

October 18, 1941.

Mr. August Scholle,
President,
Michigan State Industrial
Union Council,
303 Hoffman Building,
Detroit, Michigan.

Dear Mr. Scholle:

Chairman Eccles suggested that I send you the enclosed excerpts from his recent testimony on the price control bill, not with the idea of seeking any correction, but merely to inform you as to what the facts are concerning his viewpoint on inflation and the relationship to this problem of increasing wages, salaries, etc. He was prompted to do this because of clippings sent to him from your official publication. One is a news story, which is a very much abbreviated and garbled account, attributing to him the statement that "wages and salaries should be included in the price control bill." As a matter of fact, he took just the opposite position.

The editorial under your signature says that nothing was heard from Eccles when labor was fighting for its rights. That statement is not in accord with the record, nor is it fair to say that he proposed to solve threatened inflation "by the simple device of freezing wages." It is only because he has always conceded the right to strike that he did not go further and say that lockouts and strikes are intolerable at any time. Certainly, they are not desirable. But I do not believe that you mean to suggest that the right to strike at any time should not be tolerated by Government.

Since Mr. Eccles does not go along at all with the Brookings Institution attitude, he naturally did not like to be classed with them in your publication.

I would prefer to send you copies of the entire testimony, but I do not have copies available and this testimony is pretty well scattered over several days because members of the Committee kept pressing on the labor issues. The enclosed quotations will, I think, make clear just where he stands and I am sending these, not because I think you would necessarily agree, but only because I feel that you have not been adequately advised as to his attitude.

Yours very truly,

Elliott Thurston,
Special Assistant
to the Chairman.

Enclosures - 3.