"For a Healthy America:" Labor's Struggle for National Health Insurance, 1943-1949

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"FOR A HEALTHY AMERICA"

Labor's Struggle for National Health Insurance 1943-1949

DURING THE 1940S ORGANIZED LABOR, searching for a way to provide its membership with basic health care, became the driving force in a decade long battle for national health insurance. Labor worked with the executive and legislative branches of government in an attempt to pass legislation for a "Healthy America." The course of this campaign had a profound effect on the shape and substance of health care up to the present time.

Physician treating child of a family covered by the Farm Security Administration health plan, November 1939. In the fight over a national health insurance bill both the Congress of Industrial Organizations (CIO) and its opponent the American Medical Association (AMA) used the image of the sick child to sway public opinion.
Labor did not always look to the government for social remedies. In the nineteenth century, health benefits most often took the form of mutual aid and insurance arrangements that union members paid for themselves. Unions had a well-learned suspicion of government intervention in labor relations and relied on a tradition of voluntarism that focused on direct bargaining with employers for its gains. In negotiating contracts, however, labor organizations felt compelled to concentrate on wages, hours, and the very legitimacy of unions as bargaining agents, rather than "fringe benefits" like health care.

During the Great Depression of the 1930s, the labor movement worked with New Deal leaders in generating legislation beneficial to organized labor and began to abandon traditional voluntarism to work with the growing federal government. World War II accelerated this process. When, in the 1940s, national health insurance captured congressional attention, organized labor was ready to participate.

The movement for public health insurance coalesced around a group of professionals who worked for the new Social Security Board. Arthur Altmeyer, the commissioner of social security, and Wilber Cohn, technical advisor to the commissioner, had trained at the University of Wisconsin, home since about 1915 to the American Association for Labor Legislation which advocated state-sponsored programs for health insurance. Isadore Falk, the director of research and statistics for the Social Security Board, held a Yale Ph.D. in public health and also had strong ties to the Wisconsin group. All had been influenced by the work of sociologist Michael Davis who in 1928 created the Committee on the Cost of Medical Care and became a leading voice in the drive for health legislation. The Social Security Board also had ties to organized labor with Marion Hedges, research director of the International Brotherhood of Electrical Workers, on its staff. Several labor leaders served on its advisory board.¹

In 1938 Altmeyer, Cohn, and Falk helped arrange a National Health Conference attempting to pave the way
for Senator Robert Wagner of New York to sponsor a national health insurance bill. Introduced in 1939, Wagner's bill (S 1620) proposed giving grants to states for the development of health insurance programs. Although the plan had the support of key administration officials, President Franklin Roosevelt wavered and the bill failed. The opening round of a decade long fight had ended.

Although the American Federation of Labor (AFL) and other labor organizations had representatives at the National Health Conference, they had not played a prominent role. This changed in July 1943 when Senator Wagner, Senator James Murray of Montana, and Representative John Dingell of Michigan introduced the Murray-Wagner-Dingell bill (S 1161—HR 2861), a broadening of the Social Security Act to include a provision for national health insurance for persons of all ages financed through a payroll tax. Senator Wagner's devotion to the cause of organized labor was already legendary by the mid-1940s, dating back to his service on New York's Triangle Waist Shirt Commission with Samuel Gompers in 1911. Murray and Dingell had equally strong ties to organized labor. Representative Dingell was a life-long member of the International Typographical Union in Detroit, and Murray was a member of the United Mine Workers of America who had witnessed the monumental labor violence in Butte in the early twentieth century. Murray's interest in health reform was a direct outgrowth of his concern for miners' suffering from silicosis.²

Marjorie Shearon, once an aide to Falk at the Social Security Board, and later a health analyst for Republican Senator Robert Taft of Ohio, claimed the 1943 bill was written with so much input from organized labor that the bill's working title was the "AFL Bill."³ Falling victim to the combined effects of the war and a preoccupied president, the legislation died in 1944 at the end of the Seventy-eighth Congress.

