

Baruch, Bernard

1945-52

Baruch
1945

Washington 6, D.C.

June 26, 1945

Dear Mrs. Roosevelt:

Mr. Baruch has asked me to send you
a copy of his statement before the Senate Military
Affairs Committee on June 22nd.

Respectfully yours,

Ruth Rubin

Handwritten notes:
Thank you for your letter
Baruch
Ruth Rubin
[Large handwritten flourish]

Hold Until
Delivered.

JUNE 22, 1945

STATEMENT OF BERNARD M. BARUCH
BEFORE MILITARY AFFAIRS COMMITTEE
of UNITED STATES SENATE

Mr. Chairman and Gentlemen of the Committee:

I am honored by your request to appear before you. Your esteemed Chairman, in his letter of invitation, described the objective of this Committee's inquiry as "the elimination of Germany's economic potential for military aggression."

No more important question ever will come before you than this one - of how to prevent the revival of Germany's war-making might. It is the heart of the making of the peace; it is the heart of the keeping of the peace.

What is done with Germany holds the key to whether Russia, Britain and the United States can continue to get along. It will affect profoundly the jobs and livelihoods of everyone, everywhere, for none of the economic problems of the peace can be solved except in the light of German reparations policy and the measures taken to demilitarize Germany's traditional war economy.

Is it possible to control and transform a nation of more than 60 million persons, with an economy as intricate and efficient as that of the Germans?

I believe it can be done. I know it must be done.

Germany's Third Try

It will not be easy. But if not done, we face the certainty that Germany will make a third try to conquer the

world. Five times within the memories of some persons now living, the Germans have waged aggressive war: against Denmark in 1864; Austria in 1866, France in 1870; against the world in 1914 and again from 1933 to 1945. This must be made the last German war.

Defeatism Unfounded

By itself, no German settlement can be enough. If this is to be a sure peace, we must be prepared to see the peace through with an international organization to maintain common unity among the Allies, with a determined preparedness including universal military training, with an as-long-as-it-takes occupation of Germany, with the judicious use of our great productive power, and a living faith in our democracy strong enough to give the world the moral leadership in progress towards greater freedom and steadily rising living standards that America has stood for since its creation.

The defeatism that prevails in the minds of some is unjustified. At the close of any great war there are always some who despair of the future. It was that way after the last war. We have only to learn the lesson of these two world wars and work at the peace and we need not fear what the future holds in store for us -- a new cave age of bomb shelters or prosperity and security for ourselves and our children.

Bold Leadership Needed

The time has come to end piecemeal peacemaking and to write the peace in Europe as an entirety. In this total peacemaking, America should move forward with a positive program of bold leadership.

It is important that we think of the condition of the peoples involved in the war. What are the hopes and fears of the people in Russia and England? In the countries completely overrun by the Germans, many have lost faith in government, in themselves -- in everything but force. Seared and scorched, they do not know where their next meal is to come from; how they will be able to make a living in the future. Not only physical but great psychological lesions will have to be healed in the peacemaking.

All these people look to the United States as the one great untouched reservoir of productive resources in the entire world. We have no problem of physical reconstruction yet, these people must be made to realize, we cannot do all they would ask of us and survive ourselves. They must relearn self-reliance. With wisdom we can use our productive capacity to lead the way for these countries to help themselves so that together we can implement one another's security.

To Russia we can show the means of making herself so strong she need not fear Germany; and this while permitting her to reduce military expenditures, leaving more for lifting the living standards of her heroic people.

Expanding trade for Britain

To Britain we can show the way to expanding world markets, steering her away from an economic war that could only be disastrous to her and the world.

To the United Nations we can direct a converted "Arsenal of Democracy" to aid in establishing a new peaceful economic equilibrium with increased numbers of jobs and steadily rising living standards for all.

Don't Overpromise

We cannot do this by promising more than we can deliver. We can by organizing priorities of production for peace -- so that our vast productive capacity is directed to where it will do the greatest good.

In return, we need ask only that the terms of the peace square with the American conscience. Which is not to say that we - or anyone else - can have all we want.

