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Foreword: President Truman and the Steel Seizure Case: A Symposium

Ken Gormley*

In April of 1952, during the stressful days of the Korean War, President Harry S. Truman made a decision that would haunt his Presidency. With the steel industry and Steelworkers Union at an impasse in negotiations, and a strike by 600,000 workers looming that Truman feared would cripple production of weapons and endanger American troops overseas, the President ordered his Secretary of Commerce, Charles Sawyer, to seize the nation's steel mills and to keep them running.¹ "Our national security and our chances of peace depend on our defense production," Truman announced grimly at a nationally televised address on April 8th. "And our defense production depends on steel."²

For Truman, the action was both necessary and dictated by notions of fairness. Steelworkers had not received a wage increase since 1950. Their contracts had expired at the end of 1951, and after rancorous negotiations between labor and management, the

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¹ For two of the best accounts of the events leading up to the Steel Seizure Case, as well as the subsequent battle in the courts, see MAEVA MARCUS, TRUMAN AND THE STEEL SEIZURE CASE: THE LIMITS OF PRESIDENTIAL POWER (1994)); ALAN F. WESTIN, THE ANATOMY OF A CONSTITUTIONAL LAW CASE: YOUNGSTOWN SHEET AND TUBE CO. v. SAWYER (1958); WILLIAM H. REHNQUIST, THE SUPREME COURT at Ch. 8 (2d ed. 2001).

² Videotape of President Truman press conference (hereinafter "Videotape of press conference"), April 8, 1952, courtesy of Harry S. Truman Library & Institute.
Wage Stabilization Board had become involved in March of 1952 to break the deadlock. That Board had been created by President Truman to regulate wages and prices in key industries during the Korean War, to keep the economy from spiraling out of control. It had waded into the steel controversy and recommended a 26-cent-per-hour increase in wages, and a countervailing price increase of $4.75 per ton. Yet the steel companies expressed outrage—they insisted that they would need a price increase of at least $12 per ton to justify hiking wages that high. Consequently, the steel companies snubbed the Wage Stabilization Board's recommendation, causing the nation's steelworkers to announce that they would commence a strike at midnight on April 9th.

President Truman, at the time he decided to take action, was certainly sympathetic with the steelworkers. United Steelworkers President Philip Murray had already kept his men from striking for months, at the President's request, in an effort to allow the Wage Stabilization Board to resolve the matter. As Truman walked into his impromptu press conference in a dark suit, his spectacles firmly affixed to his face, he stared into the camera and minced no words. Of the steel companies' demand for a $12-per-ton price increase he declared: "Now that's the most outrageous thing I've ever heard of. They not only want to raise their prices to cover any wage increase, they want to double their money on the deal."

With the war in Korea going on, and memories of World War II still fresh, Truman considered it plain un-American that the "profiteering" steel companies provoke such an impasse. At 10:30 p.m., just hours before the scheduled strike, Truman signed Executive Order No. 10340, authorizing the federal government to take over the mills, an action that would forever impact the American Presidency.

The response to Truman's edict, other than from organized labor, was swift and negative. The Chicago Daily News called Tru-
man's decision "leaping socialism." The New York Daily News said, "Hitler and Mussolini would have loved this." The Washington Post wrote, "President Truman's seizure of the steel industry will probably go down in history as one of the most high-handed acts committed by an American President."

Clarence Randall, President of Inland Steel Company, broadcast a nationwide radio and television rebuttal to President Truman's press conference, the following day, on behalf of the steel industry. He stated:

Happily, we still live in a country where a private citizen may look the President in the eye and tell him that he was wrong, but actually it is not the President of the United States to whom I make answer. It is Harry S. Truman, the man, who last night so far transgressed his oath of office, so far abused the power which is temporarily his, that he must now stand and take it.