With opposition forces solidifying on all fronts against labor during the 1940s, the AFL and the Congress of Industrial Organizations (CIO) began to work together on national health insurance. In 1944 the AFL appointed

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Congressman John D. Dingell (Democrat-Michigan), March 1944.
Nelson Cruikshank, an ordained Methodist minister, as director of social insurance activities, a particularly appropriate appointment because he had previously served as the head of migratory labor camps in the Farm Security Administration and had organized a program of 1,200 participating doctors to care for migrants in 200 camps. The CIO never gave as much priority to national health legislation as the AFL. Kathleen Ellickson, a member of the CIO’s research department and formerly on the staff of the Social Security Board oversaw health issues. Based as it was on industrial unionism, the CIO may have held out the hope that the problem could more easily be solved by direct contract negotiations with employers. Such hopes were less realistic for many AFL craft based union members, such as construction workers, less tied to one employer. Limited resources, however, existed for both organizations, and Cruikshank, like Ellickson, found himself working alone, without a staff. Altmeyer of the Social Security Board later recalled that Cruikshank and Ellickson had “to carry the ball and were always moaning and groaning that they still couldn’t get their principals really steamed up.” Still, by 1944 organized labor had two full time professionals to press its health reform interests.

In February 1944, Senator Wagner solidified plans for new legislation starting with a conference held in his office. Present were AFL representatives, members of the National Farmers Union, and a group of sympathetic doctors called the Physicians Forum. Michael Davis was also at the meeting, his work on health care having at-

Nurse visiting Farm Security Administration (FSA) agricultural workers' camp, Bridgeton, NJ, June 1942. Prior to becoming spokesman for the AFL on social security issues, Nelson Cruikshank served as director of the FSA's 200 migratory labor camps where he introduced a program of government-funded health care.
tracted the attention of the AFL and the CIO. Participants at the meeting decided to have Davis set up an outside group to be known as the Committee for the Nation’s Health (CNH), funded largely by the labor movement and wealthy New York philanthropists Albert and Mary Lasker.7

When Roosevelt was reelected in November 1944, hopes ran high for new legislation with labor, liberal leg-
islators, private organizations, and wealthy, concerned public citizens forming an effective coalition. The president's death in April 1945 propelled into office an untested successor with an unknown agenda. Harry Truman quickly proved, however, a forceful ally to the national health insurance front. Cruikshank, who played a key advisory role in drafting the new legislation, recalled later that "no one had to persuade Truman." The president's commitment to health care reform had grown out of his days as a judge in Missouri witnessing first-hand the results of poverty and inadequate medical care.  

On November 19, 1945, Truman delivered to Congress a message proposing a program of national health insurance. William Green telegraphed Truman lauding his "vigorous and forward looking message." Green also urged AFL state and local bodies to support the president. In early 1946, Green sent Truman a letter requesting minor changes in the bill. Truman quickly approved the changes, then passed them on to Senator Murray to be incorporated into the new Murray-Wagner-Dingell bill (S 1606—HR 4730). To promote the bill, the AFL produced a pamphlet, entitled "For A Healthy America."  

In June and July 1945 labor representatives and James Patton, president of the National Farmers Union, asked the surgeon general to sponsor a series of workshops relating to the health insurance bill. Cruikshank of the AFL, officials from the CIO, and the Social Security Board planned the workshops. The first was held in St. Paul, Minnesota, February 6–9, 1946. Its sixty-five delegates included representatives from the AFL, CIO, and Brotherhood of Railroad Trainmen, as well as government officials. The conferences' not-so-hidden agenda was to drum up support for the Murray-Wagner-Dingell bill. Government officials distributed literature from the Committee for the Nation's Health, and Harry Becker of the U. S. Children's Bureau openly endorsed the health bill. The first conference's results pleased the organizers, and they planned several other workshops.  

As the health insurance bill headed to committee, all signs looked favorable. But in the Senate, opposition, strongly encouraged by the American Medical Association (AMA), solidified under the direction of Senator Robert Taft. Son of a former president, Taft was an arch-conservative and isolationist, determined to protect his ideal of small town independent yeomen and businessmen from the encroachments of big government and big labor. Such a world view, arguably well out-of-step with mid-twentieth century America, fitted conveniently with the AMA's view of doctors as autonomous servants of the community. Taft and the AMA quickly formed a powerful bulwark against Truman's health proposals.  