Strategy of Peacemaking

Effective handling of this productive power assumes a strategic, positive concept of the peacemaking, knowing what we must have and what we are ready to yield on, where American interests lie and how they can be harmonized with the interests of others. We must not find ourselves thrust into the position of seeming to have no program other than to object to the proposals of others or, by failing to move decisively, to drift into complications. We must realize that unless we are prepared to exercise leadership the peace will be shaped by other forces. A vacuum does not long remain unfilled.

To unify all of the many peace problems into one whole, integrated with the Pacific war, all governmental agencies dealing with these matters must be streamlined under a top group

acting as a focus of decision for recommendations to the President. I speak of a council because with matters of such profound importance, the many different viewpoints should be examined by the best collective wisdom our nation can muster.

No International Logrolling

Our peacemaking must rise above any and all questions of partisan politics, above any pressure group or vested interest -- whether on the right or left, at home or abroad -- above any individual's desires for kudos or headlines.

We must be alert not to slip into the temptations of international logrolling, of handling conferences as if they were mere political conventions, of writing peace agreements as if they were political platforms to mean different things to different men. If the stakes of war are mortal, the stakes of peacemaking are life-giving and they require methods and thoughts of heroic stature, worthy of the stakes.

The German Problem

At Yalta, an excellent beginning was made by the major powers on the German problem, covering in the main the more immediate measures for Germany's occupation. The need now is to fill in the Yalta agreement in detail and to enlarge it to settle definitely Germany's future.

Is Germany to be occupied in four zones for a certain period of time and then restored as a whole or is the occupation to be the preliminary to a lasting dismemberment into lesser parts? How long is the occupation to last? What kind of

Germany do we want to end up with? Will the United Nations ask for reparations which require the rebuilding of destroyed German factories and which compel Germany to work at full-tilt, thus again becoming highly industrialized and a menace to the world? Or is German war-making industry to be curtailed and if so, what level of industrial capacity can safely be allowed her?

It is not enough to answer "we want an economically weak Germany." This program should be sufficiently specific -- industry by industry -- so all of the occupying nations know they have agreed to the same thing. It should be put into writing and made public. Until such a program is given common acceptance, the basis for peace in Europe will be lacking.

We Want A Sure Peace

Any effective approach to the German question, it seems to me, must begin by recognizing one inescapable fact -- there is no blinking a thorough overhauling of Germany's economy, for the simple reason that there is no "normalcy" to return to in Germany except that of war-making.

Whether one wants to be "nice" or "harsh" to Germany makes no difference. War must be displaced as Germany's chief business.

Will the measures taken be thoroughgoing enough to be effective? Will they disarm Germany in a way to bring unity to the great powers? Those are the issues.

I have not thought in terms of a "hard" or a "soft" peace. I seek a sure peace.

Therefore I recommend:

Settle German's Future

1. The earliest definite settlement of what is to be done with Germany.

Break German Dominance

2. Economically, this settlement break once and for all Germany's dominance of Europe. Her war-making potential must be eliminated; many of her plants and factories shifted East and West to friendly countries; all other heavy industry destroyed; the Junkers estates broken up; her exports and imports strictly controlled; German assets and business organizations all over the world rooted out.

Priorities for Peace

3. Through priorities for peace to the peoples Germany tried to destroy, to build up the strength of the United Nations in both Europe and overseas while reducing Germany's overall industrial and technical power. Only when such a new equilibrium is established will it be safe to re-admit Germany to the family of nations.

Full Soviet Agreement

4. That this German settlement be used as a basis for a comprehensive, all-embracing agreement with Russia on the major peace problems. By tackling immediately and forthrightly the question uppermost in the Russian

mind -- security against Germany -- I believe we can arrive at full understanding with the Soviets. If it is not possible, the sooner we know it, the better.

All Agreements Public

5. This agreement with Russia -- as well as agreements with other nations -- to be in writing and promptly made public in full detail. This has been a People's War. Let it be a People's Peace.

General Staff for Peace

6. Tighten our peacemaking machinery here at home to give us the effect of a General Staff for Peace, charged with drawing up a master plan for the peacemaking so America can exercise the leadership which is her heritage.