The White House, history reveals, never expected that this would turn into a Constitutional show-down in the courts. Although legal advisors like Milton Kayle warned Truman of possible danger if he ventured down the path of seizing privately-owned mills, these same advisors believed the odds were low that the judicial branch would actually touch such a political hot-potato. Indeed, Truman's actual plan was to seize the steel mills, force the steel companies and labor to sit down at the bargaining table again, and muscle them into a compromise.

What the White House had not counted on was the decision of United States District Judge David Pine, a relatively obscure federal trial judge in Washington, D.C., who had been assigned the case. To the shock of everyone including the steel companies' own lawyers, Judge declared President Truman's actions unconstitutional, finding that there was "utter and complete lack of authoritative support" for the President's seizure of privately owned busi-

13. PROCEEDINGS at 688-690.
nesses. Judge Pine's decision, with one stroke, propelled the case out of the political arena and into the appellate courts. The U.S. Court of Appeals for the D.C. Circuit, sitting en banc, issued a stay of Judge Pine's ruling until the matter could be taken up by the Supreme Court. The United States Supreme Court quickly granted certiorari and held expedited arguments, declaring that the President had exceeded his powers under the Constitution. The definitive 6-3 decision in Youngstown Sheet and Tube Company v. Sawyer served as a stern rebuke of Truman, during a period of already-dwindling popularity. More importantly, the Youngstown case established limits on the scope of Presidential power that are still relevant today.

To mark the golden anniversary of this historic case, Duquesne University School of Law in conjunction with the Truman Presidential Museum and Library in Independence, Missouri, hosted a special symposium in Pittsburgh, Pennsylvania on November 22, 2002. This extraordinary event brought together a panel of Truman advisors, historians, lawyers and constitutional scholars to consider President Truman's controversial decision through the lens of history.

The distinguished panelists included Milton Kayle and Ken Hechler, former Special Assistants in the Truman White House; Professor David E. Feller, who served as Assistant General Counsel to the United Steelworkers of America in 1952, working closely with Arthur Goldberg (later Justice of the Supreme Court) in writing principal briefs for the Steelworkers; Stanley L. Temko, then a young lawyer at Covington & Burling in Washington, D.C., who filed the certiorari petition to the Supreme Court on behalf of U.S. Steel Corporation; Dr. Maeva Marcus, a Supreme Court historian and author of the definitive book "Truman and the Steel Seizure Case"; and Professor John Q. Barrett, a law professor at St. John's University, one of the nation's leading experts on Justice Robert Jackson. Former U.S. Court of Appeals Judge and White House Counsel Abner Mikva, who clerked for Justice Sherman Minton at the time, participated via written comments.

An overflow crowd of nearly 600 lawyers, judges, historians, academicians, students, union leaders, steel industry officials, and interested citizens attended the event, at which Dr. Michael De-

14. Westin, supra note 2, at 70.
15. Id. at 85.
vine, President of the Harry S. Truman Library, and Clifton Truman Daniel, the President's grandson and member of the Truman Library & Institute's Board of Directors, participated as special guests.

In an extraordinary filmed introduction, Chief Justice William H. Rehnquist, who had clerked for Justice Jackson at the time of the Steel Seizure Case, set the scene: As a young 27-year-old law clerk new to Washington, he recalled that the Steel Seizure Case was viewed as a potential Constitutional landmark from the start. In an informal straw poll, the Justices' clerks were split as to how they guessed their bosses would resolve the case once it arrived in the Supreme Court. Yet there was little doubt that it would have a dramatic impact on scope of Presidential power in the United States. Recalled Rehnquist, the case was "front page news" from the start.

What prompted President Truman to decide to seize the steel mills? Was it simply, as some historians have suggested, a result of bad advice from his White House advisors?

Milton Kayle, who gathered information on the steel controversy for the President, unearthed a memo that he wrote for Truman specifically advising the President of potential constitutional minefields if the matter spilled into the courts. Yet Truman's military advisors, including Secretary of Defense Robert Lovett, made a firm case that stoppage of steel production would directly endanger troops in Korea. The President, a former Captain in the army himself, took this advice with dead seriousness. Recalled Kayle: "He didn't go by the polls. He used to say, 'What would Moses have done if he had taken a poll (before handing down the Ten Commandments)?'"