In April 1946, the Senate Committee on Labor and Education, chaired by James Murray, opened hearings on the new Murray-Wagner-Dingell bill. Within moments of its introduction, partisan bickering engulfed the proposed legislation. When Senator Murray complained...
about editorials that referred to his bill as socialistic, Senator Taft interrupted, charging that it was indeed socialistic. Murray retaliated, calling Taft “impertinent and insulting.” Offended, Taft left the room, vowing not to return. The hearings continued on an only slightly less acrimonious basis. Green and Cruikshank of the AFL testified on behalf of the bill, but the former quickly found himself being badgered about the overall costs of the proposed program, a subject about which he was hardly a specialist. With the Taft boycott, the hearings floundered. By July, Senator Murray recognized no health legislation could pass in 1946. He looked forward to the midterm elections with the hope of finding a more hospitable atmosphere.

While labor had mounted an impressive lobbying campaign for the new health bill, those aligned against it belittled the effort. Dr. Morris Fishbein, the imperious editor of *Journal of the American Medical Association*, led the attack. Considered the “sparkplug” and “political boss” of the AMA, Fishbein vigorously attacked national health insurance, having the AMA buy newspaper space across the country to publish such items as a cartoon of a “socialized” doctor arriving not at a patient’s sickbed, but at his funeral. Fishbein used his position as editor of the AMA journal to rally doctors against the reforms. His editorial column endlessly attacked the bill, canonizing Taft for “the forthrightness with which he condemned the entire proceedings as a venture in socialism.”

The AMA offered an alternate “14 Point” plan for improving medical care based on extensions of voluntary plans and locally based aid to the needy. In May 1946, Robert Taft introduced a bill (S 2143) promising grants to states to pay for health care for the very poor. The CNH immediately assailed Taft’s bill as inadequate and humiliating for working men: “To require the half of the population to take a pauper’s oath in order to see these doctors or be admitted to these hospitals is degrading and un-American. This is what the Taft plan means.”

One non-controversial bill on health did, however, pass. On August 13, Alabama Senator Lister Hill and Ohio Senator Harold H. Burton’s hospital construction grant bill, introduced the previous year, became law.

The wave of post-war strikes in 1946 hampered Labor’s effectiveness as a lobbying agent. With workers every-where walking the picket lines, focusing on the complexities of health reform proved difficult for the unions. One outcome of the strikes was an unprecedented health care package negotiated by John L. Lewis of the United Mine Workers of America. This contract breakthrough opened the door for other workers to demand similar programs and created an atmosphere of competition among industrial unions trying to keep up with each other in improving health, pension, and welfare benefits. In September 1946, the newly elected president of the United Automobile Workers, Walter Reuther, wrote Falk of the Social Security Board asking for his help in preparing a study for the development of a group insurance program for auto workers. On the other hand, management viewed health benefits much differently. Irving S. Olds, chairman of the board of U. S. Steel, insisted that welfare was not a suitable topic for negotiation and that only the hazardous nature of the mining profession warranted special treatment.

The 1946 congressional elections proved a calamity for Democrats, with Republicans achieving a majority in the Senate. Taft replaced Murray as chairman of the newly renamed Committee on Labor and Public Welfare. Taft used his new clout to ram through, over a presidential veto, the Taft-Hartley Act imposing new restrictions on unions. New efforts to pass a revised health insurance bill in the summer of 1947 went nowhere with Taft in charge of the committee. In particular, the increasingly tense cold war atmosphere of anti-communism hampered supporters of the bill. Opponents of national health insurance labeled it “socialized medicine.” Shearon, Falk’s former staffer, now working for Senator Taft, spent endless hours linking proponents of the Murray-Wagner-Dingell legislation to socialism or communism. Shearon also drew attention to the use of government funds to sponsor the “Health Workshops.” Falk warned his employees of Shearon’s actions and urged caution, but the workshops had already come to the attention of the House Committee on the Expenditures of the Executive. Subcommittee hearings to investigate the workshops ran concurrently with the hearings on the

A strident cartoon on the supposed evils of “socialized” medicine, created by the National Physicians Committee, an AMA-funded institution, February 1946.
WHEN THE GOVERNMENT "SOCIALIZES" MEDICINE

SEND A DOCTOR QUICK

Ask your postmaster for questionnaire no 96.8-490-1-220 fill out in triplicate and mail to this office

U.S. BUREAU OF SOCIALIZED MEDICINE

LOCAL POLITICAL BUREAU

WHAT WOULD YOU SAY WAS YOUR MOST IMPORTANT SOCIAL DEED

48 HOURS LATER

U.S. GOVERNMENT MEDICAL QUESTIONNAIRE NO 96.8-490-1-220

WHO IS THE NATURE OR FOR AMENTION AT LAST ELECTION?

