

(From Notebook 2)

CABINET MEETING, JANUARY 3, 1947



THE PRESIDENT

Brought up the question of outlining an Air Policy for the U.S. We have made some progress - but wants Cabinet to get behind the development of such a policy. Suggests operating thru the ACC which is already set up. Landis is chairman.

PATTERSON

Thinks traffic should be stimulated. Is worried about financial extravagance of some of the air lines. Have gone overboard on operating costs and over-purchase of equipment.

ANDERSON

Has recently observed that on 4 motor ships there are often 4 or 6 passengers. Thinks that govt should take further interest in giving support to air lines.

FORRESTAL

Airplane manufacturers will have to merge to stay alive.

HARRIMAN

Is not in position to give an opinion - but will look into the question.

PATTERSON

Air lines require a shaking down to get on more sound basis.

STEELMAN

Raised question as to when ODT will go out of business.

ANDERSON

If Capt Conway says we can get along with ODT - let ODT go out of business. Can't get a thing out of ODT - have had more luck with RR's directly.



HARRIMAN

Agrees with Anderson provided ODT priority rights are transferred to Capt Conway.

THE PRESIDENT

Asked Steelman to check with everybody concerned to arrive at decision.

SCHWELLENBACH

Suggested that Cabinet meet at W H and go to Congress together.