Ken Hechler, a Truman scholar and past recipient of the Harry S. Truman Public Service Award, emphasized that President Truman was well schooled in the history of Presidential power. He had developed a consistent theory in this domain—which came into play when he ordered the dropping of bombs on Japan to end World War II; fired General MacArthur; ordered the desegregation of the armed forces; and sent troops into Korea. That theory was: Don't wait for Congress to act during times of emergency, or

18. Id.
19. PROCEEDINGS at 689-690 (remarks of Milton Kayle).
20. Id. at 690.
such inaction will jeopardize the nation and undercut the Presi-
dency.\textsuperscript{21}

"On his tenth birthday," recounted Hechler, "President Truman
received from his mother a four-volume work entitled \textit{Great Men}
and \textit{Famous Women}. He read every word of those books...." Con-
cluded Hechler: "He never agonized over any of his presidential
decisions. He was eager to get out of a crisis and come to a conclu-
sion." \textsuperscript{22}

Although President Truman was aware that he could invoke the
Taft-Hartley Act that had been recently adopted (over his veto) by
Congress, to impose an 80-day cooling off period, he felt the Act
was too cumbersome and time-consuming.\textsuperscript{23} Asked if Truman was
stubborn and bull-headed, as many pundits described him at the
time, Hechler replied: "Well, I would use the word 'principled,'
rather than stubborn and bull-headed."\textsuperscript{24}

David Feller, one of the principal lawyers for the Steelworkers
Union (who passed away in February at age 87, and to whom this
special symposium issue is dedicated), believed that the Supreme
Court's "premature" intervention thwarted the President's plan to
prod the parties to work out their differences. According to Feller,
after Judge David Pine surprised court-watchers by setting aside
the seizure and declaring it unconstitutional, President Truman
called the parties together at the White House and played a
shrewd poker hand. He declared: "The Secretary of Commerce is
about to make some changes. Neither party is going to like what
we are going to do...." With this warning dangling over their
heads, the steel companies and unions went back to the negotiat-
ing table prepared to hash out a deal.\textsuperscript{25}

Feller recalled sitting in the CIO offices at Jackson Place, and
receiving instructions from Arthur Goldberg: "Start drafting; we're
going to settle." Just as the finishing touches were being put on
the documents, however, Feller received a call from Goldberg at
the White House. He blurted out: "Well, the Supreme Court has
stopped it. It's over."\textsuperscript{26}

\begin{itemize}
\item[21.] PROCEEDINGS at 691 (remarks of Ken Hechler).
\item[22.] Id. at 692.
\item[23.] PROCEEDINGS at 688-689 (remarks of Milton Kayle).
\item[24.] PROCEEDINGS at 693 (remarks of Ken Hechler).
\item[25.] PROCEEDINGS at 695-696 (remarks of David Feller).
\item[26.] Id. at 696.
\end{itemize}
According to Feller: "This was the case that the Supreme Court should not have taken."\(^{27}\)

Stanley Temko, who filed the case in the Supreme Court on behalf of U.S. Steel, recalled that Attorney General Holmes Baldridge made sweeping arguments in favor of unlimited Presidential power in the lower courts, sinking the government's position. Baldridge's argument, which alarmed the judges and enraged the public, was that the only way to stop a runaway President was through "impeachment or the ballot box," rather than through the courts.\(^{28}\)

President Truman never stood a chance, most observers felt, once the case was taken by the Supreme Court. The steel companies had retained as their lawyer John W. Davies, the legendary white-haired Supreme Court advocate who had run for President in 1924, and was treated with reverence by the Justices; he was barely interrupted during his entire argument.\(^{29}\) On the other hand, the Truman Administration's Justice Department - which was in between Attorneys General because of a petty scandal - was represented by Solicitor General Philip B. Perlman, who was prepared with questions when he stood up at the wooden lectern to present the President's case.\(^{30}\) Perlman's basic argument was, in effect: "This is wartime, the President can do almost anything he wants as part of his emergency powers." He sought to cobble together an argument by aggregating powers contained in Article II of the Constitution - namely, the provision that states "The executive power shall be vested in the President;" and "he shall take care that the laws be faithfully executed;" and the President "shall be Commander in Chief of the army and navy."\(^{31}\) But that patchwork argument did little to sway the majority of Justices.

