



CABINET MEETING, FRIDAY, JANUARY 18, 1946

PROPOSED AGENDA

1. General discussion of strike situation.



THE PRESIDENT

Said steel conferees have still failed to agree. President made a proposal to the conferees that a pay raise of 18½¢ be granted as of January 1, 1946. Steel company has it under consideration and will report at noon today. If company does not accept we will have another program as strike will be called on Monday. Reported to the Secretary of the Navy that he has had complaints about food on the USS MISSOURI, SOUTH DAKOTA and others. He is pleased with Eisenhower's statement on redeployment. Thinks that UNO has done good job in London and has wired Sec. Byrnes to that effect. He told of the volume of work that has come over his desk. He has had to make decisions which should have been made in the Departments. He has delegated responsibility to department heads but that responsibility has not been accepted.

SECRETARY WALLACE

Hoped the President will continue to carry his fight to the people. Convinced that people are behind the President and urged the President to keep on fighting.

SECRETARY ANDERSON

Everywhere he has been people are delighted with fighting leadership displayed by the President. Urged that every possible means be adopted to strengthening the administration.

SECRETARY WALLACE

Said he became a Democrat because Republicans did not accept changes in tariff. He said he was extremely disturbed about the State Department policy with respect to a revision of quota on import of Swiss watches. He believes that this policy is seriously wrong. He referred to the fact that his brother-in-law is the Swiss Minister, but he said that this had nothing to do with his conclusions.

ACTING SECRETARY ACHESON

The watch industry has made a strong drive in Congress to protect American production. There were 10 million watches imported in 1945 when only 5 million were exported. Stated that the Swiss government has opposed limitation. He thinks that a modification can and will be worked out. He believes that there should be a limitation of 3 million watches. He added to this there may be indirect importation of 2½ million more. He anticipates American production of about 2½ million.



SECRETARY VINSON

Was worried about endangering reciprocal trade agreements by permitting conditions to arise which would influence the man in the street. He believes that the Swiss are not in position to say what limitations should be imposed. Swiss are not by any means in the family of trade nations.

SECRETARY WALLACE

United States must become a creditor nation. We cannot continue to export more than we import. Democratic Party must not be the Party to put on quotas. This will spell the end of the Republican Party because they have traditionally raised trade barriers.

GENERAL FLEMING

Wanted the Cabinet to know what White House changed had been approved by the Fine Arts Commission.

SECRETARY ANDERSON

Said he wants to know policy with respect to speeches at political conventions.

THE PRESIDENT

Told him to make all the political speeches that his system could stand.

SECRETARY FORRESTAL:

Believed that the surplus property situation should be clarified.

UNDER SECRETARY ROYAL

The Army has set up a committee to clear surplus with RFC-SWPC, etc. Has developed procedure which is now being cleared. In his opinion distribution of surplus is of primary importance.

THE PRESIDENT

The President instructed him to get it done.