AND DID YOU VOTE FOR

MAYBE YOU'VE HAD

REVEAL YOUR NEAREST DEATH, MAN I'M IN THE BUSINESS OF DEATH

DID YOU EVER MARRY A FEMALE DEATH, MAN I'M IN THE BUSINESS OF DEATH

DID YOU EVER MARRY A FEMALE DEATH, MAN I'M IN THE BUSINESS OF DEATH

DID YOU EVER MARRY A FEMALE DEATH, MAN I'M IN THE BUSINESS OF DEATH

DID YOU EVER MARRY A FEMALE DEATH, MAN I'M IN THE BUSINESS OF DEATH

3 DAYS LATER

Owing to the seriousness of your ailment your application has been referred to the Washington office - see enclosed form no U.S. 42-44-2-KL fill out and return

DID YOU SEND FOR

THE ROBERT F. WAGNER COLLECTION, GEORGETOWN UNIVERSITY

LABOR'S HERITAGE 37
1947 health insurance bill (S 1320). House subcommit­
tee members did not call any labor officials to testify at
the hearings on the workshops, but witnesses mentioned
the participation of Cruikshank and others. Ultimately
a Federal Bureau of Investigation (FBI) report cleared
the organizers of any wrongdoing, but the political dam­
age caused the cancellation of a series of workshops
planned for the South. 25
In this adverse political climate, supporters of national
health insurance took a more conciliatory approach.
CNH began a campaign to appeal to groups “on the
fence” of the issue. Committee director Davis privately
recommended that the administration try introducing
several scaled-down pieces of legislation including farm
health bills and public aid to voluntary health insurance. 26
Having hit a lull in 1947, Truman recognized that a
fresh approach was necessary. To breathe new life into
his health proposals, he appointed Oscar Ewing, a char­
ismatic and respected New York lawyer and member of
the Democratic National Committee to the position of
Federal Security Administrator. Although politically ex­
perienced and hoping to use health reform as a possible
launching pad for a 1952 run for the presidency, Ewing
was shocked by the level of partisan acrimony over the
health issue. An interview in the New York Times quoted
him as referring to himself as “an innocent in politics
compared to these medical politicians—they can slit a
throat with great ease.” 27 Ewing announced that he was
undecided about national health insurance. Eager to es­
tablish a broad base of support for health reform, he
called for a high profile National Health Assembly to
meet in May 1948 to discuss the issue. To organize his
Health Assembly, Ewing appointed to an executive com­
mittee some who favored national health insurance:
President Green of the AFL, President Murray of the
CIO, and President Patton of the National Farmers
Union. Also serving on the committee were others hos­
tile to nationalizing the health system, such as a repre­
sentative from Metropolitan Life Insurance, and the
presidents of the American Chamber of Commerce and
American Medical Association. This committee met and
set an agenda for the assembly designed to “stake out
areas of agreement.” 28
In May 1948, the assembly opened with several hun­
dred participants representing a spectrum from Fishbein
of the AMA to Davis of the CNH. Remarkably, in spite
of the diverse viewpoints, the participants found com­
mon ground. The AFL, CIO, and National Farmers
Union began by putting forth several principles to guide
health care reform. To the utter surprise of everyone,
the AMA delegates endorsed several of the key principles,
including the notion that “contributory health insurance
should be the basic method of financing health care for
the majority of the American people.” Although the AMA
dlegation also accepted the general principle that “tax
resources” might contribute to health care where insur­
ance fell short, the organization did not endorse any
form of government-operated health insurance program.
The only instance of disharmony in the conference came
when Fishbein rose to declare that the “workers of
America do not want peasant medicine.” This warranted
an immediate and sharp response from Cruikshank, in­
sisting that Fishbein had “no right to speak for Ameri­
can workers.” 29
Ewing’s Health Assembly was the first attempt to ac­
tively interest business in national health insurance.
Although Ewing was officially neutral on the issue, Green attended the conference. While business leaders generally opposed a national plan, they were clearly interested in improving the state of the nation’s health care system.

