Murray Porter

April 8, 1954

Mr. Gilbert LeKander
Executive Secretary
Honorable Wesley A. D'Ewart
House Office Bldg.
Washington, D. C.

Dear Gil:

I had some of our boys in Montana go into the record of Mr. E. R. Ormsbee when he was a member of the Montana Legislature, 1935 Session.

This was probably one of the most radical sessions in the history of Montana. The House was controlled by a group with very radical leanings, one of whom was Mr. Ormsbee. The most important part of this report deals with his participation in the sponsorship of Substitute House Bill 42. This particular bill is described thoroughly in the report.

I was a member of the lobby during this session and well recall the heavy discussions relative to this bill before it was finally killed. It was an out and out red measure which would repeal the very heart of the laws in Montana covering sedition, sabotage, and many, many other things.

You will also note that many bills introduced by Ormsbee and others regulating public utilities were very vicious in character. They provided that most anyone could start an investigation of a utility, and the utility would have to stand the cost of these investigations. It is easy to analyze the intent of these bills. They were sponsored with the intention of forcing public utilities out of business due to the tremendous cost of not only fighting for their own survival, but also financing the various groups investigating them.

Mr. Ormsbee's first position for the Federal Government was some sort of field supervisor for the NYO. This organization at that time was under the direction of Mr. Edward Love of Glendive, Montana, and I believe

he gave Mr. Ormsbee his first appointment. At a later date Mr. Love either discharged him or recommended his discharge. At that time Love prepared a very lengthy statement setting forth his reasons for Mr. Ormsbee's retirement. Such a letter may still be in the files at the NYO, and if such is the case, it would be most interesting to read his comments relative to Ormsbee.

I think the enclosed material might be helpful in analyzing the character of Mr. Ormsbee.

Very truly yours,

al

AEW:Mc

Encl.

Senator Murray and Warren Gregory Silverman were the references given in his original NLRB application for job.

E. R. Ormsbee of Haugan served in the Montana House of Representatives as a Democrat from Mineral county in the 1935 legislature. He was appointed by speaker W. P. Pilgeram to these committees: Education, Federal Relations, Labor, Workmen's Compensation, Railroads and Transportation, Public Utilities and State Commissions. He was made chairman of the last, even though this was his first term in the legislature.

A teacher in private life, he sponsored some educational legislation, but nearly all of his bills were designed to give complete power over public utilities to the state public service commission, even to the extent of making their budgets for them and deciding when they should declare dividends.

His most unusual contribution was participation in sponsorship of SHB 42, a measure to repeal 10 sections of the Montana code defining and providing punishment for sedition, criminal syndicalism, sabotage, exhibiting red flags or emblems and assembling to advocate forbidden acts. The house labor committee, of which he was a member, wrote the measure, and this was one of the first acts after that legislature convened. These 10 sections comprise the Montana law protecting the government of the United States, its Constitution, armed forces, flag and uniform of the armed services from defamation. The acts sought to be repealed also prohibit carrying, displaying, or exhibiting any red banner or emblem "commonly accepted as symbolic of social or industrial revolution" or anything "opposed to organized government" of the United States. These are sections 10737 through 10746, RCM 1935. Measure fortunately was killed.

One of the few education measures he sponsored was HJM 9 on which there was only one other signer- Rep. Spiegel (D-Silver Bow), asking federal aid to Montana public schools under guise of an emergency existing in the state.

He also was eighth out of 38 sponsors on a measure which would have limited the length of all freight and passenger trains operating in the state of Montana.

As chairman of the house public utilities committee he brought in on Feb. 13, 1935, favorable reports on these measures:

HB 230--A measure to require utilities to pay all expenses of any investigation made of their rate structure or other phases of operations, either by motion of the Montana public service commission or on complaint or application to the

commission. The utility also would have been required to pay expenses of any appraisals of utility property ordered by the commission. If the expenses were not paid by the utility within a specified time, district courts would have been required to enforce the payment as a judgment.

HB 231--Would have authorized any one or more persons, whether employes of the public service commission or not, to investigate the reasonableness of rates or charges of utilities and appraise property of utilities.

HB 311--Would have required public utilities to pay all costs of hearing complaints against it before the public service commission and in court if the matter should get that far and the complainant was successful. Court would have been required to make payment directly to attorneys for complainants. Included in costs are all of complainants' costs in making the complaint.

Besides bringing in favorable reports on this type of legislation, Ormsbee's committee, public utilities, introduced these measures Feb. 14, 1935, as committee bills:

HB 379--Would have required the public service commission, in fixing reasonable rates and charges for a utility, to look into reasonableness and justness of all contracts, agreements and charges entered into or paid by the utility to other corporations, associations, firms or persons.

HB 381--Would have placed the entire burden of proof in all trials and proceedings before the railroad and public service commission upon railroads and utilities.

HB 382--Would have required all county attorneys, at direction of the attorney for the public service commission, to proceed against any public utility in that county and required that all suits and proceedings against public utilities would have precedence over all other county business except criminal proceedings.

HB 383--Would have made railroads and utilities pay fees on gross operating revenue and would have made the act retroactive to cover 1934 revenues.

