summary statement of an economic program recently adopted by the Commonwealth Federation of New York. The object is to obtain national action, and responsibility for organization has been placed with the undersigned special committee.

We should appreciate it very much if at your convenience we could present our ideas before your special Committee appointed by the President to consider financial means for the attainment and maintenance of economic recovery. We feel that the first requisite of the desired economic stability is continuity of full employment in useful production, and that this requires positive responsibility on the part of the federal government, with suitable physical and financial program. While we probably cannot add materially to the basic data which you have at your disposal, we feel that our interpretation and proposals would be significant for the formulation of an effective and sound national policy.

Our ideas probably are close in line with your personal thinking, as we have interpreted it from time to time. At any rate, we should appreciate very much an opportunity to discuss with your Committee or yourself both the physical and financial phases of our proposals.

Very sincerely yours,

ORGANIZATION COMMITTEE

  
John Bauer, Chairman

Wm. J. F. Hannemann  
Maurice Gans

Please reply to: "Organization Committee"  
Room 620, 280 Broadway, New York City

# THE COMMONWEALTH FEDERATION

## ECONOMIC PROGRAM and PLAN OF ACTION

### 1. ECONOMIC CONDITIONS AND NEEDS

The welfare of the American people depends on the natural resources, farms, industries, financial institutions, and the government of the United States. When these are functioning harmoniously, they provide for a high standard of living. When they are in disharmony, economic activity collapses, and the masses of people are subjected to the ravages of unemployment, poverty and demoralization.

Economic harmony means continuity of full employment and maximum production according to the technological capacity of the country. Planning and coordination are necessary to meet the needs and provide for the welfare of the masses of people. Such harmony cannot be achieved and maintained under prevailing private enterprise, because this cannot assume the necessary responsibility toward the welfare of the country as a whole; consequently the existing private economy is extremely unstable and inadequate, as tragically demonstrated by the past ten years of depression. By itself, it cannot maintain full employment, and cannot provide adequacy, abundance and continuity of production.

The federal government is the only agency which, acting in cooperation with the states, local governments, private industry and labor, can attain and preserve the needed harmony. It represents all economic groups of the country on a democratic basis and has the central power of planning and coordination. For the purpose of placing responsibility definitely upon the government for the maintenance of economic stability and progress, the Commonwealth Federation submits an immediate two-phase program to be established through national legislation.

## 2. THE IMMEDIATE ECONOMIC PROGRAM

The first and direct phase applies to the federal government itself. This should assure jobs to everybody through useful public developments and activities carried out by a suitable planning and administrative agency. Such governmental employment should be extended promptly on an adequate scale to bring everybody capable of work back into useful production, and subsequently should be systematically coordinated with private business so as to maintain constantly full employment and production.

The kinds of developments and activities would consist primarily of economic fields which are important to national welfare, but are not being adequately taken care of by private enterprise, and do not fit the normal pattern of private economy. The most important of these is housing. Other important fields are flood control, highway development, reforestation, soil conservation, health, educational and recreational facilities, scientific research, and like enterprises contributing to the welfare of the country at large.

The second phase consists of governmental efforts to bring about and maintain maximum balanced production and employment of private business. Every industry should produce constantly as much as possible according to mass needs and welfare. To this end, government should establish close cooperation with all private industries, develop standards of interindustrial coordination and democratic planning, and furnish such financial assistance as may be justified for stimulation of maximum production for national welfare.

The two phases of governmental effort to bring about promptly a national economy of balanced abundance are represented by two bills sponsored by the Commonwealth Federation and offered for consideration by Congress. The first is "The National Development Authority Act," which provides for governmental projects and activities as the direct means of assuring constantly full employment and production. The second is "The Industrial Expansion Act," which seeks maximum balanced production by private business through democratic coordination and an assured market. The two are directed to the same objective of maintaining constancy of full employment and maximum production obtainable through the country's natural, technological and human resources, for the welfare of the masses of people.

### 3. ORGANIZATION AND ACTIVITIES TO ATTAIN THE PROGRAM

The sponsorship of these bills will include appropriate and vigorous efforts to bring about their enactment by Congress. To this end the Federation will exert its energies and will stress particularly the following special activities:

Conduct an educational and publicity campaign regarding the program through newspapers, periodicals, radios and public meetings.

Organize membership groups in the various cities for local sponsorship of the program.

Induce joint sponsorship by all other groups interested in the same purposes.

Focus public attention upon the bills before Congress, and induce members to support the measures.

### 4. MEMBERSHIPS AND FEES

To pay the expense of the campaign for the attainment of the program requires substantial funds. These are derived through membership fees and contributions. Membership fees are \$1.00 a year for associate members, and \$3.00 for regular members. The contributions come from sustaining memberships, based upon the ability and interest of the individuals or groups.

Because of the vital national importance of meeting promptly the terrible unemployment situation, and then maintaining constantly full employment and maximum production, extraordinary efforts and united support of mass membership are required. Everybody should join and contribute as liberally as he can to the funds needed for successful attainment of the program. All funds are fully safeguarded for their purposes, and there is complete accounting to the membership.

Fill out following blank and mail to:

**COMMONWEALTH FEDERATION  
OF NEW YORK**

**Room 1711**

**315 FOURTH AVENUE**

**NEW YORK CITY**

**Telephone STuyvesant 9-0516**

**Date.....**

I hereby apply for membership in the Commonwealth Federation, and pledge myself to give of my time, energy and resources, so far as I am able, to promote its economic program and plan of action.

**Signed.....**

☐ **ASSOCIATE (\$1 per year)**

☐ **REGULAR (\$3 or more per year)**

(Check membership desired)

(Dues are payable quarterly or annually in advance.

First payment must accompany this application.)

**Name .....**

**Address .....**

December 23, 1938

Mr. John Bauer, Chairman  
Organization Committee  
Commonwealth Federation of New York, Inc.  
Room 620  
280 Broadway  
New York, New York

Dear Mr. Bauer:

This will acknowledge your letter of December 16 enclosing the printed outline of the Economic Program and Plan of Action of the Commonwealth Federation. In your letter you request an opportunity to present the ideas of your organization before the Fiscal and Monetary Advisory Board, of which I am a member. However, since the Secretary of the Treasury is chairman of the Board, it is suggested that you address your request to him.

I took occasion to read through your outline and found much therein with which I can agree. Your organization is to be complimented on its intelligent attitude toward the responsibilities of the federal government respecting economic stability.

Yours sincerely,

M. S. Eccles  
Chairman

LC/fgf