Although the conference never endorsed national health insurance, organized labor and the Truman administration did not abandon their attachment to the issue. Before the conference, in early 1948, AFL President Green had Cruikshank meet with Ewing about the possibility of preparing a new health care bill for 1949. Although Ewing was officially neutral on the issue, Green told Senator Wagner, “I am glad to report that Mr. Ewing’s response was a favorable one.”

Cruikshank outlined recommendations for a new bill that “would not try to do too much too quickly.” He suggested a more concisely written bill and the exclusion of persons earning over five thousand dollars a year. He also proposed that the administration assign a “White House spokesman” to shore up support for the bill, particularly among southern Democrats. Approving Cruikshank’s proposals, Wagner confidently wrote Green that the “period of incubation is about over. Now we need action.”

The White House assigned Oscar Ewing to the task. Casting aside the middle ground prescribed by his Health Assembly, which assiduously avoided any endorsement of national health insurance, Ewing released in September 1948 a 185-page study supporting national health insurance entitled “The Nation’s Health: A Ten Year Program.” At the beginning of his report, Ewing thanked each member of the Health Assembly’s executive committee, including the AMA representatives, who in no way had endorsed its contents. In his report, Ewing outlined the seriousness of the nation’s health needs, recommended extensive state and local cooperation on medical matters, and proposed a comprehensive national health insurance plan. Ewing called for guaranteed medical care, including dental and mental health care, for all Americans to be funded by a 3% tax on annual earnings with some contributions from the federal government’s general revenue. Dr. Fishbein immediately attacked Ewing’s report as “a shrewdly contrived document full of innumerable misrepresentations.”

Ewing released his recommendations on September 2, 1948, just as the presidential campaign was heating up. Truman quickly endorsed the proposals, making them a rallying cry for the incumbent president in the face of congressional inaction. Truman’s vigorous support for national health insurance also helped, along with his veto of the anti-labor Taft-Hartley Act, to shore up the often wavering support of organized labor for his reelection. His upset victory promised a bright future for national health insurance. With the active support of Truman and Ewing and the return of the Democrats to control of the Senate and the House, potential for a national health insurance program reached its highest point.

The American Medical Association was not prepared to take the shift in fortunes lightly. It assessed each of its members $25 to fund a campaign by the California-based public relations firm of Baxter and Whitaker. The AMA gave the firm a budget of $1,600,000 for 1949. Among other activities, Baxter and Whitaker mailed letters to Protestant clergy across the nation, asserting: “To the Christian who believes in the sanctity of life nothing could be more dangerous than the spectacle of politicians arbitrarily juggling the birth rate through the application of propaganda.” To AMA members it sent posters and pamphlets of the Sir Luke Fildes painting “The Doctor,” with captions reading: “Would you change this picture? Compulsory health insurance is political medicine,” and “Voluntary Health Insurance—The American Way will keep politics out of this picture.” The advertising firm moved quickly to link health care legislation with communism, falsely crediting V. I. Lenin with saying, “socialized medicine is the keystone of the socialist state.”

In January 1949, Cruikshank and Ewing had a debate on radio with Dr. Fishbein of the AMA. Planting a question in the audience for Fishbein, Cruikshank and Ewing got the AMA editor to describe in detail his “hard working” trip to England to study that country’s health system. Cruikshank then countered by reading Fishbein’s account of the trip published in the Journal of the American Medical Association in which the doctor described the visit as a leisurely vacation, dominated by eating and golf. The live audience erupted with laughter against Fishbein. As a direct result of the incident, later that year, the AMA
THE NATIONAL HEALTH INSURANCE BILL

works like this:

you pay

your employer pays

local committee

state

National Health Insurance FUND

you will get:

- acute and chronic care
- regular check-ups
- hospital and medical
- dental diagnosis
- hospital consultation treatment
- eye and dental care
- 30 day hospital care
- x-ray & other diagnostics
- 60 surery

Get the facts from
The Committee for the Nation's Health

THEN WRITE YOUR CONGRESSMEN

Nelson Cruikshank (left), American Federation of Labor specialist on health issues, and Oscar Ewing (right), Federal Security Agency Administrator, ca. 1949. Symbolizing the close cooperation between organized labor and the Truman administration, Cruikshank and Ewing toured the country promoting national health insurance.