HB 384-- Would have permitted any motor carrier in Montana whose public liability insurance policy had been cancelled by an insurance company or any carrier which had been refused liability insurance to obtain an order for issuance from the state insurance commissioner. Also would have provided for revoking the insurance company's license if it failed to comply with the order.

HB 385--Provided for recapturing and disposing of operating income of any utility in excess of a "fair return" and giving the state public service commission control over entire financial structure of any public utility. Included was authority for the public service commission to approve the annual budgets of all utilities before expenses could be charged against them.

HB 389--Gave public service commission power in emergencies to order temporary rates to be charged by public utilities.

Ormsbee alone introduced these bills:

HB 503--Would have given public service commission power to fix rates of depreciation on classes of property owned by public utilities.

HB 510--Would have given the public service commission power to order the income of any public utility in excess of a "reasonable" return placed in a reserve fund to be applied as earnings of the utility during subsequent years when a "reasonable" rate of return was not earned.

HB 513--Would have given the public service commission complete power over payment of dividends on common stock of public utilities. No dividend could have been paid without public service commission approval.

HB 530--Would have given any county, city or incorporated town power to build or take over any waterworks system, sewer system, sanitary disposal equipment and appliances, ice plants, gas or electric plants and distribution systems, hospitals, toll bridges, slaughter houses or any other project or service, of this type. Also provided for issuing revenue bonds to start such businesses and accepting federal aid for the same purpose.

Feb. 20, 1935, Ormsbee, again as chairman of the public utilities committee, moved for passage of a bill (HB 469) which would have given the state, through its public service commission, power to purchase, transport and sell to the public, gasoline, automobile fuels, oils and lubricants, and to enter into contracts with licensed retail gasoline dealers to sell such products to the public. Also granted by the bill was power for the state to sell products such as those listed directly to the public without dealing with dealers. This, in effect, was a state-operated petroleum products business in direct competition with private firms.

Feb. 23, 1935, Ormsbee, again as public utilities committee chairman, brought in a favorable report on HB 230, previously referred to, and amended, emphasizing that the expense of all investigations and property appraisals of utilities in rate matters be paid for by theinvestigated utilities. Courts were to determine "reasonableness" of the charges the utilities would have to pay for the investigations of themselves.

One of the later bills introduced by Ormsbee alone was HB 364, which provided for taxing all transfers of property occurring within six years before the death of any persons as made in anticipation of death and so taxable. This also would have taxed all life insurance policies over $25,000, with beneficiaries paying the tax, regardless of how many beneficiaries shared in that amount.

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INFORMATION FROM THE FILES OF THE COMMITTEE ON UN-AMERICAN ACTIVITIES
U. S. HOUSE OF REPRESENTATIVES

DATE: March 16, 1954

FOR: Honorable WesleyA. D'Ewart, M. C.

SUBJECT: International Union of Mine, Mill and Smelter Workers

The public records, files and publications of this Committee contain the following information concerning the union named above. This report should not be construed as representing the results of an investigation by nor findings of this Committee. It should be noted that the union and/or individuals referred to are not necessarily Communist, Communist sympathizers, or fellow-travelers unlessotherwise indicated.

In Report 1311 of the Special Committee on Un-American Activities dated March 29, 1944, it was stated that "Communist leadership is strongly entrenched" in some twenty-one unions affiliated with the CIO. One of the unions included among these twenty-one was the International Union of Mine, Mill and Smelter Workers, CIO. (See Report 1311, pages 18 and 19.)

In the same report, it is noted that "the Mine, Mill and Smelter Workers' Union, headed by Reid Robinson, brought about a particularly serious work stoppage at Trona, California. The Committee's investigation clearly established the fact of the Communist motives and leadership of the strike" (Report 1311, p. 14).

The New York "Times" of October 11, 1947, (p. 15) reported that the executive board of the Congress of Industrial Organizations on October 10, 1947 "adopted a report criticizing Communist leadership of the Mine, Mill and Smelter Workers Union." Only one dissenting vote was recorded, the one dissenter being a representative of the smelter union.

A story of the United Press which appeared in the Washington "Times Herald" of April 24, 1948 (p. 4), concerning a collective bargaining election to be held at Precision Castings Company, Fayetteville, New York, stated that the National Labor Relations Board had ruled the Mine, Mill and Smelter Workers off the ballot, directing that only the AFL and the United Auto Workers be placed on the ballot. The smelter workers were excluded from the ballot because their officers had failed to file non-Communist affidavits and union financial information required under the Taft-Hartley law.

It was reported in the Washington "Star" of April 28, 1948 (p. A-11), that five Utah mining companies notified the union that they were terminating their contracts, citing as ground for their action that the "International Union of Mine, Mill and Smelter Workers have not filed non-Communist affidavits," and that "since the union is without standing with the Labor Relations Board, the operators are under no obligations to negotiate with officers of the International Union."

Because of "prominent Communist influence," two Birmingham affiliates of the International Mine, Mill and Smelter Workers withdrew from the parent union, according to an article which appeared in the Washington "Times Herald" of February 5, 1949 (p. 2). The Washington "Star" of June 9, 1948 (p. 1), reported that Rudy Hanson, United States-born representative of the International

Union of Mine, Mill and Smelter Workers, was ordered deported to the United States by Canadian immigration authorities. According to this report, Rudy Hanson was the third member of the International Union of Mine, Mill and Smelter Workers so ordered deported "in a move . . . to rid the country of aliens accused of Communist sympathies." The two previously ordered deported were Reid Robinson, Eastern vice-president of the Union, and George Knott, one of its officials.