Free Look-See in Europe

7. America's role in dealing with Russia should be one of tolerance and fairness. Cooperation is a two-way street. I would like to see this simple rule laid down: what we permit the Russians to do, they permit us to do. There should be a free look-see for all the United Nations throughout Europe.

More Recognition for Russia

8. The United States should use her offices to persuade those nations who still refuse to recognize Soviet Russia to do so.

Security above Reparations

9. Reparations should be fixed at the maximum within Germany's capacity to pay, consistent with security and not to undercut living standards by forcing exports. Russia and other countries are entitled to labor reparations, particularly if they will include in their labor battalions the principal war makers - the Nazis, the Gestapo, Junkers, the General Staff, geopolitikers, war industrialists, war financiers - leaving the ordinary peasants and workers.

Long Occupation Vital

10. We must ready ourselves for a long occupation of Germany -- as long as it takes for her spiritual and economic rebirth.

Supreme European Council

11. Create a Supreme European Reconstruction Council to coordinate the many aspects of European reconstruction with the German settlement, reparations and other problems.

Positive Foreign Economic Policy

12. Develop a positive American foreign economic policy bringing tariffs, monetary agreements, foreign credits, cartels and all other economic matters into a coherent whole which will meet this one decisive test -- how to preserve the American free enterprise system in a world drifting to cartelizations of various kinds --

to Statism -- so we can provide jobs for all? Shall we settle the shooting war only to plunge into economic war?

Raise Living Standards

13. Raising human standards all over the world must be a bulwark of postwar economic policy. I would insert into all financial and economic arrangements we make, a denunciation clause giving us the right to terminate any agreement which results in lowering of wages or lengthening of hours -- an undercutting of human standards.

Determined Preparedness

14. Finally, we must see the peace through with speedy ratification of the United Nations Organization and with a determined, enduring program of preparedness, including universal military training, adequate stock-piles of strategic war materials, unflagging intensive research, and the many other things indicated by a modernized mobilization plan designed to convert our nation in quickest order to the conditions of any possible war in the future.

The logistics of war and the potentialities of yet unheard of weapons for destruction are such we must shorten the lag in any future war mobilization or risk defeat.

Peace a Painful Process

There is no use talking about peace unless you are ready to do what needs to be done to make it -- and maintain it. The

program I have outlined will entail many painful adjustments. I cannot see how we can afford to do less.

The cost of two German world wars -- an estimated 25 million killed; and millions more left maimed and crippled, homeless and emaciated; the twice-repeated devastation of Europe; the destruction of hundreds of billions of dollars in painfully accumulated wealth; the wastes of four generations whose normal lives have been disrupted by the enemy, with the aftermath of this war still to roll over us and our children -- the terrible cost of total war demands that we now resolve to accept no terms but unconditional peace.

After the last war, the victorious Allies acted as if they were determined to forget the plainest lessons of the war. In contrast, the German General Staff set about systematically to remedy the mistakes they had made. As a result, the German war machine for World War II was far more efficient, its mobilization more ruthless, yet better organized. We know how much closer the Germans came to winning; how much greater an effort in lives, time and treasure was required to beat them.

Recover Secreted Assets

When defeat became certain, many of Germany's Junkers, Nazi leaders and war industrialists sneaked abroad assets of every type as reserves for that day in the future when they could try it again. German business abroad has traditionally been an instrument of economic and propagandistic war. These assets and organizations should be rooted out and taken over -- everywhere. No hocus-pocus.

No falling for "dummy" contrivances. If necessary to make sure that these properties really change hands, I would set up a corporation to finance such transfer.

Formula for Private Property

Enemy assets in each country should be used to make restitution to nationals of that country for properties lost or damaged in enemy countries. In the United States the value of German properties taken over by Congress would be pooled and from this fund Americans with property in Germany or her satellites would receive restitution. Anything left after these claims are met would be turned into a common pool to pay for necessary German imports, with the balance going as reparations. This will make possible de-industrializing German heavy industry even where American or other foreign-owned plants are involved.

I want this to be a just peace -- not one of vengeance. This program does not mean the destruction of the German people. They would have to suffer a comparatively low living standard for a time -- but nowhere as low as what they imposed upon enslaved Europe and not much lower than the standards which they assumed, to give Hitler and the General Staff the stuff to attempt world enslavement.