Two weeks later, David Feller was seated in the courtroom when the Supreme Court handed down its opinion. Arthur Goldberg leaned over to Feller and whispered: "Get up and call Phil Murray" (head of the Steelworkers Union). Feller had a secretary holding open a public pay phone in the lobby. He placed the call; Murray was stunned. Seven minutes later, before the last Justice had finished reading his opinion in the Supreme Court, before the Steelworkers had gone on strike, shutting down the nation's steel

\(^{27}\) Id.
\(^{28}\) PROCEEDINGS at 697 (remarks of Stanley Temko).
\(^{29}\) PROCEEDINGS at 701 (remarks of David Feller).
\(^{30}\) REHNQUIST, supra note 2, at 185-86
\(^{31}\) WESTIN, supra note 1, at 101-109.
mills for fifty-four days—precisely the outcome that President Truman had struggled to prevent.\(^3\)

Justice Hugo Black, writing for the majority of the Court, issued what amounted to a stinging rebuke of the President. He stated: "Even though 'theater of war' be an expanding concept, we cannot with faithfulness to our constitutional system hold that the Commander in Chief of the Armed Forces has the ultimate power as such to take possession of private property in order to keep labor disputes from stopping production."\(^3\) Such domestic matters, Black concluded, lay squarely within the domain of Congress.

The most enduring opinion, however, proved to be the concurrence of Justice Robert Jackson. A powerful intellectual who did not much care for the likes of Harry Truman, Jackson was a judge's judge. He was his own man. Jackson had headed the trials at Nuremberg; he had been mentioned as a candidate for President; he was a towering figure as Solicitor General and attorney general under FDR,\(^3\) and he wasn't particularly thrilled that Truman had passed him up as Chief Justice for crony Fred Vinson.

But Jackson's opinion is still viewed as a masterpiece—not because of that personality clash—but because he went to the heart of the President's power under the Constitution. Professor John Barrett, who is presently completing a biography of Jackson, explained that Jackson felt passionately about this "Presidential powers" issue: He had struggled with it as Attorney General, when he supported President Roosevelt's seizing of the North American Aviation plant during World War Two (he concluded that President Roosevelt had such power primarily because that company was an exclusive producer for the government, and almost amounted to a branch of the Pentagon).\(^3\)

In eloquent fashion, Jackson laid out three different categories of Presidential power that created a spectrum within our Constitutional system, which became the legacy of the Steel Seizure decision.\(^3\)

In the first category, when the President acts pursuant to express or implied authorization of Congress, his powers are strong-

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32. PROCEEDINGS at 701-702 (remarks of David Feller).
33. 343 U.S. at 587.
34. REHNQUIST, supra note 2, at 179-180; PROCEEDINGS at 45-48 (remarks of John Barrett).
35. PROCEEDINGS at 704-707 (remarks of John Barrett).
36. 343 U.S. at 634 (Jackson, J., concurring).
est. He is acting based upon whatever powers he possesses (inherently) in the Constitution, plus whatever power Congress is allowed to delegate him. In the second category, when the President acts where Congress has neither granted nor denied authority, he is in a middle ground. He must rely on his own powers in the Constitution; but there is a "zone of twilight" in which he and Congress can comfortably co-exist. In the third category, where the President acts in a manner incompatible with the express or implied will of Congress, his power is at lowest ebb. He can rely only on his own powers, minus the Constitution's powers of Congress. Here, the "equilibrium" of the government's system of separation of powers is at stake. Thus, the courts must be leery when they venture into this third zone of danger.37