In an article datelined Washington, February 15, which appeared in the New York "Times" of February 16, 1950 (p. 5), it was reported that the Mine, Mill and Smelter Workers was one of three unions "ousted from the Congress of Industrial Organizations today . . . They will be entitled to appeal the expulsion next fall. Philip Murray, CIO president, said the vote on expulsion of the Mine, Mill and Smelter Workers was 34 to 6. Maurice Travis, secretary-treasurer of the union, left the board meeting after the vote . . . The report of a committee that held hearings on the mine union told of 'the transmission belt by which decisions of the Communist Party leaders became decisions of the Mine, Mill and Smelter Workers.'" The "CIO News" of February 20, 1950 (p. 1), reported that the CIO Executive Board had expelled four unions as Communist-dominated the previous week. Among the four expelled was the Mine, Mill and Smelter Workers.

The files of the Committee contain a copy of the "Report of the Committee to Investigate Charges against the International Union of Mine, Mill and Smelter Workers," which shows that this committee was composed of Jacob Potofsky, president, Amalgamated Clothing Workers of America; Emil Mazey, secretary-treasurer, United Automobile, Aircraft, Agricultural Implement Workers of America; and Joseph Curran, president, National Maritime Union of America. This committee was appointed by Philip Murray, CIO president, and the CIO Executive Board approved its appointment to hear charges that the policies and activities of the Mine, Mill and Smelter Workers Union "are consistently directed toward the achievement of the program or the purposes of the Communist Party rather than the objectives and policies set forth in the Constitution of the CIO" and to report to the Executive Board recommending action on the charges. Excerps from the report of the committee follow:

> "Notice of the filing of the charges were given to MMSW on November 7, 1949. On December 14, 1949, the Chairman of the Committee gave notice that the Committee would hold a hearing on January 4, 1950. The Committee specifically invited the Union's international officers to attend the hearing and to testify as witnesses. MMSW requested a postponement of the hearings. This request was granted and the hearing was postponed to January 18, 1950. MMSW also requested permission for ten other witnesses to attend the hearing. When this request was granted, MMSW immediately asked permission for ten additional witnesses to attend the hearing. This was also granted.
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> "The Committee's hearings began on January 19 and continued through the next day . . . The first witness was Mr. Stanley Ruttenberg, the CIO Director of Education and Research. Mr. Ruttenberg presented excerpts from official publications both of the Communist Party and of the MMSW, and, on the basis of these exhibits, compared the policies and activities of MMSW with the program of the Communist Party. The second and third witnesses. . . were Homer Wilson and

Kenneth Eckert, both of whom were former Executive Board members of the Union. These witnesses testified in detail as to the manner in which the program of the Communist Party was translated into the policy of the Mine, Mill and Smelter Workers.

"The representatives of the Union were given ample opportunity to cross-examine all witnesses presented by Mr. Steinberg. They availed themselves of this opportunity with regard to Mr. Steinberg and Mr. Ruttenberg. They asked, however, that the cross-examination of Homer Wilson and Kenneth Eckert be deferred so that the persons . . . named in the testimony could be produced to refute it.

"On behalf of the Union, its Secretary-Treasurer, Maurice Travis, and five members of the Union testified. None of the three other Union officers who had been invited by the Committee to testify utilized the opportunity so offered.

"The hearing was adjourned on January 19, and, at the request of the Union, a second hearing was scheduled for February 6 in order to permit the Union representatives to examine both the exhibits that had been offered and the transcript of the hearing, and in order to enable them to procure the attendance, as rebuttal witnesses, of the persons named by Mr. Eckert and Mr. Wilson as participants in the transmission belt by which the dictates of the Communist Party became the policies of the Mine, Mill and Smelter Workers Union. The Union representative promised the Committee that if an adjournment were granted, they would produce testimony to refute the evidence offered by Wilson and Eckert.

"Pursuant to this arrangement and this promise, the Committee resumed its hearing on February 6, 1950. At that time, the representatives of the Union presented to the Committee a mimeographed statement which had no reference to the testimony which had been heard on January 18 and 19, and had obviously been prepared in advance of the first hearing. The union representatives announced their determination to offer no testimony in rebuttal to Mr. Eckert and Mr. Wilson. They refused to cross-examine Eckert and Wilson . . . At the conclusion of this brief hearing, the Union's representatives asked for a further opportunity to file a brief. This was granted and, on February 8, a statement replying to the testimony of Mr. Ruttenberg was submitted."

Under the heading "Findings" the Committee reported that the "policies and activities of the International Union of Mine, Mill and Smelter Workers are directed toward the achievement of the program and the purposes of the Communist Party rather than the objectives set forth in the CIO Constitution. This conclusion is inescapable, both from an analysis of the policies adopted by Mine, Mill, as shown by the documentary exhibits submitted to the Committee, and by direct and uncontradicted testimony by former officers of the Union that the Communist Party directs the affairs of the Union."

