Office of the Director

Honorable Strom Thurmond
United States Senate
Washington 25, D. C.

Dear Senator Thurmond

January 5, 1956

This is in reply to your letter of December 15, 1955, in which you urged the revision of the supplement of August 25, 1955, to our DMO VII-7 and pointed out that activities under the policy of that supplement result in discrimination against producers in your state and elsewhere.

I appreciate your concern in this matter but I am sure you will agree that in the event of a major disaster in any portion of our country the common good requires rapid restoration of the industrial capacity and economic health of that area. Participation of both government and private instrumentalities is necessary to achieve that common objective and it is likely that while the resulting activities are temporary they will affect in some degree many individuals and private concerns in other parts of the country.

In the mobilization area the government has been engaged for some time in encouraging the development and maintenance of an industrial base adequate to produce goods and services necessary in time of war. A major disaster tears down important elements of that mobilization base and creates circumstances which threaten the availability of the manpower necessary to insures its operation. To assist in meeting those problems we have issued supplements to several of our outstanding mobilization base documents, including the procurement policy referred to in your letter. Others deal with tax amortization of emergency facilities, defense loans and machine tool leasing. The floods in the Northeastern United States and the new flood disaster occurring on the West Coast since your letter was written have given rise to the special mobilization base problems which those policies were designed to meet. Those supplements are effective, of course, only with respect to those areas found to be disaster areas under the Disaster Relief Act and will not be applicable after the findings under that statute are withdrawn. In the meantime, some temporary diminution of normal business opportunities in other parts of the country may result from such activities, but we believe that those disadvantages will be outweighed by the resulting national benefits.

If you should need other information with respect to those policies please do not hesitate to call on me,

Sincerely yours,

Arthur S. Flemming,
Director