In this case, Justice Jackson concluded, President Truman was in the third, weakest category. The Constitution did not specifically or even implicitly authorize him to seize private property on U.S. soil. Nor had Congress given him that power—fact, at the time Congress debated the Taft-Hartley Act in 1947, it specifically rejected an amendment that would have allowed the President to seize businesses in times of emergency. The President's powers were thus at their nadir here.38

Only Chief Justice Vinson, Truman's close friend and poker-playing partner, and Justices Reed and Minton dissented.39 It was a decisive loss.

There was no question that the Court's decision in Youngstown constituted a major blow to Truman, during the waning months of his Presidency. Truman was especially angry at his appointees, Justices Clark and Burton, whom he felt had betrayed him. Said Hechler:"There was a blue smoke around the White House for a couple of days." Even though Truman accepted the decision, "I don't think he ever forgave Tom Clark."40

Truman, never one to keep his feelings masked, asked Milton Kayle to prepare a list of "what was wrong with (the Court's) decision," on a single piece of paper. President Truman then took that sheet with him to a dinner hosted by Justice Black at his home (at which all of the Justices would be present, as a sort of peace-offering to the President). On that paper Kayle wrote: "The Su-

37. Id. at 635-38.
38. Id. at 640.
39. Id. at 667 (Vinson, C.J., dissenting).
40. PROCEEDINGS at 704 (remarks of Ken Hechler).
preme Court substituted its judgment for that of the President as to the seriousness of the cessation of production of steel at this time...“

Whether Truman ever delivered that message remains unclear. It was reported, however, that at the conclusion of dinner he turned to Justice Black and quipped: “I don't like your law, but this is mighty good bourbon.”

Why did the Supreme Court conclude that Harry S. Truman had overstepped his Constitutional boundaries? And why, even more curiously, has Truman nonetheless been treated so well in American history books?

On the first question, the answer boils down to a point made by Chief Justice Rehnquist in introducing this symposium: By the time the case reached the Supreme Court, there simply was not a sense by citizens that the nation was seriously at risk.

Fighting in Korea had come to a lull during truce talks. Onlookers in the United States that summer were more concerned with a baseball season dominated by the New York Yankees and the Brooklyn Dodgers, than war overseas. There was a sense that the dire warnings by the military were overblown. In fact, that sense turned out to be accurate: Dr. Maeva Marcus concluded that Truman in fact received misinformation, particularly from military advisors including Secretary of Defense Lovett. Secretary Lovett had warned that any interruption in the production of steel would put soldiers at risk. Yet the steel strike went on for two months before it was settled, and it produced no apparent shortage. Steel was being released for bicycles and domestic luxuries - there was no noticeable impact. The military warnings, in hindsight, were undoubtedly puffed. Stated Marcus: "There seemed to be plenty of steel on hand, and this became common knowledge...And so the Court felt, reflecting the public consensus, that it could reassert the ordinary limits on presidential power, and that is why it did so."

Why, then, does Harry S. Truman remain one of the most popular Presidents in American history, despite the serious misstep in seizing the steel mills? As Milton Kayle stated: “He wasn't concerned about his legacy.” Kayle stated that Truman did what “he

41. PROCEEDINGS at 702 (remarks of Milton Kayle).
42. Id.
43. REHNQUIST INTERVIEW, supra note 17, at 683.
44. NEUSTADT FILM, supra note 7.
45. PROCEEDINGS at 711 (remarks of Maeva Marcus).
believed was the right thing to do," and history treated him kindly for that."

As students and scholars look back with the benefit of 50 years' worth of hindsight, it is safe to conclude that the Steel Seizure Case is not about good and bad; it is not about moral absolutes. Rather, it is about the very difficult process that a nation must go through during times of crisis, struggling with how much latitude to give a President as commander-in-chief; how much power to preserve for Congress; and the courts' role in this precarious juggling act.