The following appears in the section "Findings":

"By introducing photostats of this union's newspaper, of its convention proceedings, Stanley Ruttenberg, the CIO's Research Director, proved beyond question that the policies this union in the past twelve years followed every twist and turn of the Communist Party line and continues to follow that line today. (Here a detailed analysis of policies of the Communist Party and the Mine, Mill and Smelter Workers Union during 1938 to 1941 was given in the report.)

* * *

"The parallel between Communist Party and Mine-Mill policy, which is clearly demonstrated by the 1938-1941 pendulum swinging of both organizations, is further revealed by the happenings since 1945. Notably, since V-J Day the approach to foreign and domestic policy in terms of the interests of the Soviet Union rather than those of the workers of the United States become increasingly evident. Early in 1946, Mine-Mill published a story on the atom bomb 'conspiracy' accusing Great Britain and the United States, but not the Soviet Union, of failure to come to agreement on the atom bomb problem. This same year at the Union's convention, a resolution which criticized not only the United States and Britain but also the Soviet Union for having armed forces outside their borders was rejected by the Union's leadership and, at their suggestion, by the convention. In 1947, the Executive Board passed a resolution on foreign policy criticizing American policies but containing no word of criticism of the Soviet Union. In line with the principles of the Communist Party, Mine-Mill has opposed the Truman doctrine and fought against the Marshall Plan. Its newspaper had only praise for the Communist coup in Czechoslovakia.

" * * * In matters of domestic policy and in matters of trade union policy it had adhered scrupulously to the Moscow line . . . The Party demanded that CIO stay in the Communist-dominated World Federation of Trade Unions. Mine-Mill not only made the same demand, it denounced the CIO's plan to resign from the body as a service to Wall Street. Similarly on the Taft-Hartley Act, the Communist Party denounced the CIO for 'selling out' the interests of labor. The Mine-Mill and Smelter Workers not only subscribed to this canard, it devoted two pages of its newspaper to it.

"Finally, after the CIO 1949 convention, the officers of Mine-Mill not only supported the UE, which had been expelled from the CIO, it attacked CIO's entire program as a 'boss-inspired invasion.' In so doing, it again followed, to the letter, the line laid down by official spokesmen for the Communist Party."

* * *

"The shocking character of the direct control by the Communist Party of the leadership of this Union, and through them, of the

Union itself, was further brought home to the Committee by direct testimony showing in detail the exact manner in which the policies of the Union are dictated by the Communist Party.

"This testimony was given to the Committee by Homer Wilson and Kenneth Eckert. Mr. Wilson was a member of the Union for ten years. He was a member of its International Executive Board and at one time was Vice-President. Mr. Eckert is a former member of the Union's Executive Board and a former member of the Communist Party. He had attended the Lenin School in Moscow and served in Mine-Mill as one of the members of the Communist Party steering committee which determined, in consultation with Communist leaders, the policies which the Union leadership would adopt for the Union.

"Both Wilson and Eckert made it perfectly clear to the Committee that the fact that this Union followed the Communist Party line was not accidental. It was the result of complete domination of the Union's leadership by the Party. The Party group within the Union had a systematic working apparatus for making its decisions and for translating those decisions into Union policy. At the top there was a Party steering committee of four members. This Committee, of which Eckert and Maurice Travis, now Secretary-Treasurer of the Union, were members, determined Communist policy within the Union. They did this in consultation with the leaders of the Communist Party. Meetings were frequently held with Communist Party leaders such as William Z. Foster, the Chairman of the Party, Eugene Dennis, its General Secretary, John Williamson, its Labor Secretary, and Gil Green, its Illinois Director. In addition, there was a regular envoy from the Communist Party who was designated as liaison man between Mine-Mill and the Party.

"At meetings of this steering committee, which was sometimes enlarged to include such persons as the Union's Research Director and the Editor of its newspaper, the policies to be adopted by Mine-Mill were determined by these Communist leaders. Their decisions were then brought to the so-called 'Progressive Caucus' of the Union, which contained all of the Communist and pro-Communist leaders of the Union. All anti-Communist groups in the Union were excluded from this caucus. The Communist decisions were invariably adopted by the caucus and were then brought before the official bodies of the Union and adopted as Union policy.

"This was the transmission belt by which the decisions of the Communist Party leaders became decisions of the International Union of Mine, Mill and Smelter Workers.

"Both Eckert and Wilson testified in detail to the control which this Communist Party machinery exercises over the affairs of the Union. Such matters as who should be officers of the Union, or whether the 1947 report of the CIO Investigating Committee should be accepted, or whether the Union should comply with the Taft-Hartley Act, were first decided by the Communist Party Steering Committee, then transmitted to the 'Progressive Caucus' and finally presented to the Union's Executive Board of its membership for approval.

"The membership, of course, had a theoretical veto power. But the Party's control of the Union's newspaper, control of its organizational staff and control of its leadership enabled the Communist Party to conceal its dictation of Union policy and thus to maintain its power over the Union's affairs . . . The membership had no voice, for instance, in the decision of Reid Robinson to resign as President - - - a decision made by the Communist Party for Party reasons. It had no control over the appointment of Maurice Travis, a newcomer to the Union, as Executive Assistant to the President, Robinson, an appointment dictated by the Communist Party for its own purposes. The membership had no control over the appointment or organizers and, as a result, approximately 90% of the Union's staff are members of the Communist Party.