Heavy Cost of War

The immediate, emergency problem of feeding Germany is a most difficult one. Still it should not affect the program here recommended. The heavy industries which need to be removed from Germany produced guns and munitions. Consumer goods industries

can be revived to a scale that will meet Germany's own domestic needs. How much food will be available in Germany will depend in great measure on the Germans themselves.

There will be shortages all over the world -- even here. With whom shall we share? Who -- in justice -- should get the highest priorities? The Germans or the peoples they ravaged?

United States of Europe

Unchaining the German people from a war machine which has consumed an easy one-half of Germany's total substance should ease their adjustment. Eventually, purged and reorganized, and the Europe around her made strong, Germany will be able to take her place with her neighbors.

The new equilibrium of industrial strength in Europe might take the form of a United States of Europe -- a United States of Europe in which Germany would be one of several peaceful equals, not the dominating war organizer.

Piecemeal Controls Fail

A number of other proposals for less drastic control of Germany has been proposed -- as placing her heavy industry under international trusteeship or limiting the control to a few so-called "key industries." As temporary aids to the occupation authorities, such proposals have some merit. They fail completely to provide a basis for lasting peace. Only by permanently reducing Germany's over-all war-making potential in relation to Russia, Britain, the rest of Europe and the overseas nations can we

know that Germany will be unable to go to war again.

Great care should be used in authorizing the rebuilding of German industries, especially heavy industries. It will be easy to permit many industries to revive on a basis of expediency because of present urgent needs, and later find them reestablished to stay.

The argument is raised that Germany is the industrial giant of Europe and that de-industrializing her to any extent would have disastrous economic effects on the rest of Europe and the whole world. There is no denying that Germany has dominated Europe economically. So she did militarily. Nor is there any denying that this domination has been the ruin of Europe and the world. Where has German economic influence been felt and smiles left to that country's people? In Poland? Rumania? Hungary? Greece? Jugoslavia? Austria? Italy? France? Holland? Belgium? Norway? Denmark? In Germany herself?

Cave Age versus Prosperity

To accept the view that the restoration of German industrial dominance in Europe is inevitable -- something we can do nothing about -- is to resign ourselves to the return to a new cave age.-- We might as well begin to put our factories and plants underground.

As a result of controlling Germany, great economic benefits will flow to all of the United Nations. It will open expanded industrial opportunities to them and agricultural and other products which Germany will not use, will be taken up by

other countries. Britain, which after the war will be confronted with a grave need for increasing the volume of her exports to pay for food and raw material imports, will fall heir to many former German (and Japanese) markets. Instead of trading with Germany, the United Nations will have more trade with one another. More jobs and more business will permit the United Nations to pay part of the war's costs out of higher wages, increased profits and greater tax revenues.

For at least five and possibly seven years there will be an enormous over-consuming demand for everything -- raw materials, manufactured goods, food, clothing, housing, transportation, machinery and capital. If the peace soon to be written permits men to look forward to the future with hope, not fear, prosperity of unpredictable length lies before us.

Allay Soviet Fears

How to insure our working with Soviet Russia is a difficult problem, which has been preplexing many people of late. I have tried to ask myself what would I think if I were a Russian?

Uppermost in my mind -- if I were a Russian -- would be the almost infinite suffering endured from the Germans during the past thirty years. In World War I, Western Russia was overrun and looted. In this war Russia was twice ravaged, as the Germans went in and again as the Germans came out. Any

nation which has undergone such experiences is bound to be security-conscious to a very high degree.

To illustrate the point, I quote from the introduction to a book I wrote at the close of the last war, "The Making of the Reparations and Economic Sections of the Treaty",

"From wantonly devastated France had not departed the fear and inherent hatred of the enemy who but a few months before had pierced almost to her heart -- the traditional enemy who had brought upon her the bitter days of 1870. With the world war already history, the shadow of the Prussian still hung over the Republic. France was fixed in her determination to erect an impregnable wall, economic or geographical, or both against future German invasion. This, in greater or lesser measure was the attitude of the other Allies."