journal removed Fishbein as editor. 38

Another blow to the AMA came with a Justice Department investigation of the association for monopolistic practices. The Committee on the Nation's Health as well as other groups had long argued the AMA was monopolizing doctors, and by the late 1940s, the Truman administration was eager to follow up these charges against its political enemy. As part of a thorough inquiry, the FBI raided the AMA's Chicago headquarters in search of files dating back to the 1930s. 39

By the time that Senate and House hearings opened in May 1949 on a new Murray-Wagner-Dingell bill (S 1679—HR 4312), the harmony found at the National Health Assembly the previous year had evaporated. Senator Taft again promoted an alternative bill to provide funds for the care of the indigent. A group of moderate Republicans, led by Senator Irving Ives of New York and Ralph Flanders of Vermont introduced the Flanders-Ives bill (S. 1970—HR 4918), a health package which included hospital construction and government support for private insurance plans. The Flanders-Ives bill attracted the support of Republicans, such as Richard Nixon, who were eager to report back to constituents.
that they had supported at least some measure of health care reform.\(^4\) Dr. Winslow Carlton, who had developed hospital prepayment plans in New York City and who was a close associate of Davis, helped draft the Flanders-Ives bill. Carlton believed the Murray-Wagner-Dingell bill, promoting a full scale reorganization of the health care system, was too comprehensive to pass.\(^4\)

The hearings on the various health bills proceeded on a crowded and confused docket. Missouri Senator Forest C. Donnell, a Republican—described by Dr. Carlton as seeing communists under every bed—took the lead in attacking the proposed national health insurance.\(^4\) During Cruikshank’s testimony, Donnell demanded to know what part Cruikshank had played in drafting the Murray-Wagner-Dingell bill. While the AFL staffer denied sitting “with those who actually drafted it,” he did admit to providing an outline of AFL concerns to Truman congressional Democrats. Donnell also challenged Cruikshank’s insistence that the AFL had “no desire to socialize medicine.” The Missouri senator emphasized the degree of governmental control the bill would introduce into medical practice and concluded, that “this is another step toward socialism.”\(^4\)

In another exchange at the hearings, CIO Secretary-Treasurer James Carey told the story of a CIO member who had become ill and subsequently insolvent because his health plan paid for only one month of hospitalization. Senator Taft insisted that the story was uncommon, claiming no more than one in fifty persons would suffer such a calamity.\(^4\)

In spite of Ewing’s efforts to interest business leaders in supporting the Murray-Wagner-Dingell bill, Robert Hornby of the U. S. Chamber of Commerce Committee on Social Security testified against the bill, citing his own company’s employee health plan.\(^4\) While business leaders had shown some interest in increasing social security payments to ease pressure for employee pension plans, they expressed no similar interest in a national health plan.

By the summer of 1949, the combined efforts of the AMA, the American Dental Association, the American Pharmaceutical Association, the private insurance corporations, and dozens of other groups allied against the national health insurance program managed to stall in committee the 1949 version of national health insurance. No action was ever taken on S 1676 or HR 4312 in either chamber of Congress. In July, Senator Taft triumphantly wrote to opponents of national health insurance, “the administration has dropped any idea of passing the Murray-Wagner-Dingell bill.”\(^4\)

According to Nelson Cruikshank, two developments in 1949 doomed the health insurance program. First, all precedents holding back large industrial unions from negotiating for fringe benefits such as health insurance were suddenly wiped away. In the midst of the push for health legislation, the National Labor Relations Board ruled that group health and accident insurance was a legitimate issue for collective bargaining. On May 24, 1949, the U. S. Court of Appeals upheld the ruling. The Supreme Court quickly sustained the decision when it declined to review the case.\(^4\) Henceforth, welfare items would be every bit as appropriate a bargaining topic as wage and hour issues.

The second development, cited by Cruikshank, involved contract negotiations themselves. The United Steel Workers of America (USWA) requested both wage increases and a pension and health plan in its 1949 negotiations with steel companies. Talks quickly stalled. In the summer of 1949, President Truman appointed a presidential Steel Industry Board to mediate the matter. After studying the issue and determining that fringe benefits would not have the inflationary impact of a wage increase, the board granted a 10¢ an hour social security package that included an employer-sponsored health plan. Following quickly on the heels of the USWA contract, the United Automobile Workers (UAW) in late 1949 negotiated hospital, sickness, and accident insurance benefits for its members.