"The career of Maurice Travis affords a good example of the role of the Communist Party within the Mine, Mill and Smelter Workers Union. Travis was a steelworker. He was expelled from a local of the United Steelworkers of America as a Communist disrupter in 1941. Shortly thereafter, he was placed by the Communist Party on the staff of Mine, Mill and Smelter Workers. After less than two years with the Union, he was chosen by the Party to be Executive Assistant to the President. Later, he became Vice-President, and, by virtue of Reid Robinson's resignation in 1947, President of the Union. The Party, however, decided that his Communist affiliation was too well known for him to function effectively as President. Accordingly, the Communist Party steering committee determined to support for the presidency a candidate who was not known as a Communist follower but who could be relied upon to go along with Party decisions. John Clark was selected as such a man. And, in accordance with this decision, Clark was elected and now served as President, and Travis as Secretary-Treasurer.

"The testimony of Eckert and Wilson was not contradicted . . . Eckert and Wilson named names, places and dates. Their testimony was not general in character -- but specifically described the meetings of the secret Communist apparatus which runs the Union. The Committee was most anxious, therefore, for the Union leaders, whose activities were so damningly described in their testimony, to submit an answer to it. But despite the Committee's repeated invitation, they refused to do so."

According to the report, the Committee attempted to "check the accuracy of the testimony of Wilson and Eckert by asking questions of the union's representatives at the hearing." Travis was asked whether he had participated in meetings attended by leaders of the Communist Party, at which the policies of Mine-Mill were determined; he was asked whether his position on policy matters within the Union was formulated at meetings with members of the Communist Party; he was asked whether, "as a member of the Communist Party, he was under a duty to carry out the decisions of the Party, irrespective of his own opinion as to their propriety for his Union." He refused to answer these questions.

It was brought out in the report that the "leadership of Mine-Mill was warned, more than two years ago, that their devotion to the Communist Party

was imperilling their status in the CIO. In 1947 . . . a Committee of the Executive Board (CIO) ... recommended to the leadership of the Union that it remove the Communist Party influence. . . The Union rejected that earlier Committee's recommendation." It was stated in the report that the findings of the Committee "as to Mine-Mill are based, as they must be, on the policies and activities of the Union which its leadership has proposed and directed. Those findings carry no implication that the individual members of the Union are Communists or favorable to Communism. . . the Committee is persuaded that many of the members of Mine-Mill have been taken in by the evasion and the subterfuge, the devices and the maneuvers, which the Communist-minded leaders of this Union have used to maintain themselves in power, concealing all the while, the fact that the Union's policies and activities were not the real informed decision of the members but determined in accordance with the line of the Communist Party."

As shown in the report, "on the basis of all the evidence presented to it," the Committee unanimously concluded that the "policies and activities of Mine-Mill are consistently directed toward the achievement of the program and the purposes of the Communist Party rather than the objectives and policies set forth in the CIO Constitution." The Committee recommended that the CIO Executive Board "revoke the Certificate of Affiliation heretofore granted to the Mine, Mill and Smelter Workers and expel it from the CIO."

Ike 8-1511

From

THE MCNAUGHT SYNDICATE, INC.
60 EAST 42nd STREET, NEW YORK 17, N. Y.

For release Friday, March 26, 1954

WHAT IS THAT "HEAVY HAND"?

By Holmes Alexander

WASHINGTON, D. C. -- On March 30, 1953, Arthur J. Goldberg, general counsel for the CIO, testified as follows before the Senate committee on labor and welfare:

"The statutory standards prescribed by the Taft-Hartley Act for welfare funds are not only confusing and chaotic; but are, in some instances impossible of achievement under State law...The proper course for Congress...is to eliminate Federal regulations of union welfare funds and the check-off entirely."

That's funny. This year, January 28, 1954, the same Mr. Goldberg, testifying before the same committee on the same Taft-Hartley Act, said:

"Under the present (Taft-Hartley) law, check-off arrangements satisfactory to workers, management and the unions have been worked out."

This is a pretty abrupt and awkward about-face, even for a lawyer; but there's a reason why. The President's message on Labor this year proposed a concession to Labor in this matter of checking up on Union funds. But the Laborite lawyers and politicians don't want to see the Taft-Hartley Act modified or improved. Some of them sincerely want it repealed. Others prefer that it stay on the books and give them something to "run against" which is often better than "running for."

You can strike a lot of contradictions and oddities by reading close to the page on Taft-Hartley testimony. Back in 1952 Candidate Eisenhower didn't know beans about Labor-management relationships, but his intuition was working all right. Ike's basic principle was -- and is -- to lift the "heavy hand" of Government from the collective bargaining table of workers and operators.

But it's easier said than done. To get Government out of

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collective bargaining, you'd first have to exclude Laborite lawyers who make a profit out of Labor-management strife. James Mitchell, Secretary of Labor, doesn't mind telling Republican Senators that Big and Small Business lobbyists have the same sort of interest in stirring up the same sort of strife. So you'd have to get rid of the lobbyists too. And finally, in order to get Government out of Labor-management affairs, you'd have to do something to the type of politician who stirs up class hatred and then rides upon the storm.