We Failed the League

If "Russia" were substituted for "France", this quotation would apply equally well to the present situation in Europe. Nor would France's experience after Versailles lessen Russia's concern over her security. At Versailles, France did not obtain her "impregnable wall". Instead she was persuaded to place her reliance on the League of Nations, which we in the United States, who had put it forth, then refused to join. Is it then so surprising to find the Russians shying from placing their first reliance for the security they are determined to gain on peace machinery still untested and whose predecessor failed? Is it so surprising to find Russia insisting on what her officials regard as more realistic security measures?

The occupation of Germany will be difficult enough at best. In the absence of common policy as to the long-range

fate of Germany, the Soviets are bound to question Allied moves as dictated by a desire to rebuild Germany into a buffer against Russia. In turn, the Western Democracies will suspect Russia of seeking to communize Germany. The Germans can be expected to resort to every imaginable trick to foment discord among the four occupying nations. They will play one nation against the others, one zone against the next, hoping to break the common unity of the Allies, so controls will be permitted to lapse, giving her a chance to recoup, as after Versailles.

Support Eisenhower

General Eisenhower, in my judgment, is ideal to head our occupation in Germany. His deputy Lt. Gen. Lucius Clay is another excellent man, with whose work I am quite familiar. I have every confidence they will handle themselves effectively, with firmness and tact. Recently General Eisenhower described himself as the "executor not policy-maker" in Germany. Give him an agreed upon policy. Don't handicap him.

While on the subject of Russia, I would like to add this general observation: I have no fear of the spread of Bolshevism in the United States -- jobs and higher living standards are the proven anti-toxins. I have stressed the importance of lifting wage and hour standards all over the world. It is crucial if only to keep to a minimum the disruptive effects of the inflation already loose in the world. And as living standards within Russia improve, the atmosphere there should lighten, and some practices which strike us unfavorably are likely to disappear. I am mindful of the tremendous

changes in our country as we grew from thirteen colonies on the Atlantic. When we recall that it was nearly ten years after the Revolution was won, before our thirteen states could agree on a Constitution for ourselves alone, I am not dismayed that more was not done at San Francisco.

Must Understand Soviets

Relations with the Russians may continue difficult for a time, not only in Europe but on other fronts. Again I point out, we should not be surprised that Soviet suspicions have survived our fighting together against the common enemy. When one reviews recent world history, one finds considerable cause for suspicion between Russia and the Western Democracies -- on both sides. After the Red Revolt in 1917, the Tsarist powers made three major attempts to reconquer Russia, efforts largely armed and supplied by the British and French. The deepest significance of the Manich pact was the exclusion of Russia. It is not that all of Russia's acts were justified but it is important that we understand the Russian point of view.

Russia Must Cooperate Too

On the Russian side there must be equally sincere efforts to understand us. The Russians must appreciate that refusal of Soviet authorities to permit free access to the countries of Eastern Europe has a most adverse effect on American public opinion and will jeopardize any program for the reconstruction of these countries. Another cause of suspicion has been a tendency for the Russians to act unilaterally in many countries. Such actions irritate us less because of our interests

in those countries than because we feel a moral responsibility to those peoples which we cannot shirk. On our part we must shift our peacemaking machinery into high gear and avoid delays which may prompt unilateral action.

The pledged word kept is the best antidote to suspicion. Above everything else, there must be the most meticulous observance on our part of all our obligations with the Soviets, written or implied, while insisting firmly that they do the same. By doing our homework before going to conferences, agreements can be free of ambiguity.

Before the war, business interests in this country acquired the greatest respect for the manner in which Russia kept all contracts and observed all credit arrangements. Our admiration has been increased by her incomparable military accomplishments during the war. It would be tragic for the Soviet at this point to permit doubts of their motives to mar this splendid record -- tragic for both them and us -- since it would react against all who want peace.

There are many detailed aspects of German de-militarization and reparations not dealt with here which can be covered in the discussion. The public statements of Messrs. Pawley and Lubin, our reparations commissioners, indicate a clear grasp of the issues. Whether the reparations agreement will have to be ratified by the Senate, I do not know. If so, the Russians and British should be told that now.