While some advocates continued to push for national health insurance, many key participants recognized that labor’s new welfare contracts doomed the latest Murray-Wagner-Dingell bill. Falk, the head of research at Social Security, saw the union contracts as having an “almost hypnotic effect” on workers, blinding them to the need for more comprehensive programs.\(^4\) Organized labor, however, did not entirely abandon a national health bill. According to Ellickson, the CIO, unlike the AFL, believed

A CIO poster supporting national health insurance, ca. 1949. It conveys the powerful image of health care for a family with young children.
AS IT IS NOW—

IT'S TOO BAD WE CAN'T AFFORD TO HAVE YOU WHEN WE NEED YOU, DOCTOR BROWN.

JOE DROPS IN TO SEE THE DOCTOR.

SEE, DOC, I'M INSURED AGAIN THIS YEAR. AND WHILE I'M HERE, HOW ABOUT LOOKING ME OVER? I WANT TO SEND MARY IN NEXT WEEK FOR AN EXAMINATION, TOO.

AND THE DOCTOR COMES TO JOE'S.

SHE FELT WORSE THIS MORNING, DOCTOR, SO I THOUGHT I'D BETTER CALL YOU. IS IT SERIOUS?

NO, BUT I'M GLAD YOU CALLED ME RIGHT AWAY. I'LL BE AROUND TOMORROW TO MAKE SURE SHE'S ALL RIGHT.

LATER MRS. WORKER TAKES LITTLE JOHNNY TO BE EXAMINED.

YES, I THINK HE'D BETTER HAVE THOSE TONSILS OUT.

AT THE HOSPITAL—

YES, MRS. WORKER, I'LL MAKE A NOTE OF THIS AND JOHNNY CAN GO RIGHT UP TO HIS ROOM.

DR. BROWN'S SECRETARY SENDS A BILL TO THE INSURANCE FUND.

INSURANCE FUND

FEDERAL STRIP

INTERVILLAGE

TO SERVICES RENDERED

TO JOE WORKER AND FAMILY

DURING MONTH OF MARCH

$72.00

HOW LUCKY WE ARE THAT THE DOCTOR AND HOSPITAL BILLS ARE BEING PAID BY THE INSURANCE FUND. THE CONTRIBUTIONS YOU HAVE MADE FROM YOUR PAY CERTAINLY HAVE BEEN WORTHWHILE.

Don't let the $3,000,000 A.M.A.* Lobby Cheat You Out of a Healthy Life!

Support the National Health Insurance Bill!
that health and welfare bargaining encouraged government legislation because it educated workers as to the benefits of health insurance and the need for further expansion to the millions still without medical coverage.\textsuperscript{50} Generally negotiating with larger industrial companies, the CIO was in a better position than the AFL to establish health benefits for its members through collective bargaining. More than the AFL, the CIO essentially put its eggs in two baskets on the health care front, pressing for coverage through collective bargaining while also calling for national health insurance. While Ellickson might not have seen the contradictions in the CIO’s efforts, others did. Cruikshank, for instance, saw the collective bargaining breakthroughs as taking the heat off of his efforts for a nationalized system of health care. Harry Becker, head of the social security department for the CIO-affiliated UAW and formerly a Children’s Bureau staffer who helped organize the health insurance workshops, became the leading CIO figure promoting national health insurance in the 1950s, but his efforts went nowhere.

The demise of the 1949 health care legislation forced supporters of national health insurance to redirect their efforts. In the summer of 1950, Falk wrote a memo suggesting a shift in approach, asking, “What about the plan we have frequently discussed in the past—health benefits for those who are OASI [Old Age Survivors Insurance] beneficiaries?”\textsuperscript{51} A bill (S 3001—HR 7484) to establish a health plan restricted to the elderly was introduced in 1952 by Senator Murray and Congressman Dingell among others. A version of this bill was finally passed as the Medicare plan in the mid-1960s. As was the case with the Murray-Wagner-Dingell bills, organized labor, in particular Cruikshank and Ellickson, now working together at the AFL-CIO, cooperated during the 1960s with members of Congress and with the sympathetic Lyndon Johnson administration to develop and pass the Medicare plan.