One such politico, ever since his election in 1934, has been Senator James Murray of Montana, up for reelection this year. As a member of the Senate committee on Labor for nearly 19 years, Murray was present last April 24th when the witness was Maurice Travis, secretary-treasurer of the International Union of Mine, Mill and Smelter workers.

Senator Murray: "I believe the men in (this) organization...are fine, high-class, patriotic Americans."

Senator Goldwater: "Mr. Travis...in listening to your discussion, I am inclined to believe that you feel that membership in the Communist party is the same as being a member of the Republican or Democratic parties. Is that right?"

Mr. Travis: "I do not have any judgment...nor does our union make any judgment, whether membership in one political party is better or worse than membership in another."

Senator Goldwater: "Would you condone a known Communist heading a local union?"

Mr. Travis: "I would neither condone nor condemn."

Senator Murray: "Mr. Travis...do you think that the best way to fight Communism is to make the American system work?"

Senator Purtell: "Tell us, in view of Senator Murray's question, whether or not you think Communism is a threat?"

Mr. Travis: "I do not think the United States, if you are just asking for an opinion, is threatened from anywhere."

So, part of the Government's "heavy hand" comes from bearing down on union leaders who don't seem to care much what happens to the country which protects their lives and liberties. Mr. Travis, an admitted Communist, resigned from the party in order to sign the Taft-Hartley affidavit. But what happened before the Taft-Hartley Act insisted on non-Communist oaths?

Well, for six years (1935-41) of Murray's membership to this committee, a man named Edwin S. Smith was serving on the National Labor Relations Board. On May 23, 1953, Smith pleaded the Fifth Amendment when asked if he were a Communist while serving on the NLRB.

Get the Government out of Labor-management affairs? Yes, but get lawyers, lobbyists, troublemakers and subversives out first. It's a tall order.

(Distributed by McNaught Syndicate, Inc.)

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INVESTIGATION OF LOBBYING ACTIVITIES--HEARINGS BEFORE A SPECIAL COMMITTEE TO INVESTIGATE LOBBYING ACTIVITIES--UNITED STATES SENATE--SEVENTY-FOURTH CONGRESS--SECOND SESSION
Pursuant to S. Res. 165 and S. Res. 184

MONDAY, MARCH 16, 1936

Testimony of Robert E. Smith -- page 1609-- Monday, March 16, 1936

Senator Schwellenbach. In giving the list of Members of Congress, Mr. Smith, you only mentioned one Member of the Senate. Were there other Members of the Senate? You mentioned a large number of House Members.

Mr. Smith. Mr. Steiwer has been out, and Senator Murray, of Montana. I do not recall any other Senators.

TUESDAY, MARCH 17, 1936

STATEMENT OF HON. JAMES E. MURRAY, A UNITED STATES SENATOR FROM THE STATE OF MONTANA

Senator Minton. Senator Murray, would you like to make a statement for the record?

SENATOR MURRAY. Yes. My statement is similar to those statements that are being made during the afternoon.

I attended a dinner in honor of the new president of the Reclamation Association, together with the secretary of the Montanans, Inc., which is an organization of Montanans interested in reclamation. They were visitors here in the city. And they were invided to attend these dinners. And they came to my office and told me about it, and I went out with them. I left before the dinner was over, because I had another engagement at the Willard Hotel and came back quite early. Someone drove me; I don't remember now who it was. Someone had a car there and drove me back to the hotel.

The only thing that was discussed at the dinner was the policies of the Reclamation Association.

It seems that there had been a recent national meeting and at this meeting they had

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typewritten mimeographed copies of these resolutions, and a four-point platform or a five-point platform which was distributed around the table to the various men that attended the meeting, or Congressmen principally. And every one of them received a copy of these resolutions and programs from the Reclamation Association. And there was a general discussion, and quite a number of men spoke. I did not speak. I merely attended the meeting. And that was the only thing I heard discussed. I didn't know anything about any of the other subjects that were discussed here today. The only thing I heard was the reclamation.

SENATOR MINTON. You were only at one meeting?

SENATOR MURRAY. I went to this first meeting with these men, and then cam back a few days later for a bigger meeting. There was a very much larger crowd. The same procedure was followed. It was all within a period of 4 or 5 days.

SENATOR MINTON. Both meetings were held at Mr. Smith's?

SENATOR MURRAY. Yes.

SENATOR MINTON. You don't know anything about Smith's activities?

SENATOR MURRAY. No.

SENATOR MINTON. As a lobbyist?

SENATOR MURRAY. No; I didn't.

SENATOR MINTON. And had no intimation that he was in the employ of an organization that derived its income chiefly from the power interests?

SENATOR MURRAY. No; in fact, I was laboring under the impression that he was a Congressman; I didn't know. He seemed to be quite active and friendly, as naturally a promoter should be.

But I might say also that this matter did not seem to have any effect on me because I have been approached by practically every lobbyist that is in Washington, I guess, since I have been here. They all seem to get me some way or other, and I have gotten used to them.

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SENATOR GIBSON. How many thousand of them do you remember?

SENATOR MURRAY. I don't know how many. I know they get me both at the entrance to the floor of the Senate, at my office, and on the street.