Confusion about Cartels

This Committee has asked that I discuss cartels. First, as I see it, we should determine just what we mean by a cartel. The Germans employed cartels as an instrument of economic warfare, which was what they did with every aspect of the German economy. Soviet Russia is an example of a completely cartelized state -- only one buyer, only one seller -- the government. Within the British Empire, trade preferences or sterling bloc restrictions can accomplish the same effects as cartels; so can import and export quotas, compensatory payments, currency depreciations, wage reductions or a lengthening of hours. The last two are more disintegrating. Cartels are established for the purpose of advantage to those engaged in them but these advantages can be obtained in many different ways.

Are all cartels bad? Or are there good cartels as well? Is all competition good, no matter how destructive in result? Shall we return to the unrestricted jungle law of tooth and fang? We have legislated for both sides of the argument. We have anti-trust laws and we have laws and commissions which seek to restrain competitive practice.

Some Competition Bad

In stabilizing farm prices, our government year after year approves cartel-like practices and I think you gentlemen will agree with me that it is a good thing. I have always felt that in any area where competition becomes so disruptive as to hurt the general good, the government was duty-bound to correct

the worst effects of unbridled competition.

With some raw materials not produced in this country, we may find cartels forcing us to pay higher prices. Should our government use its influence to see that our manufacturers are not squeezed, particularly where materials vital to our defense are involved? We can protect ourselves somewhat by keeping in reserve our stocks of these strategic materials.

Patents Mean Know-How

Foremost in the minds of the Committee, I gather, is the relationship between German, other foreign and American manufacturers in the use of patents. In most instances, I think you will find that Americans have improved upon the processes which they obtained through these negotiations. Should the Americans not have bought those patents? If that is the desired policy, it can be put into effect simply by prohibiting the use of those patent processes in America. This would force the things manufactured under those patents to be produced outside of the United States without benefit to our economy or increasing our own know-how.

One proposal is that all international business agreements entered into by American firms be registered with the government, say, the State Department. Any businessman should welcome such a law since it would free him of danger that a business act taken in good faith in one year could be accused against him years later, possibly under changed international conditions.

Registration Not Enough

Will the State Department or any other agency that is set up to handle such registrations know which agreements are in the national economic interest and which are not? Do we have enough of a positive foreign economic policy in this country?

This question goes beyond patent matters. Are American businessmen to be encouraged to invest abroad and to widen their exports and are their interests to be protected by the government or disregarded? What if we grant government credits to a country like Soviet Russia? What becomes of little business if it has to face an import and export monopoly of another government? Under the Bretton Woods agreements are loans to be made to countries which may evade the agreements through cartel-like methods?

Rounded Policy Needed

I do not want to seem to leave you in confusion on this matter.-- What I am trying to get across is that there has been too much discussion of this question without regard to the part it plays in the broader picture of the need for a coherent American foreign economic policy, which we still lack.

Every report from abroad indicates the different nations of the world are becoming more -- not less -- cartelized -- cartelized in many different forms, especially as to foreign trade. How free will the economy of any European country be after this war? What if certain industries in these countries

are nationalized? What then becomes their position and how do we adjust ours to it? Suppose a United Nations registration of all cartels were suggested? What would that cover?

Keep our Leadership

In making my recommendations, I have sought only to stimulate action so that we will exercise the leadership which is ours. I would not want to see that leadership which we have held for 150 years now lost to others or wasted through disuse.

A vastly better world lies ahead if we use the intelligence and gifts of nature that have been bestowed upon us. We can't live alone. Be sure of that. Let us then encourage and help those who live with us to live our way -- not to copy our way in detail -- but to stand with us on the broad base of expanding human dignity and freedom.

July 24, 1945

Dear Mr. Baruch:

I am enclosing a letter which tells you a little about a veteran in whom I am interested.

He has both legs off almost to the hip and has been fitted with artificial legs which are operated from the shoulders and hips. They really aren't very much use except for looks.

The unfortunate thing about this boy is that he lost his legs in a railroad accident and he was A.M.O.L. (He claims he was late in returning because of the wreck). This means, as you know, that he is not entitled to a pension, nor to any of the benefits and that he does not have an honorable discharge. If the railroad should indemnify him, the government would collect hospitals bills, etc.