The efforts of government and unions in promoting national health insurance after World War II failed because of business opposition and the remarkably effective resistance of Senator Taft and the AMA. Yet the drive for national health insurance did bring the issue of health to the nation’s attention, allowing the rise of an alternative system in which business and labor arranged for health coverage through collective bargaining. Ironically, this boom in private insurance helped bury the national insurance program. The story of labor’s first drive for national health insurance reflects the difficult choices faced by organized labor, forever operating in an antagonistic atmosphere. In spite of powerful political ties reaching directly into the White House, conservative opposition forced organized labor to rely on its tradition of voluntarism and self-reliance through economic power as the most immediate and perhaps only avenue to provide its membership with basic health security.
Edmund F. Wehrle is a Ph.D. candidate at the University of Maryland at College Park, specializing in post-New Deal organized labor. He is the author of "Work Begins Today: Quaker Volunteers in Hemphill, Kentucky, 1933," Register of the Kentucky Historical Society, 90 (Fall 1992): 345-367.


Nelson Cruikshank, "Memoir," Columbia University Oral History Project, pp. 1, 28 & 474. The AFL and CIO considered forming a common social security department but could not overcome their differences.

Ted Silvey interview with author, Oct. 24, 1991, Washington, DC. As part of the CIO’s Community Service Department, Ted Silvey had traveled to England and was impressed by the Beveridge plan, a comprehensive expansion of social services, including national health insurance, designed to care for English citizens from the cradle to the grave. Upon his return, Silvey met with CIO President Philip Murray to try to arrange for a CIO-sponsored tour for British Health Minister Aneurin Bevan to promote national health insurance. But Murray’s insistence on stressing wage gains first, and his anti-British Scottish roots, led him to turn down Silvey’s proposal.

Murray’s personal disinterest may have been another reason that the CIO showed less leadership on national health insurance than the AFL.


Robert Wagner to William Green, Mar. 3, 1944, Robert Wagner Papers, Georgetown University (Hereafter Wagner Papers).

Mrs. Lasker had suffered frequent illnesses as a child and was committed to use some of the wealth that she and her husband had accumulated to improve the health of the country.


William Green to Harry Truman, Nov. 19, 1945, Box 24, AFL Legislative Records, The George Meany Memorial Archives (Hereafter AFL Legislative Records).

William Green to James Murray, Mar. 12, 1946, Box 45, Federal Security Administration Records, National Archives, RG 295 (Hereafter FSA Records).

"For a Healthy America," Box 13, AFL Pamphlet Collection, The George Meany Memorial Archives.


Ibid., p. 488. James Carey, secretary-treasurer of the CIO also testified at the hearings.


Committee for the Nation’s Health, "National Health News," Box 24, AFL Legislative Records.


Cruikshank, "Memoir," p. 50; Monthly Labor Review, 64 (Feb. 1947):191. Workers covered by some sort of health benefits plan doubled between 1945 and 1947 to include around 1,250,000 workers.

Walter Reuther to Isadore Falk, Sept. 12, 1946, Box 14, FSA Records.


"Memo," Apr. 18, 1949, Box 25, FSA Records.

Michael Davis to Oscar Ewing, Nov. 6, 1947, Box 46, FSA Records.


Ewing telegram to Executive Committee, Feb. 6, 1948, Box 14, FSA Records.


Ibid., (Cruikshank outline attached).

Robert Wagner to William Green, Mar. 12, 1948, Box 328, Wagner Papers.


Whitman, "Doctors in an Uproar," p. 54.


Whitman, "Doctors in an Uproar," p. 54.

Pamphlet issued in 1949 containing Federal Security Administrator Oscar Ewing’s arguments for compulsory health insurance and America Medical Association Secretary George Lull’s arguments opposing it.


Monte M. Poen, Harry S. Truman Versus the Medical Lobby, (Columbia, Missouri, 1979), p. 166.


Ibid., pp. 420-27. Senator Taft also interrupted Carey’s testimony several times seeking irrelevant information about the failure of certain CIO affiliates to hold elections.

Ibid., p. 878.

Robert Taft office letter, July 26, 1949, Box 904, Taft Papers.