I was caught on the street coming out of Woodward & Lothrop's building one day, and a promoter stuck his arm in mine and proceeded to bewail the policies of the administration, and expressed great fear for the future of our country, and incidentally brought up the Wheeler-Rayburn bill.

I, of course, immediately told him that I was supporting the Wheeler-Rayburn bill, and when the Wheeler-Rayburn bill was in the Senate I voted for it on every occasion and every feature of it, both the death sentence and everything else, all down and around.

And I did not hear, of course, that subject discussed at all at this meeting that I am talking about.

But, as I say, I am getting used to lobbyists, and if you do not pass this bill, it will not make much difference to me, because they do not make any impression on me at all.

SENATOR MINTON. If we pass the bill, the effect of it will be that they will just have to have a union card.

SENATOR MURRAY. Yes. I am in favor of the bill, of course, and would be glad to see it passed. I think they ought to be put under some restriction. They call me on the phone, and I don't know how they got hold of my private phone, but some way or other. One of them is a woman lobbyist.

SENATOR MINTON. Did she lobby you?

SENATOR MURRAY. She proceeded to tell me how to vote on some of these controversial subjects like--I think it was--on the neutrality bill. She was talking to me about that.

SENATOR SCHWELLENBACH. Would you mind telling us who some of these lobbyists are?

SENATOR MURRAY. Sir?

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SENATOR SCHWELLENBACH. Would you mind telling us who some of the lobbyists were?

SENATOR MURRAY. One lobbyist that gets after me occasionally is a woman representing some of these women's societies in connection with peace, neutrality, the League of Nations, and the World Court. I was introduced to her in the corridor of the Senate lobby. I did not get any telephone number.

I think that is about the extent of my statement, unless you have some questions to ask.

SENATOR SCHWELLENBACH. Senator Gibson perhaps has some questions.

SENATOR GIBSON. I have no questions.

SENATOR MINTON. Then that completes the session of this afternoon.

Sept. 1, 1942

COPY

W. D. MURRAY, Assistant U. S. District Attorney, Butte, Montana, $3300.00

Chas. A. Murray, Secretary to Senator, $3900.00

Mail Room 2204

Edward E. Murray, Bituminous Coal Commission--resigned to take job with Federal Housing Authority, June 29, 1939
Public Tenant Relation Section 2700

Howard A. Murray--Bureau of Reclamation au $1860 until October, 1939, now with Army Engineers in Panama at $3250.

Justice Room 2224

James A. Murray, formerly with Federal Trade Commission, now with Department of Justice, Lands Division, San Francisco at Special Assistant 6,000

Howard A. McIntyre, Butte, Brother-in-law--State Supervisor, W. P. A. at $2400.00

Eleanore Horgan, Butte, Sister-in-law--District Supervisor, W. P. A. at $2100.00

Arnold Horgan, nephew of Butte, Field Supervisor, Farm Credit, Dept. of Ag., Scobey, Mont., at $2400.

Howard McIntyre, Nephew, was a Senate Messenger at $1740.00--now in Philadelphia
Dept. of Ag. 2600

William McIntyre, Nephew, now a Senate Messenger at $1740.00

NEW DEAL NOT DEAD

The "spirit of the New Deal - Fair Deal Socialism is far from dead. It still stalks the corridors of the capitol and awaits only a change of party control in Congress to move again into the center of the legislative arena," Walter Chamblin, jr., a vice president of the National Association of Manufacturers, warned at a meeting in Washington March 3, 1954.

Warning particularly against such socialistic schemes as promoted by Montana's senior senator, James E. Murray, Mr. Chamblin urged his listeners to "bear in mind that only two votes in the House determine control of that chamber, while in the Senate the party in control actually now is the minority party."

Pointing out that "The New Dealers and Fair Dealers, who were a noisy lot and talked loud and long, have been replaced by a quiet, hard working group of men," Mr. Chamblin said it might be worthwhile to refresh one's memory with respect to the medicine prescribed by the New-Fair Dealers for the nation's economic ailments.

Mr. Chamblin continued:

"You will recall that the New-Fair Dealers believe that the Federal government has primary responsibility for taking action intended to maintain 'full employment.' The type of action that would be taken at the present time was outlined in a Senate speech on February 4 by Senator Murray (D., Mont.), leading apostle of

the 'full employment' philosophy.

"The Senator is worried over the business readjustment taking place. (But he does not say that it is the inevitable result of two decades of New-Fair Dealism). What he proposes is in essence the treatment prescribed by Drs. Roosevelt and Truman, against which the populace revolted in the 1952 election.

"Here are some of the prescriptions advocated by Senator Murray, as he put it, to implement immediately the Employment Act of 1946 so that the administration will meet its obligation to promote maximum employment, production and purchasing power:

"(1) Congress should recapture control over monetary and credit policy 'which has been surrendered to the bankers at the Treasury and the Federal Reserve' who in turn have boosted interest rates and tightened credit.

"(2) 'Monopolistic price and profit policies' should be dealt with immediately by vigorous anti-trust law enforcement, and the Federal Trade Commission should make a study of price spreads. 'The public should learn how food trades have increased their take and why prices have not fallen as a result of the termination of the excess profits tax.'