You will see what he wants and because it is so difficult, any job would have to be one where he could sit and not too far from where he could live and he wants to get away from ice and snow. His home is in Rochester, New York.

He is a nice appearing boy and I liked him when

I saw him in Walter Reed Hospital.

Do you think you could ask some of your
friends to consider him?

Affectionately,

HENRY VISCARDI

July 17, 1945

Dear Mrs. Roosevelt:

I am sending you with this letter a copy of a letter that I received today from Ray Bopp. His address is Cleveland, New York.

I know that if you can do anything to help him you will. If you think that I could help in any way by going to see anyone here in New York, please tell me and I will attend to it at once. I told Ray I was going to send this information on to you. I think that I was not wrong in doing this, and I will wait now to hear further from you if anything can be done.

Please thank Miss Thompson for returning my brief case which I left at Hyde Park. It was very careless of me to have done this.

Sincerely yours,

Henry Viscardi

BERNARD M. BARUCH
597 MADISON AVENUE
NEW YORK 22, N.Y.

October 3, 1945.

My dear Mrs. Roosevelt:

In reference to the enclosed letter, I think we should wait and see what Bradley is going to do. It is taking some time. Like the whole human demobilization, it is very late.

I look forward to seeing you very soon.

B. M. Baruch
Sincerely yours,

*but look
in file*

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Handwritten notes:
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by

Dear Mrs. Roosevelt,

Sept. 24, 1948

I seem to be again involved in problems of the Veterans' Administration. Miss Dorothy Sutherland, a friend of mine, and at present on Social Service Staff of the Vet. Ad. Outpatient Department, called me the other night, and on Friday I had lunch with her, and Mrs. Mary Voigt, the worker in charge of the Outpatient Social Service staff here - covering all of Mass. They are both very much disturbed about the way things are going. I had told Dot about seeing you in July (She is the girl who was at the West Roxbury Facility, and about whom I talked with you in July. She was concerned then about the lack of recreational programs, stimulating discussions, etc. for the men in the hospital; and you suggested that we wait and see what changes General Bradley made before trying to do anything about it). When Dot told Mrs. Voigt that I knew you, they both leapt at an opportunity to ~~refer~~ refer to you the problems of their department. We all think the ideal thing would be for them to talk with you directly, and they are free to come any time that you could see them. But they gave me some of the information to send on to you, so that you could have some idea what the problem is.

Being distressed about the way the department was functioning, they went down to Washington and saw Miss Irene Grant, the social worker in Washington, who is in charge of Veteran's Administration Social Service the country over. They ~~were~~ left with the feeling that Miss Grant is totally inadequate to the job. Apparently she has a very bad reputation, particularly with the leading schools of social work, and many people feel that she is so peculiar mentally that she could not do the job, even with an adequate staff. And, although she could have had a staff, she has only herself and one inadequate secretary. She is months behind on correspondence, which means among other things that applications for jobs go unanswered while the department is working with a very short staff and could well use more people. She also has a well picked advisory committee, but it has never met, and as far as we know, no one can initiate a meeting with Miss Grant. As you know, in the reorganization of the Veteran's Administration, the medical and nursing staffs are probably (I forgot to ask them whether this was now definitely settled) to be put under army regulation. Miss Sutherland and Mrs. Voigt feel definitely that the social service staff should be dealt with similarly. But Miss Grant has blocked any plan to do this, and it looks as if they are going to be left out "on a limb" with the librarians, which seems to us a very backward step professionally and cannot lead to the most efficient service to the men. Also Miss Grant gave them the impression that General Bradley and Maj. General Hawley were planning social service policies without even consulting her, and ~~that~~ it did not seem right that someone in the social service department should not be in on planning social service policies, although both the workers here could well understand that there would be little value in consulting Miss Grant.

