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This Week In Congress Radio Address: Domestic Economy and Unemployment, 1959 June 11
Speaker: Senator J. Allen Frear
Transcribed by: David Cardillo

[00:00]

Announcer: The Week in Congress, recorded on June 11th, 1959.

Mr. Kelly: From Washington, DC, United States Senator J. Allen Frear reports again to the people of Delaware on current congressional affairs. Ladies and gentlemen, Senator Frear.

Senator Frear: Thank you, Mr. Kelly. Both Congress and the nation were generally pleased during the past week by the drop in unemployment throughout the nation and the consequent increase in the number of people working at gainful jobs. The information released by the Labor and Commerce Departments reported that the number of people who did not have jobs was at the lowest in eighteen months while the number of Americans at work hit a new record for the same period. It was estimated that over sixty-six million people are now employed. Against the background of last year's recession, this information is hopeful and encouraging news, and indicates that the American economy is basically vigorous and healthy. Taking note of these optimistic figures on overall employment, the nation's businessmen are increasing their planned spending for new factories and machines with which to sustain and expand their business and industrial enterprises. The accelerated tempo of these additional construction activities should help to maintain the high level of productive employment during the remaining months of this year and into 1960 as well. Unfortunately, there is a shadow hanging over this otherwise bright economic outlook. It is the old and familiar threat of inflation. As the nation's economic climate improves and spirals upward, inflationary tendencies develop more rapidly because people are buying more new things and replacing other goods which are worn out and outmoded. This tends to bid up the price of commodities beyond a reasonable level. When this occurs, the value of the dollar and its purchasing power may slide backward. The problem of how to control inflation is one which has been approached in countless ways and by many experts over the years. For instance, at the present time, if the government seeks to apply the brakes to our present economic expansion with the objective of controlling inflation, it might have the unfortunate effect of discouraging new and increased business and industrial activities. For it is a known and proven fact that the American economy operates best when unrestrained by Federal controls or other undue supervision. At the same time, the problem of inflation is a real and dangerous condition, for among other things, it strikes brutally at men and women who are living on fixed incomes. There is no magic formula for ending the threat of inflation.

Unfortunately, it appears that the government contributes to inflation at times by its tremendous spending. In this connection, it is noted that the President this past week has asked for another increase in the debt limit, which will probably have to be approved if Uncle Sam is to continue paying his bills. However, a searching examination of our fiscal policies as proposed for the year ahead will undoubtedly be conducted by the tax-writing committees of Congress, the House Ways and Means Committee and the Senate Finance Committee, before action is taken to advance the debt ceiling. For hopeful and encouraging as the present economic climate appears, the Federal government must exercise prudence and restraint in its fiscal affairs if the present gains are to be sustained and opportunities encouraged to further broaden our economic horizons for the future welfare of all.

Mr. Kelly:

Thank you, Senator Frear. From the nation's capital, you have heard United States Senator J. Allen Frear in his regular report to the people of Delaware on current congressional affairs. Senator Frear will be heard again next week at this same time, speaking from the Senate Office Building in Washington.

[End 05:11]