"(3) Priority in tax relief should be given in the lower income brackets.

"(4) Having raised the personal exemption and thereby losing more than somewhat in revenue, something must be done to get more revenue. So income splitting must end . . . which means that those who pay less taxes because exemptions have been raised must pay more taxes because income splitting has ended. But the Senator also

has other ideas for raising more tax revenue. He wants more vigorous enforcement of taxes against business, less liberal depletion and capital gains treatment and re-enactment of the excess profits tax.

"(5) The Taft-Hartley Act should be repealed.

"(6) Farm price supports at 90% of parity should be made permanent.

"(7) The rate of investment in development of resources should be raised. A Missouri Valley Authority or Commission should be created. Similar authorities should be set up for other regions.

"(8) Public investment in schools, hospitals, medical facilities, roads and other public works must be 'geared to the needs of the nation.'

"(9) A small business agency that functions and provides loans at reasonable interest rates must be put in operation.

"(10) An unlimited public housing program is needed.

"(11) 'We must move imaginatively and boldly to stimulate foreign trade and foreign markets.' A world food reserve should be set up.

"Such, in brief, are the proposals advocated by Senator Murray to bring about full employment. He says other steps also will be necessary, but he does not list them."

~~Remember, I am still quoting the remarks of Mr. Chamblin of the NAM.~~!

Mr. Chamblin continued:

"It is obvious that the Murray program would, to a very

considerable extent, repeal the Eisenhower program.

"But the Murray program cannot be dismissed lightly. There is considerable support in Congress for these ideas at the present time and, if the Congressional elections next November turn out a certain way, there will be considerably more support.

"A governmental philosophy that thrived for twenty years does not die easily.

"What Senator Murray is doing is reviving the ghost of the old Full employment Bill of 1945. At that time more than one Conservative in Congress contended this bill . . . its number was H. R. 2202 . . . embodied a part of the Soviet Russia Constitution as the USSR Constitution contains this statement:

"' Article 118. Citizens of the U. S. S. R. have the right to work, that is are guaranteed the right to employment and payment for their work in accordance with its quantity and quality.

"' The right to work is ensured by the socialist organization of the national economy, the steady growth of the productive forces of the Soviet society, the elimination of the possibility of economic crisis, and the abolition of unemployment.'"

Mr. Chamblin went on to warn his audience that this type

of socialistic thinking was not dead in Congress and Republican votes will be needed in the Senate to beat down and bury such schemes as Murray's, which would give the federal government stiffling control over almost every segment of American life. 1/

1/ Above quotations from an address, "The Washington Outlook," by Walter Chamblin, jr., vice president, Government Relations Division, National Association of Manufacturers, at a luncheon meeting of the Washington Trade Association Executives at the Mayflower Hotel in Washington, March 3, 1954.

WEALTH VS. "LITTLE MAN"

Senator James E. Murray belongs to that group of America's men of wealth whose formula for helping the "little man" involves not personal philanthropy but tearing down the system which produced their money.

A common characteristic of many of these men is that their immense properties were not acquired by their own initative and work, but were handed down to them by an enterprising ancestor. Senator Murray's own wealth came to him from his rich uncle, Jim Murray.

Forrest Davis, writing in the Saturday Evening Post describes Uncle Jim as an example "in manners as well as methods, of the magnificent grabbing associated with Butte during the copper wars. The Senator's ill-wishers doggedly insist that Uncle Jim derived the beginnings of his fortune from a famous saloon on Main Street run in partnership with a sedate gambler named Silas King." 1/

Uncle Jim first set his nephew up at New York University Law School with a generous spending allowance, then sponsored his law practice in Butte, and finally in 1921 left him a fortune estimated in the millions.

1/ Saturday Evening Post, Dec. 8, 1945.

The Canadian-born Senator, the Saturday Evening Post article goes on to say, "has never become wholly assimilated to the roaring West. Today the clipped speech of Ontario shows through the negligent idioms of Montana, and Murray's measured reserve would seem to make him an unlikely favorite at a hard-rock miners' reunion."

Senator Murray's concern for the "little man" seems to have come to him late in life. In 1938, when he was 62 years old, he introduced a resolution inquiring into the causes of unemployment. This and subsequent actions enrolled him in the ranks of New Dealers intent on doing the country over along socialistic lines. In the past decade Senator Murray has introduced a steady stream of bills designed to bring every activity of the individual under the rule of Washington .

Supporting Murray in this endeavor were the extremely left-wing portions of labor, left-wing and "liberal" colleagues in the Senate, such as Kilgore, Wagner, Taylor and Pepper and the one-time third party presidential candidate, Henry A. Wallace.

Senatory Murray, says the Saturday Evening Post article, "subscribes to the newfangled liberalism of Henry A. Wallace and Sidney Hillman, liberalism which smacks of the authoritarian state."

Ralph Robey, writing in Newsweek described Senator Murray as a "social problem." 2/

"If we are to get labor peace in this nation,2 Robey wrote, "something will have to be done about Senator James Murray of Montana. His point of view is that labor simply can do no wrong . . . Every proposal (for labor peace) gets subjected to the full impact of his bias."

2/ Newsweek, March 25, 1946. See Also GOP National Committee background study of Senator Murray, dated September 1948.