The Steel Seizure case, and Justice Jackson's three-part test dealing with Presidential power, has loomed in the shadows of every President since Harry Truman. It was cited prominently by the Supreme Court when it ordered President Nixon to hand over the Watergate tapes in United States v. Nixon. It was a key case in deciding that President Ronald Reagan had the power to freeze assets in the United States and set up a special tribunal to deal with claims against Iran in the aftermath of the Iran hostage crisis. It was a major factor in 1983 when the Court concluded that Congress could not maintain a legislative veto over the Immigration and Naturalization Service and invalidate a decision of the executive branch which had authorized a deportable alien to remain in the United States. It was even cited in Clinton v. Jones, in deciding that a President could be sued civilly while in office. (If the courts could review the legality of Truman's official conduct while in office, they could determine the legality of unofficial conduct as well.)

The Steel Seizure Case serves as a length of cord loosely wrapped around the President's wrists, ready to tighten itself around his hands—and around the hands of the entire executive branch that answers to the chief executive. Yet this only happens if the courts (and ultimately the American people) determine that the President has stepped across that fine Constitutional line. The Steel Seizure Case remains the granddaddy of the cases relating to Presidential power, in post-September 11th America. As Judge Abner Mikva explained, it bears direct relevance on the current issue of President George W. Bush's power to deal with
alleged terrorists on American soil, particularly to the extent this executive action may collide with individual rights of citizens and resident aliens. Stated Mikva: "The President is dealing with domestic affairs, and he is at low ebb under Justice Jackson's test." Although the USA Patriot Act has afforded the President considerable authority in this sphere, Mikva noted that the Constitution still imposes limitations: "The Steel Seizure Case suggests that the President will be on very tenuous grounds here."\(^{51}\)

Professor John Barrett agreed; yet he emphasized that the Supreme Court will ultimately view each emergency in its own light. As Chief Justice Rehnquist had pointed out in introducing the program: "Had (this case) come up in time of declared war, it might have come out differently."\(^{52}\)

Concluded Barrett, "So they (the Justices) will view tomorrow's situation as they see fit."\(^{53}\)

As to whether the Steel Seizure Case had any lasting impact on the legacy of President Truman, Professor David Feller commented: "In one sense, Truman's loss in the Steel Seizure Case was a product of his best qualities. He laid it on the line, and he laid it on hard...."\(^{54}\)

At the conclusion of this historic panel, Duquesne University President Charles Dougherty presented a special citation to President Truman, commemorating the 50\(^{th}\) Anniversary of the completion of his years of public service in the White House.\(^{55}\) Clifton Truman Daniel and Dr. Michael Devine accepted the award on behalf of the Truman Library and the Truman family. Mr. Daniel, in moving comments, stated that it was worthwhile to debate the wisdom of his grandfather's decision in the Steel Seizure Case. Yet he concluded: "My grandfather certainly did know his own mind... And he did what he did out of a sense of justice and out of a sense of advocacy for all Americans."

\[^{51}\text{PROCEEDINGS at 712-713 (remarks of Abner Mikva).}\]
\[^{52}\text{REHNQUIST INTERVIEW, supra note 17, at 683.}\]
\[^{53}\text{PROCEEDINGS at 713-714 (remarks of John Barrett).}\]
\[^{54}\text{PROCEEDINGS at 717 (remarks of David Feller).}\]
\[^{55}\text{PROCEEDINGS at 718-719 (remarks of Charles Dougherty).}\]
\[^{56}\text{PROCEEDINGS at 720 (remarks of Clifton Truman Daniel).}\]
The symposium and articles contained in this special issue will hopefully help to preserve an important piece of 20th-century history, and provide guidance as future courts and chief executives and legal scholars seek to discern the parameters of presidential power in light of President Harry S. Truman’s controversial decision to take over the nation’s steel mills act in the historic Steel Seizure Case.