Enough about Miss Grant. There are many things in the functioning of the actual work which also bother them. They hoped by going to Washington to be able to clear them up, but as this was not possible, they wanted me to relay them to you. As the Out-Patient Division is now set-up here, they have a staff of four trained workers with four more arriving soon. This is not an adequate staff for giving the complete service that they wish they could give - and that the law allows, as it is now written. However, they feel very definitely that their time could be far more valuably used than it now is. ~~It is not an adequate staff for giving the complete service that they wish they could give - and that the law allows, as it is now written. However, they feel very definitely that their time could be far more valuably used than it now is.~~ (No - that may be an exaggeration) At present most of their time is spent in getting case histories on men whose cases are pending adjudication. Of course, in connection with the getting of the histories, they are probably able to do a little constructive work with the men or families. But they feel very definitely that their time could be far more valuably spent in doing direct case work treatment with the men. As you know the social and emotional problems are innumerable, and again the law is all right. Outpatient clinics are supposed to provide case work service as well as medical and psychiatric. And, of course with the shortage of psychiatrists, psychiatric social workers are doing much more than they used to with the emotionally disturbed in all clinics. But, when Miss Sutherland suggested to Miss Grant that case work should be part of the clinic set-up, Miss Grant seemed to think it was a revolutionary idea. Mrs. Voigt and Miss Sutherland both said that they have seen many cases which they felt were very serious or untreatable at the time of adjudication, which they might have been able to do a great deal on, had they gotten hold of them many months earlier; and the men have expressed the same idea. Another problem, which may be local, is in the Vocational Rehabilitation Department. Again the law provides for social service, but here in Boston no social worker is allowed to go into a case which is known to the Dept. of Vocational Rehabilitation. They feel that vast sums of money are going into retraining these men and that social workers on the staff could be a much needed help in deciding the plans for suitable rehabilitation for each man. Frequently when they pick up a case later on in the adjudication process they find that a man's rehabilitation training was interrupted because of a social problem. There is one man in the Vocational Rehabilitation office here who they feel does a very fine job; and he has worked with social workers before and is as conscious as they of the need for them. They also have no psychologists in the Vocational Rehabilitation office, which seems amazing. They felt in addition that many men who needed the retraining most were not getting it. For a long time epileptics were not being trained, and they certainly need it. Now they are taking a few of them. Also - and this would have to be changed by law, I guess - the utterly inadequate allowance for dependents both under the G.I. bill and the V.A. Public 16 makes it almost impossible for a man with children to take advantage of retraining unless he has other income.

There probably are many more things they can tell you, but these seemed most on their minds. And they felt definitely that the whole set-up needed reevaluation, and that the time to do it was now when the whole Veterans Administration is being reorganized. They have done all they can in seeing Miss Grant; and they are afraid of getting themselves in trouble by doing more. There are various people connected with the Schools of Social Work who are also distressed, but are even more hesitant about risking getting themselves in trouble over it.

We are not sure what you would feel you can do; but I told Mrs. Voigt that I would write you; and she will be grateful for any suggestions and very glad to come up and talk with you if that is possible. Her address is: Mrs. Mary F. Voigt, 25 Orchard Rd., Shrewsbury, Mass.

I hope that this finds you and your household well. I enjoyed our day in July immensely, and as usual Mother and I both got a great deal out of it. We were particularly interested in Mr. Flynn's comments about Russia.

My Bob is sitting tight waiting for his shipping orders; so we hope he will soon be back and discharged. He's not sure yet what kind of a job he's going to look for, but is writing about trying for some kind of "government service at home or abroad" and feeling very strongly that the Far East is going to play a large part in world affairs and in the future peace of the world and that he'd like to do his share toward that. If you don't mind, I'd like very much to bring him down to see you when he does get back, for I don't know anyone else with such a knowledge of government work in general, as well as your interest in young people. I have taken the liberty of suggesting that he go ahead and write you if he wants to, but I think he may prefer to wait until he gets back. Of course, I was simply thrilled to have him thinking along those lines and am hoping he'll really do it. However, my role, I guess, is to open any paths I know of, but not have too many ideas and not put any pressure on, but give him time to really think through what he wants to do.

Mother has probably written you that John is now on Okinawa and en route to occupy Korea. We are all much interested in his book of foreign trade and trying to make all of the helpful suggestions that we can.

Most sincerely yours,

Margaret Fayerweather

Margaret Fayerweather

Please excuse my typing. Our secretary is away, but I didn't want to delay this.